APPLICATION OF CIMAREX ENERGY CO. TO AMEND ORDER NO. R-21324, EDDY COUNTY, NEW MEXICO

APPLICATION OF CIMAREX ENERGY CO. TO AMEND ORDER NO. R-21325, EDDY COUNTY, NEW MEXICO

CASE NO. 21697 ORDER NO. R-21324 (Re-Open)

CASE NO. 21698 ORDER NO. R-21325 (Re-Open)

Examiner Docket: March 4, 2021

CIMAREX' EXHIBITS

Hayduke 34-2 Federal Com 8H Hayduke 34-3 Federal Com 10H



Earl E. DeBrine, Jr. Lance D. Hough

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CASE NO. 21698 ORDER NO. R-21325 (Re-Open)

Hayduke 34-2 Federal Com 8H Hayduke 34-3 Federal Com 10H

Exhibit A	Self-Affirm	ed Declaration of Riley Morris
	A-1	Application for Case No. 21697
	A-2	Application for Case No. 21698
	A-3	Order No. R-21324
	A-4	Order No. R-21325

Exhibit B Affidavit of Lance D. Hough

B-1 Hearing Notice

B-2 Certified Mail Log / Notice February 12, 2021 Certified Mail Log / Report March 1, 2021

B-3 Affidavit of Publication

Earl E. DeBrine, Jr. Lance D. Hough

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SELF-AFFIRMED DECLARATION OF RILEY MORRIS

STATE OF TEXAS)
) ss.
COUNTY OF MIDLAND)

Riley Morris, being duly sworn, deposes and states:

- 1. I am a landman for Cimarex Energy Co. ("Cimarex"), over the age of 18 and have personal knowledge of the matters stated herein. I have previously been qualified to testify by the New Mexico Oil Conservation Division ("Division") as an expert in petroleum land matters and my credentials were accepted and made part of the record in those proceedings.
- 2. I am familiar with the applications filed by Cimarex in the above-referenced case and the land matters involved. Pursuant to NMAC 19.15.4.12.A(1), the following information is submitted in support of the above referenced applications filed by Cimarex, which are attached hereto as **Exhibits A.1** and **A.2**.
- 3. In Case No. 21697, Cimarex requests an order from the Division for the limited purpose of amending Order No. R-21324 to allow for a one-year extension of time to commence drilling the well under the Order. The Division issued Order No. R-21324 on May 7, 2020, which designated Cimarex as the operator of the unit and the Hayduke 34-2 Federal Com 8H and Hayduke 34-3 Federal Com 10H wells; and pooled uncommitted interest owners in a 320-acre,



more or less, Bone Spring horizontal spacing unit comprised of the W/2 W/2 of Section 34, Township 25 South, Range 26 East, and W/2 W/2 of Section 3, Township 26 South, Range 26 East, NMPM, Eddy County, New Mexico. The Order requires commencement of drilling the wells within one year of the date of the Order unless Cimarex obtains an extension by an amendment of this Order for good cause shown.

- 4. In Case No. 21698, Cimarex requests an order from the Division for the limited purpose of amending Order No. R-21325 to allow for a one-year extension of time to commence drilling the well under the Order. The Division issued Order No. R-21325 on May 7, 2020, which designated Cimarex as the operator of the unit and the Hayduke 34-2 Federal Com 9H and Hayduke 34-3 Federal Com 11H wells; and pooled uncommitted interest owners in a 320-acre, more or less, Bone Spring horizontal spacing unit comprised of the E/2 W/2 of Section 34, Township 25 South, Range 26 East, and E/2 W/2 of Section 3, Township 26 South, Range 26 East, NMPM, Eddy County, New Mexico. The Order requires commencement of drilling the wells within one year of the date of the Order unless Cimarex obtains an extension by an amendment of this Order for good cause shown.
- 5. Good cause exists for Cimarex's requests for extensions of time because, due to current market conditions, Cimarex has adjusted its drilling schedule for this development.
- 6. Under the Orders, which are attached hereto as **Exhibits A.3** and **A.4**, Cimarex is required to commence drilling the initial wells for each order by as follows:
 - Order R-21324: May 7, 2021
 - Order R-21325: May 7, 2021
- 7. Cimarex requests that the deadline to commence drilling the wells under the Orders be extended for a year as follows:

• Order R-21324: May 7, 2022

• Order R-21325: May 7, 2022

8. No opposition is expected. Cimarex, through its counsel, provided all working interest owners, any unleased mineral owners, and overriding royalty owners with notice of these applications, and none have indicated any opposition.

9. Cimarex is in good standing under the statewide rules and regulations.

10. Based upon my knowledge of the land matters involved in these cases, education and training, it is my expert opinion that the granting of Cimarex's application in these cases is in the interests of conservation and the prevention of waste.

11. The attachments to my declaration were prepared by me or compiled from company business records.

12. Pursuant to Rules 1-011 and 23-115 NMRA, I declare and affirm under penalty of perjury under the laws of the State of New Mexico that the foregoing statements are true and correct to the best of my knowledge and belief.

Date: March 2, 2021

Riley Morris

Kily Ming

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

APPLICATION OF CIMAREX ENERGY CO. TO AMEND ORDER NO. R-21324, EDDY COUNTY, NEW MEXICO CASE NO. 2 6 7 7 ORDER NO. R-21324 (Re-Open)

APPLICATION

Cimarex Energy Co. ("Cimarex"), OGRID Number 215099, through its undersigned attorney, files this application with the Oil Conservation Division ("Division") for the limited purpose of amending Order No. R-21324 ("the Order") to allow for an extension of time for drilling the well under the Order. In support of this application, Cimarex states as follows:

- 1. The Order is one of two orders relating to Cimarex's "Hayduke" well group.
- 2. The Division heard Case No. 20783 on October 3, 2019 and entered the Order on May 7, 2020.
- 3. The Order designated Cimarex as the operator of the unit and the **Hayduke 34-2 Federal Com 8H** and **Hayduke 34-3 Federal Com 10H** wells; and pooled uncommitted interest owners in a 320-acre, more or less, Bone Spring horizontal spacing unit comprised of the W/2 W/2 of Section 34, Township 25 South, Range 26 East, and W/2 W/2 of Section 3, Township 26 South, Range 26 East, NMPM, Eddy County, New Mexico.
- 4. Paragraph 19 of the Order states: "The Operator shall commence drilling the Well(s) within one year after the date of this Order; and complete each Well no later than one (1) year after the commencement of drilling the Well." Paragraph 20 of the Order states: "This Order shall terminate automatically if Operator fails to comply with Paragraph 19 unless Operator obtains an extension by an amendment of this Order for good cause shown."
- 5. Under the Order, Cimarex would be required to commence drilling the well by May7, 2021.

- 6. Cimarex requests that the Order be re-opened and amended to allow Cimarex additional time to commence drilling the well under the Order.
 - 7. Good cause exists for Cimarex's request for an extension of time.
- 8. Cimarex requests this extension because there have been changes in Cimarex's drilling schedule due to the COVID-19 pandemic and current market conditions.
- 9. Cimarex asks that the deadline to commence drilling the well be extended for a year from May 7, 2021 to May 7, 2022.

WHEREFORE, Cimarex requests this application be set for hearing before an Examiner of the Oil Conservation Division on March 4, 2021, and after notice and hearing as required by law, the Division amend Order No. R-21324 to extend the time for Cimarex to commence drilling the well under the Order for a year, through May 7, 2022.

MODRALL, SPERLING, ROEHL, HARRIS & SISK, P.A.

By:

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Deana M. Bennett

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Attorneys for Applicant

(Re-Open) Application of Cimarex Energy Co. to Amend Order No. R-21324, Eddy County, New Mexico. Applicant seeks an order from the Oil Conservation Division for the limited purposes of amending Order No. R-21324 to allow for a one-year extension of time to commence drilling the wells under the Order. The Division issued Order No. R-21324 on May 7, 2020, which designated Cimarex as the operator of the unit and the Hayduke 34-2 Federal Com 8H and Hayduke 34-3 Federal Com 10H wells; and pooled uncommitted interest owners in a 320-acre, more or less, Bone Spring horizontal spacing unit comprised of the W/2 W/2 of Section 34, Township 25 South, Range 26 East, and W/2 W/2 of Section 3, Township 26 South, Range 26 East, NMPM, Eddy County, New Mexico. The Order requires commencement of drilling the wells within one year of the date of the Order unless Cimarex obtains an extension by an amendment of this Order for good cause shown. Good cause exists for Cimarex's request for an extension of time due to current market conditions.

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

APPLICATION OF CIMAREX ENERGY CO. TO AMEND ORDER NO. R-21325, EDDY COUNTY, NEW MEXICO CASE NO. 2/698 ORDER NO. R-21325 (Re-Open)

APPLICATION

Cimarex Energy Co. ("Cimarex"), OGRID Number 215099, through its undersigned attorney, files this application with the Oil Conservation Division ("Division") for the limited purpose of amending Order No. R-21325 ("the Order") to allow for an extension of time for drilling the well under the Order. In support of this application, Cimarex states as follows:

- 1. The Order is one of two orders relating to Cimarex's "Hayduke" well group.
- 2. The Division heard Case No. 20784 on October 3, 2019 and entered the Order on May 7, 2020.
- 3. The Order designated Cimarex as the operator of the unit and the **Hayduke 34-2 Federal Com 9H** and **Hayduke 34-3 Federal Com 11H** wells; and pooled uncommitted interest owners in a 320-acre, more or less, Bone Spring horizontal spacing unit comprised of the E/2 W/2 of Section 34, Township 25 South, Range 26 East, and E/2 W/2 of Section 3, Township 26 South, Range 26 East, NMPM, Eddy County, New Mexico.
- 4. Paragraph 19 of the Order states: "The Operator shall commence drilling the Well(s) within one year after the date of this Order; and complete each Well no later than one (1) year after the commencement of drilling the Well." Paragraph 20 of the Order states: "This Order shall terminate automatically if Operator fails to comply with Paragraph 19 unless Operator obtains an extension by an amendment of this Order for good cause shown."
- 5. Under the Order, Cimarex would be required to commence drilling the well by May 7, 2021.

- 6. Cimarex requests that the Order be re-opened and amended to allow Cimarex additional time to commence drilling the well under the Order.
 - 7. Good cause exists for Cimarex's request for an extension of time.
- 8. Cimarex requests this extension because there have been changes in Cimarex's drilling schedule due to the COVID-19 pandemic and current market conditions.
- 9. Cimarex asks that the deadline to commence drilling the well be extended for a year from May 7, 2021 to May 7, 2022.

WHEREFORE, Cimarex requests this application be set for hearing before an Examiner of the Oil Conservation Division on March 4, 2021, and after notice and hearing as required by law, the Division amend Order No. R-21325 to extend the time for Cimarex to commence drilling the well under the Order for a year, through May 7, 2022.

> MODRALL, SPERLING, ROEHL, HARRIS & SISK, P.A.

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Attorneys for Applicant

(Re-Open) Application of Cimarex Energy Co. to Amend Order No. R-21325, Eddy County, New Mexico. Applicant seeks an order from the Oil Conservation Division for the limited purposes of amending Order No. R-21325 to allow for a one-year extension of time to commence drilling the wells under the Order. The Division issued Order No. R-21325 on May 7, 2020, which designated Cimarex as the operator of the unit and the Hayduke 34-2 Federal Com 9H and Hayduke 34-3 Federal Com 11H wells; and pooled uncommitted interest owners in a 320-acre, more or less, Bone Spring horizontal spacing unit comprised of the E/2 W/2 of Section 34, Township 25 South, Range 26 East, and E/2 W/2 of Section 3, Township 26 South, Range 26 East, NMPM, Eddy County, New Mexico. The Order requires commencement of drilling the wells within one year of the date of the Order unless Cimarex obtains an extension by an amendment of this Order for good cause shown. Good cause exists for Cimarex's request for an extension of time due to current market conditions.

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

IN THE MATTER OF APPLICATION FOR COMPULSORY POOLING SUBMITTED BY CIMAREX ENERGY CO.

CASE NO. <u>20783</u> ORDER NO. <u>R-21324</u>

ORDER

The Director of the New Mexico Oil Conservation Division ("OCD"), having heard this matter through a Hearing Examiner on October 3, 2019, and after considering the testimony, evidence, and recommendation of the Hearing Examiner, issues the following Order.

FINDINGS OF FACT

- 1. Cimarex Energy Co. ("Operator") submitted an application ("Application") to compulsory pool the uncommitted oil and gas interests within the spacing unit ("Unit") described in Exhibit A. The Unit is expected to be a standard horizontal spacing unit. 19.15.16.15(B) NMAC. Operator seeks to be designated the operator of the Unit.
- 2. Operator will dedicate the well(s) described in Exhibit A ("Well(s)") to the Unit.
- 3. Operator proposes the supervision and risk charges for the Well(s) described in Exhibit
- 4. Operator identified the owners of uncommitted interests in oil and gas minerals in the Unit and provided evidence that notice was given.
- 5. The Application was heard by the Hearing Examiner on the date specified above, during which Operator presented evidence through affidavits in support of the Application. No other party presented evidence at the hearing.

CONCLUSIONS OF LAW

- 6. OCD has jurisdiction to issue this Order pursuant to NMSA 1978, Section 70-2-17.
- 7. Operator is the owner of an oil and gas working interest within the Unit.
- 8. Operator satisfied the notice requirements for the Application and the hearing as required by 19.15.4.12 NMAC.
- 9. OCD satisfied the notice requirements for the hearing as required by 19.15.4.9 NMAC.
- 10. Operator has the right to drill the Well(s) to a common source of supply at the depth(s) and location(s) in the Unit described in Exhibit A.

- 11. The Unit contains separately owned uncommitted interests in oil and gas minerals.
- 12. Some of the owners of the uncommitted interests have not agreed to commit their interests to the Unit.
- 13. The pooling of uncommitted interests in the Unit will prevent waste and protect correlative rights, including the drilling of unnecessary wells.
- 14. This Order affords to the owner of an uncommitted interest the opportunity to produce his just and equitable share of the oil or gas in the pool.

ORDER

- 15. The uncommitted interests in the Unit are pooled as set forth in Exhibit A.
- 16. The Unit shall be dedicated to the Well(s) set forth in Exhibit A.
- 17. Operator is designated as operator of the Unit and the Well(s).
- 18. If the location of a well will be unorthodox under the spacing rules in effect at the time of completion, Operator shall obtain the OCD's approval for a non-standard location in accordance with 19.15.16.15(C) NMAC.
- 19. The Operator shall commence drilling the Well(s) within one year after the date of this Order, and complete each Well no later than one (1) year after the commencement of drilling the Well.
- 20. This Order shall terminate automatically if Operator fails to comply with Paragraph 19 unless Operator obtains an extension by an amendment of this Order for good cause shown.
- 21. The infill well requirements in 19.15.13.9 NMAC through 19.15.13.12 NMAC shall be applicable.
- 22. Operator shall submit to each owner of an uncommitted working interest in the pool ("Pooled Working Interest") an itemized schedule of estimated costs to drill, complete, and equip the well ("Estimated Well Costs").
- 23. No later than thirty (30) days after Operator submits the Estimated Well Costs, the owner of a Pooled Working Interest shall elect whether to pay its share of the Estimated Well Costs or its share of the actual costs to drill, complete and equip the well ("Actual Well Costs") out of production from the well. An owner of a Pooled Working Interest who elects to pay its share of the Estimated Well Costs shall render payment to Operator no later than thirty (30) days after the expiration of the election period, and shall be liable for operating costs, but not risk charges, for the well. An owner of a Pooled Working Interest who fails to pay its share of the Estimated Well Costs or who

- elects to pay its share of the Actual Well Costs out of production from the well shall be considered to be a "Non-Consenting Pooled Working Interest."
- 24. No later than one hundred eighty (180) days after Operator submits a Form C-105 for a well, Operator shall submit to OCD and each owner of a Pooled Working Interest an itemized schedule of the Actual Well Costs. The Actual Well Costs shall be considered to be the Reasonable Well Costs unless OCD or an owner of a Pooled Working Interest files a written objection no later than forty-five (45) days after receipt of the schedule. If OCD or an owner of a Pooled Working Interest files a timely written objection, OCD shall determine the Reasonable Well Costs after public notice and hearing.
- 25. No later than sixty (60) days after the expiration of the period to file a written objection to the Actual Well Costs or OCD's order determining the Reasonable Well Costs, whichever is later, each owner of a Pooled Working Interest who paid its share of the Estimated Well Costs shall pay to Operator its share of the Reasonable Well Costs that exceed the Estimated Well Costs, or Operator shall pay to each owner of a Pooled Working Interest who paid its share of the Estimated Well Costs its share of the Estimated Well Costs that exceed the Reasonable Well Costs.
- 26. The reasonable charges for supervision to drill and produce a well ("Supervision Charges") shall not exceed the rates specified in Exhibit A, provided however that the rates shall be adjusted annually pursuant to the COPAS form entitled "Accounting Procedure-Joint Operations."
- 27. No later than within ninety (90) days after Operator submits a Form C-105 for a well, Operator shall submit to OCD and each owner of a Pooled Working Interest an itemized schedule of the reasonable charges for operating and maintaining the well ("Operating Charges"), provided however that Operating Charges shall not include the Reasonable Well Costs or Supervision Charges. The Operating Charges shall be considered final unless OCD or an owner of a Pooled Working Interest files a written objection no later than forty-five (45) days after receipt of the schedule. If OCD or an owner of a Pooled Working Interest files a timely written objection, OCD shall determine the Operating Charges after public notice and hearing.
- 28. Operator may withhold the following costs and charges from the share of production due to each owner of a Pooled Working Interest who paid its share of the Estimated Well Costs: (a) the proportionate share of the Supervision Charges; and (b) the proportionate share of the Operating Charges.
- 29. Operator may withhold the following costs and charges from the share of production due to each owner of a Non-Consenting Pooled Working Interest: (a) the proportionate share of the Reasonable Well Costs; (b) the proportionate share of the Supervision and Operating Charges; and (c) the percentage of the Reasonable Well Costs specified as the charge for risk described in Exhibit A.

- 30. Operator shall distribute a proportionate share of the costs and charges withheld pursuant to paragraph 29 to each Pooled Working Interest that paid its share of the Estimated Well Costs.
- 31. Each year on the anniversary of this Order, and no later than ninety (90) days after each payout, Operator shall provide to OCD and each owner of a Non-Consenting Pooled Working Interest a schedule of the revenue attributable to a well and the Supervision and Operating Costs charged against that revenue.
- 32. Any cost or charge that is paid out of production shall be withheld only from the share due to an owner of a Pooled Working Interest. No cost or charge shall be withheld from the share due to an owner of a royalty interests. For the purpose of this Order, an unleased mineral interest shall consist of a seven-eighths (7/8) working interest and a one-eighth (1/8) royalty interest.
- 33. Except as provided above, Operator shall hold the revenue attributable to a well that is not disbursed for any reason for the account of the person(s) entitled to the revenue as provided in the Oil and Gas Proceeds Payment Act, NMSA 1978, Sections 70-10-1 *et seq.*, and relinquish such revenue as provided in the Uniform Unclaimed Property Act, NMSA 1978, Sections 7-8A-1 *et seq.*
- 34. The Unit shall terminate if (a) the owners of all Pooled Working Interests reach a voluntary agreement; or (b) the well(s) drilled on the Unit are plugged and abandoned in accordance with the applicable rules. Operator shall inform OCD no later than thirty (30) days after such occurrence.
- 35. OCD retains jurisdiction of this matter for the entry of such orders as may be deemed necessary.

STATE OF NEW MEXICO
OIL CONSERVATION DIVISION

ADRIENNE SANDOVAL DIRECTOR

AES/jag

Date: 5/07/2020

Exhibit "A" Case No. 20783

Applicant: Cimarex Energy Co.

Operator: Cimarex Energy Co. (OGRID 215099)

Spacing Unit: Horizontal Oil

Building Blocks: <u>quarter-quarter sections</u>
Spacing Unit Size: <u>320 acres, more or less</u>

Orientation of Unit: North to South

Spacing Unit Description:

W/2 W/2 of Section 34, Township 25 South, Range 26 East, and W/2 W/2 of Section 3, Township

26 South, Range 26 East, NMPM, Eddy County, New Mexico

Pooling this Vertical Extent: Bone Spring Formation

Depth Severance? (Yes/No): No

Pool: WC-015 G-03 S252636M; Bone Spring Pool (ID: 97818)

Pool Spacing Unit Size: quarter-quarter sections
Governing Well Setbacks: Horizontal Oil Well Rules
Pool Rules: Latest Horizontal Rules Apply.

Proximity Tracts: None Included

Monthly charge for supervision: While drilling: \$7000 While producing: \$700 As the charge for risk, 200 percent of reasonable well costs.

Proposed Wells:

Hayduke 34-3 Federal Com 8H

SHL: 270' FNL and 1584' FWL of Section 34, Township 25 South, Range 26 East, NMPM, Eddy County, New Mexico.
BHL: 100' FSL and 1980' FWL of Section 3, Township 26 South, Range 26 East, NMPM, Eddy County, New Mexico.

Completion Target: 2nd Bone Spring Sand at approx 7,300 feet TVD.

Well Orientation: North to South

Completion Location expected to be: standard

Hayduke 34-3 Federal Com 10H

SHL: 270' FNL and 1544' FWL of Section 34, Township 25 South, Range 26 East, NMPM, Eddy County, New Mexico.

BHL: 100' FSL and 660' FWL of Section 3, Township 26 South,

Range 26 East, NMPM, Eddy County, New Mexico.

Completion Target: 3rd Bone Spring Carb at approx 7,680 feet TVD.
Well Orientation: North to South
Completion Location expected to be: standard

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

IN THE MATTER OF APPLICATION FOR COMPULSORY POOLING SUBMITTED BY CIMAREX ENERGY CO.

CASE NO.	20784
ORDER NO.	R-21325

ORDER

The Director of the New Mexico Oil Conservation Division ("OCD"), having heard this matter through a Hearing Examiner on October 3, 2019, and after considering the testimony, evidence, and recommendation of the Hearing Examiner, issues the following Order.

FINDINGS OF FACT

- 1. Cimarex Energy Co. ("Operator") submitted an application ("Application") to compulsory pool the uncommitted oil and gas interests within the spacing unit ("Unit") described in Exhibit A. The Unit is expected to be a standard horizontal spacing unit. 19.15.16.15(B) NMAC. Operator seeks to be designated the operator of the Unit.
- 2. Operator will dedicate the well(s) described in Exhibit A ("Well(s)") to the Unit.
- 3. Operator proposes the supervision and risk charges for the Well(s) described in Exhibit A.
- 4. Operator identified the owners of uncommitted interests in oil and gas minerals in the Unit and provided evidence that notice was given.
- 5. The Application was heard by the Hearing Examiner on the date specified above, during which Operator presented evidence through affidavits in support of the Application. No other party presented evidence at the hearing.

CONCLUSIONS OF LAW

- 6. OCD has jurisdiction to issue this Order pursuant to NMSA 1978, Section 70-2-17.
- 7. Operator is the owner of an oil and gas working interest within the Unit.
- 8. Operator satisfied the notice requirements for the Application and the hearing as required by 19.15.4.12 NMAC.
- 9. OCD satisfied the notice requirements for the hearing as required by 19.15.4.9 NMAC.
- 10. Operator has the right to drill the Well(s) to a common source of supply at the depth(s) and location(s) in the Unit described in Exhibit A.

EXHIBIT

A.4

- 11. The Unit contains separately owned uncommitted interests in oil and gas minerals.
- 12. Some of the owners of the uncommitted interests have not agreed to commit their interests to the Unit.
- 13. The pooling of uncommitted interests in the Unit will prevent waste and protect correlative rights, including the drilling of unnecessary wells.
- 14. This Order affords to the owner of an uncommitted interest the opportunity to produce his just and equitable share of the oil or gas in the pool.

ORDER

- 15. The uncommitted interests in the Unit are pooled as set forth in Exhibit A.
- 16. The Unit shall be dedicated to the Well(s) set forth in Exhibit A.
- 17. Operator is designated as operator of the Unit and the Well(s).
- 18. If the location of a well will be unorthodox under the spacing rules in effect at the time of completion, Operator shall obtain the OCD's approval for a non-standard location in accordance with 19.15.16.15(C) NMAC.
- 19. The Operator shall commence drilling the Well(s) within one year after the date of this Order, and complete each Well no later than one (1) year after the commencement of drilling the Well.
- 20. This Order shall terminate automatically if Operator fails to comply with Paragraph 19 unless Operator obtains an extension by an amendment of this Order for good cause shown.
- 21. The infill well requirements in 19.15.13.9 NMAC through 19.15.13.12 NMAC shall be applicable.
- 22. Operator shall submit to each owner of an uncommitted working interest in the pool ("Pooled Working Interest") an itemized schedule of estimated costs to drill, complete, and equip the well ("Estimated Well Costs").
- 23. No later than thirty (30) days after Operator submits the Estimated Well Costs, the owner of a Pooled Working Interest shall elect whether to pay its share of the Estimated Well Costs or its share of the actual costs to drill, complete and equip the well ("Actual Well Costs") out of production from the well. An owner of a Pooled Working Interest who elects to pay its share of the Estimated Well Costs shall render payment to Operator no later than thirty (30) days after the expiration of the election period, and shall be liable for operating costs, but not risk charges, for the well. An owner of a Pooled Working Interest who fails to pay its share of the Estimated Well Costs or who

- 30. Operator shall distribute a proportionate share of the costs and charges withheld pursuant to paragraph 29 to each Pooled Working Interest that paid its share of the Estimated Well Costs.
- 31. Each year on the anniversary of this Order, and no later than ninety (90) days after each payout, Operator shall provide to OCD and each owner of a Non-Consenting Pooled Working Interest a schedule of the revenue attributable to a well and the Supervision and Operating Costs charged against that revenue.
- 32. Any cost or charge that is paid out of production shall be withheld only from the share due to an owner of a Pooled Working Interest. No cost or charge shall be withheld from the share due to an owner of a royalty interests. For the purpose of this Order, an unleased mineral interest shall consist of a seven-eighths (7/8) working interest and a one-eighth (1/8) royalty interest.
- 33. Except as provided above, Operator shall hold the revenue attributable to a well that is not disbursed for any reason for the account of the person(s) entitled to the revenue as provided in the Oil and Gas Proceeds Payment Act, NMSA 1978, Sections 70-10-1 *et seq.*, and relinquish such revenue as provided in the Uniform Unclaimed Property Act, NMSA 1978, Sections 7-8A-1 *et seq.*
- 34. The Unit shall terminate if (a) the owners of all Pooled Working Interests reach a voluntary agreement; or (b) the well(s) drilled on the Unit are plugged and abandoned in accordance with the applicable rules. Operator shall inform OCD no later than thirty (30) days after such occurrence.
- 35. OCD retains jurisdiction of this matter for the entry of such orders as may be deemed necessary.

STATE OF NEW MEXICO OIL CONSERVATION DIVISION

ADRIENNE SANDOVAL DIRECTOR

AES/jag

Date: 5/07/2020

Exhibit "A" Case No. 20784

Applicant: Cimarex Energy Co.

Operator: Cimarex Energy Co. (OGRID 215099)

Spacing Unit:

Horizontal Oil

Building Blocks:

quarter-quarter sections 320 acres, more or less

Spacing Unit Size:

Orientation of Unit: North to South

Spacing Unit Description:

E/2 W/2 of Section 34, Township 25 South, Range 26 East, and E/2 W/2 of Section 3, Township

26 South, Range 26 East, NMPM, Eddy County, New Mexico

Pooling this Vertical Extent: Bone Spring Formation

Daepth Severance? (Yes/No): No

WC-015 G-03 S252636M; Bone Spring Pool (ID: 97818)

Pool Spacing Unit Size:

quarter-quarter sections

Governing Well Setbacks:

Horizontal Oil Well Rules

Pool Rules:

Latest Horizontal Rules Apply.

Proximity Tracts:

None Included

Monthly charge for supervision: While drilling: \$7000 While producing: \$700 As the charge for risk, 200 percent of reasonable well costs.

Proposed Wells:

Hayduke 34-3 Federal Com 9H

SHL: 270' FNL and 1564' FWL of Section 34, Township 25 South,

Range 26 East, NMPM, Eddy County, New Mexico.

BHL: 100' FSL and 1980' FWL of Section 3, Township 26 South,

Range 26 East, NMPM, Eddy County, New Mexico.

Completion Target: 2nd Bone Spring Sand at approx 7,300 feet TVD.

Well Orientation:

North to South

Completion Location expected to be: standard

Hayduke 34-3 Federal Com 11H

SHL: 270' FNL and 1524' FWL of Section 34, Township 25 South,

Range 26 East, NMPM, Eddy County, New Mexico.

BHL: 100' FSL and 660' FWL of Section 3, Township 26 South,

Range 26 East, NMPM, Eddy County, New Mexico.

Completion Target: 3rd Bone Spring Carb at approx 7,680 feet TVD. Well Orientation: North to South

Completion Location expected to be: standard

CASE NO. 20784 ORDER NO. R-21325

APPLICATION OF CIMAREX ENERGY CO. TO AMEND ORDER NO. R-21324, EDDY COUNTY, NEW MEXICO

CASE NO. 21697 ORDER NO. R-21324 (Re-Open)

APPLICATION OF CIMAREX ENERGY CO. TO AMEND ORDER NO. R-21325, EDDY COUNTY, NEW MEXICO

CASE NO. 21698 ORDER NO. R-21325 (Re-Open)

AFFIDAVIT OF LANCE D. HOUGH

STATE OF NEW MEXICO)
)ss
COUNTY OF BERNALILLO)

Lance D. Hough, attorney in fact and authorized representative of Cimarex Energy Co. ("Cimarex"), the Applicant herein, being first duly sworn, upon oath, states that the above-referenced Applications were provided under notices of hearing to parties entitled to notice; and that the following are attached hereto: a sample of said notice of hearing as **Exhibit B.1**, proof of mailed notice of hearing as **Exhibit B.2**, and proof of published notice of hearing as **Exhibit B.3**.

Lance D. Hough

SUBSCRIBED AND SWORN to before me this day of March 2021 by Lance D. Hough.

SEAL

Notary Public

My commission expires:

1201-23



EXHIBIT Signal S



February 12, 2021

Lance D. Hough Tel: 505.848.1826 Fax: 505.848.9710 Lance.Hough@modrall.com

VIA CERTIFIED MAIL - RETURN RECEIPT REQUESTED

TO: AFFECTED PARTIES

This letter is to advise you that Cimarex Energy Co. has filed the enclosed applications with the New Mexico Oil Conservation Division:

Case No. 21697: (Re-Open) Application of Cimarex Energy Co. to Amend Order No. R-21324, Eddy County, New Mexico. Applicant seeks an order from the Oil Conservation Division for the limited purposes of amending Order No. R-21324 to allow for a oneyear extension of time to commence drilling the wells under the Order. The Division issued Order No. R-21324 on May 7, 2020. which designated Cimarex as the operator of the unit and the Hayduke 34-2 Federal Com 8H and Hayduke 34-3 Federal Com 10H wells; and pooled uncommitted interest owners in a 320-acre, more or less, Bone Spring horizontal spacing unit comprised of the W/2 W/2 of Section 34, Township 25 South, Range 26 East, and W/2 W/2 of Section 3, Township 26 South, Range 26 East, NMPM, Eddy County, New Mexico. The Order requires commencement of drilling the wells within one year of the date of the Order unless Cimarex obtains an extension by an amendment of this Order for good cause shown. Good cause exists for Cimarex's request for an extension of time due to current market conditions.

Case No. 21698: (Re-Open) Application of Cimarex Energy Co. to Amend Order No. R-21325, Eddy County, New Mexico. Applicant seeks an order from the Oil Conservation Division for the limited purposes of amending Order No. R-21325 to allow for a one-year extension of time to commence drilling the wells under the Order. The Division issued Order No. R-21325 on May 7, 2020, which designated Cimarex as the operator of the unit and the Hayduke 34-2 Federal Com 9H and Hayduke 34-3 Federal Com 11H wells; and pooled uncommitted interest owners in a 320-acre,

Modrall Sperling Roehl Harris & Sisk P.A.

500 Fourth Street NW Suite 1000 Albuquerque, New Mexico 87102

Albuquerque, New Mexico 87103-2168

Tel: 505.848.1800 www.modrall.com



AFFECTED PARTIES

Cimarex / Order Amendments / Hayduke 34-2 Federal Com 8H – 11H wells February 12, 2021 Page 2

more or less, Bone Spring horizontal spacing unit comprised of the E/2 W/2 of Section 34, Township 25 South, Range 26 East, and E/2 W/2 of Section 3, Township 26 South, Range 26 East, NMPM, Eddy County, New Mexico. The Order requires commencement of drilling the wells within one year of the date of the Order unless Cimarex obtains an extension by an amendment of this Order for good cause shown. Good cause exists for Cimarex's request for an extension of time due to current market conditions.

These applications have been set for hearing before a Division Examiner at 8:15 a.m. on March 4, 2021. During the COVID-19 Public Health Emergency, the hearing will be conducted remotely. Instructions to appear can be found under "OCD NOTICES" at http://www.emnrd.state.nm.us/OCD/hearings.html. As a party who may be affected by these applications, we are notifying you of your right to appear at the hearing and participate in this case, including the right to present evidence either in support of or in opposition to the applications. Failure to appear at the hearing may preclude you from any involvement in this case at a later date.

You are further notified that if you desire to appear in these cases, then you are requested to file a Pre-Hearing Statement with the Division at least four business days in advance of a scheduled hearing before the Division or the Commission, but in no event later than 5:00 p.m. mountain time, on the Thursday preceding the scheduled hearing date, with a copy delivered to the undersigned.

Sincerely,

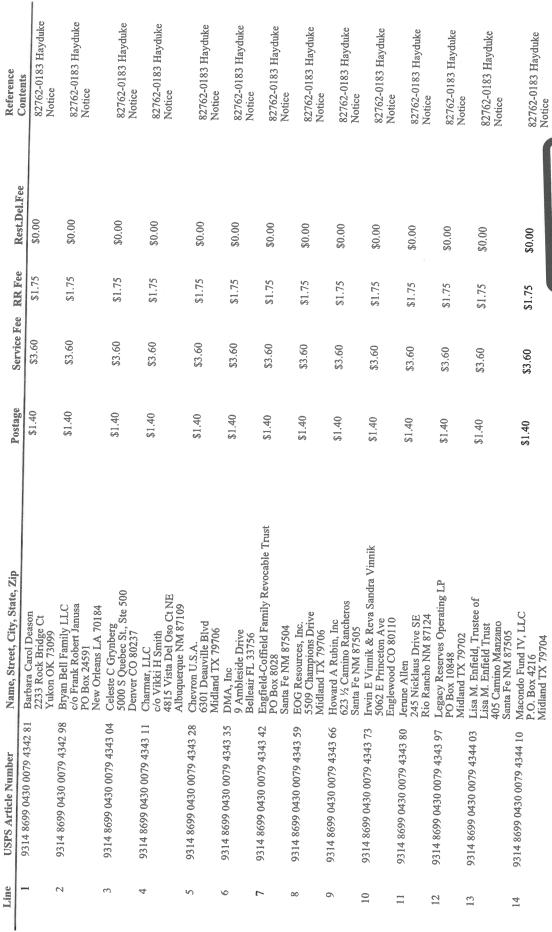
Lance D. Hough
Attorney for Applicant

EED/ldh/W3988494.DOCX Enclosures: as stated

PS Form 3877

Type of Mailing: CERTIFIED MAIL 02/12/2021

Firm Mailing Book ID: 203303





Page 1 2021 Walz CertifiedPro.net **PS Form 3877**

Zina Crum Modrall Sperling 500 4th Street NW Suite 1000 Albuquerque NM 87102

Type of Mailing: CERTIFIED MAIL 02/12/2021

Firm Mailing Book ID: 203303

Reference	Contents 82762-0183 Hayduke Notice	82762-0183 Hayduke Notice	82762-0183 Hayduke Notice	82762-0183 Hayduke Notice	82762-0183 Hayduke Notice	82762-0183 Hayduke Notice	82762-0183 Hayduke Notice	82762-0183 Hayduke Notice	82762-0183 Hayduke Notice	82762-0183 Hayduke Notice	82762-0183 Hayduke Notice	82762-0183 Hayduke Notice	82762-0183 Hayduke Notice
Bact Dal Eco	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
RR Fee	1	\$1.75	\$1.75	\$1.75	\$1.75	\$1.75	\$1.75	\$1.75	\$1.75	\$1.75	\$1.75	\$1.75	\$1.75
Service Fee	\$3.60	\$3.60	\$3.60	\$3.60	\$3.60	\$3.60	83.60	\$3.60	\$3.60	\$3.60	\$3.60	\$3.60	\$3.60
Postage	\$1.40	\$1.40	\$1.40	\$1.40	\$1.40	\$1.40	\$1.40	\$1.40	\$1.40	\$1.40	\$1.40	\$1.40	\$1.40
Name, Street, City, State, Zip	MLE, LLC PO Box 1683 Santa Fe NM 87504	Mountain Lion Oil & Gas LLC 7941 Katy freeway #117 Houston TX 77024	Oxy Y-1 Company 5 Greenway Plaza Houston TX 77046	Richard C. Deason 1301 N Havenhurst #217 West Hollywood CA 90046	Robert N. Enfield, Trustee Robert N. Enfield Trust c/o Wells Fargo Bank PO Box 41779 Austin TX 78704	Ronald H. Mayer, Trustee of Ronald and Martha Mayer PO Box 2391 Roswell NM 88202	Rubie Crosby Bell Family LLC c/o Frank Robert Janusa PO Box 24591 New Orleans LA 70184	SAP, LLC 4901 Whitney Lane Roswell NM 88203	The Estate of Jerune Allen John A Budagher Pers Rep 3500 Comanche Rd NE Bidg B Albuquerque NM 87107	Thomas D. Deason 3407 Essex Ave Lubbock TX 79407	Partnership Properties Company c/o Petro-Lewis Co PO Box 20352 MT Syl04 Billings MT 59104	United States, Dept of Interior Bureau of Land Management 301 Dinosaur Trail Santa Fe NM 87508	Wells Fargo Bank, Trustee Robert N. Enfield Revocable Trust PO Box 5383 Denver CO 80217
USPS Article Number	9314 8699 0430 0079 4344 27	9314 8699 0430 0079 4344 34	9314 8699 0430 0079 4344 41	9314 8699 0430 0079 4344 58	9314 8699 0430 0079 4344 65	9314 8699 0430 0079 4344 72	9314 8699 0430 0079 4344 89		9314 8699 0430 0079 4345 02	9314 8699 0430 0079 4345 19	9314 8699 0430 0079 4345 26		9314 8699 0430 0079 4345 40 V R P P
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PS Form 3877

Type of Mailing: CERTIFIED MAIL 02/12/2021

Zina Crum Modrall Sperling 500 4th Street NW Suite 1000 Albuquerque NM 87102

ID: 203303	
Book ID:	
Mailing Book]	
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	Reference	82762-0183 Hayduke Notice	82762-0183 Hayduke Notice	82762-0183 Hayduke Notice	82762-0183 Hayduke Notice	82762-0183 Hayduke Notice	82762-0183 Hayduke Notice	82762-0183 Hayduke Notice	82762-0183 Hayduke Notice	82762-0183 Hayduke Notice	82762-0183 Hayduke Notice	82762-0183 Hayduke Notice	82762-0183 Hayduke Notice	82762-0183 Hayduke Notice	82762-0183 Hayduke Notice
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	RR Fee	\$1.75	\$1.75	\$1.75	\$1.75	\$1.75	\$1.75	\$1.75	\$1.75	\$1.75	\$1.75	\$1.75	\$1.75	\$1.75	\$1.75
	Service Fee	\$3.60	\$3.60	\$3.60	\$3.60	\$3.60	\$3.60	\$3.60	\$3.60	\$3.60	\$3.60	\$3.60	\$3.60	\$3.60	\$3.60
	Postage	\$1.40	\$1.40	\$1.40	\$1.40	\$1.40	\$1.40	\$1.40	\$1.40	\$1.40	\$1.40	\$1.40	\$1.40	\$1.40	\$1.40
	Name, Street, City, State, Zip	Conrad E Coffield & Mona L Coffield PO Box 8028 Santa Fe NM 87504	Bryan Bell Family Limited Partnership c/o Frank Robert Janusa PO Box 24591 New Orleans LA 70184	DMA Inc PO Box 1496 Roswell NM 88202	Charmar LLC c/o Vikki H Smith 4815 Vista Del Oso Ct NE Albuquerque NM 87109	Richard C Deason 1301 N Havenhusrt #217 West Hollywood CA 90046	Thomas C Deason 8307 Saratoga a Ve Lubbock TX 79424	Ronald H. Mayer, Trustee Ronald H. Mayer & Martha M. Mayer Trust PO Box 2391 Roswell NM 88202	SAP LLC 4901 Whitney Lane Roswell NM 88203	Howard H Rubin Inc. 632 1/2 Camino Rancheros Santa Fe NM 87505	Rubie C Bell Family Limited Partnership c/o Frank Robert Janusa PO Box 24591 New Orleans LA 70184	Jerune Allen 245 Nicklaus Drive SE Rio Rancho NM 87124	Chevron USA Inc. 1400 Smith St Houston TX 77002	Irwin E Vinnik 5062 E Princeton Ave Englewood CO 80110	Celeste Grynberg 5000 S Quebec St, Suite 500 Denver CO 80237
	USPS Article Number	9314 8699 0430 0079 4345 57	9314 8699 0430 0079 4345 64	9314 8699 0430 0079 4345 71	9314 8699 0430 0079 4345 88	9314 8699 0430 0079 4345 95	9314 8699 0430 0079 4346 01	9314 8699 0430 0079 4346 18	9314 8699 0430 0079 4346 25	9314 8699 0430 0079 4346 32	9314 8699 0430 0079 4346 49			9514 8699 0430 0079 4346 70	
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Zina Crum Modrall Sperling 500 4th Street NW Suite 1000 Albuquerque NM 87102

PS Form 3877

Type of Mailing: CERTIFIED MAIL 02/12/2021

Firm Mailing Book ID: 203303

Reference Contents			
Rest.Del.Fee	80.00	\$276.75	
Service Fee RR Fee	\$147.60 \$71.75	Grand Total:	
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Postage	s: \$57.40		
	Totals:		Dated:
Name, Street, City, State, Zip			Postmaster: Name of receiving employ
			Total Number of Pieces Received at Post Office
Line USPS Article Number	*		List Number of Pieces Listed by Sender

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9314869904300079440114	2021-02-12 12:28 PM WPX Energy Permian, LLC	Permian, LLC		3500 One Williams Center	Tulsa			Delivered	Return Receipt - Flectronic Certified Mail	2021 02 17 0.30 ANA
9314869904300079440107	2021-02-12 12:28 PM William Ray Thomas.	Thomas.	as his senarate property	2515 Roha Dr	Houston			7	Define Descript Flagger County County	2021-02-17 0.35 AIVI
9314869904300079440091	2021-02-12 12:28 DM Inited States / Dont of the Interior	/ Dont of the Interior	Principal Parameter		ilonatoli i			nellveren	Keturn Receipt - Electronic, Certified Mail	2021-02-20 1:10 PM
100040000000000000000000000000000000000	2021-02-12 12:28 FINI OIIILEU SIGIES	s/ pept of the interior	bureau of Land Management	301 Dinosaur Irail	Santa Fe	_	_	Delivered	Return Receipt - Electronic, Certified Mail	2021-02-16 12:00 AM
93148699043000/9440084	2021-02-12 12:28 PM Suncrest Resoures LLC	oures LLC		PO Box 164812	Fort Worth	ř	76161 C	Delivered	Return Receipt - Electronic, Certified Mail	2021-02-23 10:43 AM
9314869904300079440077	2021-02-12 12:28 PM States Royalty Limited Partnership	ty Limited Partnership		PO Box 911	Breckenridge	¥	76424 E	Delivered	Return Receipt - Electronic, Certified Mail	2021-02-23 9:07 AM
9314869904300079440060	2021-02-12 12:28 PM Springbok Energy Partnres II, LLC	iergy Partnres II, LLC		5950 Bershire Ln, Suite 1250	Dallas	¥	76092 E	Delivered	Return Receipt - Electronic, Certified Mail	2021-02-22 11-12 AM
9314869904300079440053	2021-02-12 12:28 PM Speyside Resources LLC	ources LLC		PO Box 10458	Midland	¥	79702	Delivered	Return Receipt - Electronic, Certified Mail	2021-02-18 1:57 PM
9314869904300079440046	2021-02-12 12:28 PM Shrader Enterprises LP	rprises LP		3349 South St Paul	Wichita	KS	67217 C	Delivered	Return Receipt - Electronic, Certified Mail	2021-02-24 9:39 AM
9314869904300079440039	2021-02-12 12:28 PM Pearson-Sibert Oil Co. of Texas	ert Oil Co. of Texas		136 El Camino Dr, Suite 216	Beverly Hills	8	90212	Undelivered - To Be Returned	Return Receipt - Electronic, Certified Mail	
9314869904300079440022	2021-02-12 12:28 PM OGX Royalty Fund IV LP	Fund IV LP		PO Box 2064	Midland	¥	79702 E	Delivered	Return Receipt - Electronic, Certified Mail	2021-02-18 11:27 AM
9314869904300079440015	2021-02-12 12:28 PM Nancy B Parks	S		9241 Elm Tree Circle	Tyler	¥	75703 E	Delivered	Return Receipt - Electronic, Certified Mail	2021-02-22 3:02 PM
9314869904300079440008	2021-02-12 12:28 PM Murchison Oil & Gas Inc	il & Gas Inc		1100 Mira Vista Blvd	Plano	¥	75093 T	Fo be Returned	Return Receipt - Electronic, Certified Mail	
9314869904300079439996	2021-02-12 12:28 PM MRC Permian Company	n Company		5400 LBJ Freeway, Suite 1500	Dallas	¥	75240 C	Delivered	Return Receipt - Electronic, Certified Mail	2021-02-23 11:06 AM
9314869904300079439989	2021-02-12 12:28 PM Monty D McLane	Lane		PO Box 9451	Midland	¥	J 80767	Delivered	Return Receipt - Electronic, Certified Mail	2021-02-17 1:10 PM
9314869904300079439972	2021-02-12 12:28 PM 'MEC Petroleum Corp.	um Corp.		6301 Deauville Blvd	Midland	¥	J 9076	Undelivered	Return Receipt - Electronic, Certified Mail	
9314869904300079439965	2021-02-12 12:28 PM Magnum Hunter Production Inc.	nter Production Inc.		600 N Marienfeld, Suite 600	Midland	¥	79701 E	Delivered	Return Receipt - Electronic, Certified Mail	2021-02-16 8:09 AM
9314869904300079439958	2021-02-12 12:28 PM Leaster A Parks, whose wife is Clara Parks	rks, whose wife is Clara Parks		PO Box 496	De Kalb	ř	75559 T	To be Returned	Return Receipt - Electronic, Certified Mail	
9314869904300079439941	2021-02-12 12:28 PM Janet J. Tidwell	el		610 FM 114	De Kalb	<u>×</u>	75559	Delivered	Return Receipt - Electronic, Certified Mail	2021-02-22 3:29 PM
9314869904300079439934	2021-02-12 12:28 PM James L Thomas	nas		PO Box 878	Mesilla Park	Σ	88047 C	Delivered	Return Receipt - Electronic, Certified Mail	2021-02-16 3:27 PM
9314869904300079439927	2021-02-12 12:28 PM Estate of Kelly Lohman, deceased	ly Lohman, deceased		60 Arbor Hills Place	Talking Rock	GA.	30175 C	Delivered	Return Receipt - Electronic, Certified Mail	2021-02-18 10:55 AM
9314869904300079439910	2021-02-12 12:28 PM Diana K Hammonds	monds		108 Sharlotte Dr	New Boston	¥	75570 N	Mailed	Return Receipt - Electronic, Certified Mail	
9314869904300079439903	2021-02-12 12:28 PM Chevron USA Inc.	vInc.		6301 Deauville Blvd	Midland	¥	J 9026	Undelivered	Return Receipt - Electronic, Certified Mail	
9314869904300079439897	2021-02-12 12:28 PM Carl Otis Thomas	mas	as his separate property	2007 Gwenda Dr	Carlsbad	MN	88220 C	Delivered	Return Receipt - Electronic, Certified Mail	2021-02-16 12:00 AM
9314869904300079439880	2021-02-12 12:28 PM AmeriPermian Holdings LLC	in Holdings LLC		PO Box 1723	Midland	ķ	9702 E	Delivered	Return Receipt - Electronic, Certified Mail	2021-02-18 9:30 AM
9314869904300079439873	2021-02-12 12:28 PM AmericaWest Resources LLC	t Resources LLC		PO Box 3383	Midland	¥	79702 L	Undelivered - To Be Returned	Return Receipt - Electronic, Certified Mail	
9314869904300079439866	2021-02-12 12:28 PM Alan Jochimsen	ne		4209 Cardinal Ln	Midland	ř	J 70767	Delivered	Return Receipt - Electronic, Certified Mail	2021-02-19 9:22 AM

Affidavit of Publication Ad # 0004602788 This is not an invoice

MODRALL SPERLING **POBOX 2168**

ALBUQUERQUE, NM 87103

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

02/18/2021

Legal Clerk

Subscribed and sworn before me this February 18,

2021:

State of WI, County of Brown

NOTARY PUBLIC

My commission expires

SHELLY HORA Notary Public State of Wisconsin

Ad # 0004602788 PO #: Case No. 21697 # of Affidavits 1

This is not an invoice

Case No. 21697: Notice to all affected parties, as well as their heirs and devisees, of EOG Resources Inc; OXY Y-1 Company; Partnership Properties Company c/o Petro-Lewis Co; United States of America, through the Department of the Interior, Bureau of Land Management; Wells Fargo Bank, N.A., Trustee of the Robert N. Enfield Revocable Trust; Conrad E Coffield & Mona L Coffield; Bryan Bell Family Limited Partnership; DMA Inc; Charmar LLC; Richard C Deason; Thomas C Deason; Ronald H. Mayer, Trustee of the Ronald H. Mayer, Trustee of the Ronald H. Mayer and Martha M. Mayer Revocable Trust; SAP LLC; Howard H Rubin Inc.; Rubie C Bell Family Limited Partnership; Jerune Allen; Chevron USA Inc.; Irwin E Vinnik; Celoste Grynberg of Cimarex Energy Co.'s Application to Amend Order No. R-21324, Eddy County, New Mexico. The State of New Mexico through its Oil Conservation Division, hereby gives notice that the Division will conduct a public hearing at 8:15 a.m. on March 4, 2021 to consider this application. Due to state building closures during the a.m. on March 4, 2021 to consider this application. Due to state building closures during the COVID-19 Public Health Emergency, the hearing will be conducted remotely. You may access the instructions to appear under "OCD NOTICES" at http:// www.emrid.state.nm.us/OCD/he arings.html Applicant seeks an order from the Oil Conservation Division for the limited purposes of amending Order No. R-21324 of amending Order No. R-21324 to allow for a one-year extension of time to commence drilling the wells under the Order. The Division issued Order No. R-21324 on May 7, 2020, which designated Cimarex as the operator of the unit and the Hayduke 34-2 Federal Com 8H ator of the unit and the Hayduke 34-2 Federal Com 8H and Hayduke 34-3 Federal Com 8H and Hayduke 34-3 Federal Com 10H wells; and pooled uncommitted interest owners in a 320-acre, more or less, Bone Spring horizontal spacing unit comprised of the W/2 W/2 of Section 34, Township 25 South, Range 26 East, and W/2 W/2 of Section 3, Township 26 South, Range 26 East, NMPM, Eddy County, New Mexico. The Order requires commencement of drilling the wells within one year of the date of the Order unless Cimarex obtains an extension by an amendment of this Order for good cause shown. Good cause exists for Cimarex's request for an extension of time due to current market conditions. #0004602788 Current Argus Feb.

18. 2021

Affidavit of Publication Ad # 0004602789 This is not an invoice

MODRALL SPERLING POBOX 2168

ALBUQUERQUE, NM 87103

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

02/18/2021

Legal Clerk

Subscribed and sworn before me this February 18, 2021:

State of WI, County of Brown

NOTARY PUBLIC

My commission expires

SHELLY HORA Notary Public

State of Wisconsin

Ad # 0004602789 PO #: Case No. 21698 # of Affidavits 1

This is not an invoice

Case No. 21698: Notice to all affected parties, as well as their heirs and devisees, of EOG Resources Inc; OXY Y-1 Company; Partnership Properties Company c/o Petro-Lewis Co; United States of America, through the Department of the Interior, Bureau of Land Management; Wells Fargo Bank, N.A., Trustee of the Robert N. Enfield Revocable Trust; Conrad E Coffield & Mona L Coffield; Bryan Bell Family Limited Partnership; DMA Inc; Charmar LLC; Richard C Deason; Thomas C Deason; Ronald H. Mayer, Trustee of the Ronald H. Mayer, Trustee of the Ronald H. Mayer and Martha M. Mayer Revocable Trust; SAP LLC; Howard H Rubin Inc.; Rubie C Bell Family Limited Partnership; Jerune Allen; Chevron USA Inc.; Irwin E Vinnik; Celeste Grynberg of Cimarex Energy Co.'s Application to Amend Order No. R-21325, Eddy County, New Mexico. The State of New Mexico through its Oil Conservation Division, hereby gives notice that the Division will conduct a public hearing at 8:15 a.m. on March 4, 2021 to consider this application. Due to state building closures during the COVID-19 Public Health Emergency, the hearing will be conducted remotely. gency, the hearing will be con-ducted remotely. Applicant seeks an order from the Oil Con-servation Division for the limited seeks an order from the Öil Conservation Division for the limited purposes of amending Order No. R-21325 to allow for a one-year extension of time to commence drilling the wells under the Order. The Division issued Order No. R-21325 on May 7, 2020, which designated Cimarex as the operator of the unit and the Hayduke 34-2 Federal Com 9H and Hayduke 34-3 Federal Com 11H wells; and pooled uncommitted interest owners in a 320-acre, more or less, Bone Spring horizontal spacing unit comprised of the E/2 W/2 of Section 34, Township 25 South, Range 26 East, and E/2 W/2 of Section 3, Township 26 South, Range 26 East, NMPM, Eddy County, New Mexico. The Order requires commencement of drilling the wells within one year of the date of the Order unless Cimarex obtains an extension by an amendment of this Order for good cause shown. Good cause exists for Cimarex's request for an extension of time due to current for Cimarex's request for an ex-tension of time due to current market conditions. #0004602789 Current Argus Feb. 18, 2021