

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

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

CASE NO. _____

APPLICATION

Ameredev Operating, LLC (“Ameredev” or “Applicant”) (OGRID No. 372224), through its undersigned attorneys, hereby files this application with the Oil Conservation Division, pursuant to the provisions of NMSA 1978, § 70-2-17, for an order pooling all uncommitted interests in the Wolfcamp formation, underlying a standard 640-acre, more or less, horizontal spacing unit comprised of the E/2 E/2 of Sections 30 and 31, and the W/2 W/2 of Sections 29 and 32, Township 25 South, Range 36 East, NMPM, Lea County, New Mexico. In support of its application, Ameredev states:

1. Applicant is a working interest owner in the proposed horizontal spacing unit and has the right to drill thereon.
2. Applicant proposes to dedicate the above-referenced spacing unit to the following proposed wells:
 - The **Nandina Fed Com 25 36 31 107H Well**, and the **Nandina Fed Com 25 36 31 127H Well**, both of which are to be drilled from a common surface hole location in the SE/4 SE/4 (Unit P) of Section 31 to bottom hole locations in the NE/4 NE/4 (Unit A) of Section 30; and
 - The **Redbud Fed Com 25 36 32 102H Well**, and the **Redbud Fed Com 25 36 32 112H Well**, both of which are to be drilled from a common surface

hole location in the SW/4 SW/4 (Unit M) of Section 32 to bottom hole locations in the NW/4 NW/4 (Unit D) of Section 29.

3. The completed interval for the proposed **Redbud Fed Com 25 36 32 102H Well** will be within 330' of the quarter-quarter line separating the E/2 E/2 of Sections 30 and 31 from the W/2 W/2 of Sections 29 and 32 to allow inclusion of this acreage into a standard 640-acre horizontal spacing unit.

4. Applicant has sought and been unable to obtain voluntary agreement for the development of these lands from all the working interest owners in the subject spacing unit.

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

6. In order to permit Applicant to obtain its just and fair share of the oil and gas underlying the subject lands, all uncommitted interests in the horizontal spacing unit should be pooled, and Applicant should be designated the operator of this proposed horizontal well and spacing unit.

WHEREFORE, Applicant requests that this application be set for hearing before an Examiner of the Oil Conservation Division on December 3, 2020, and, after notice and hearing as required by law, the Division enter an order:

- A. Pooling all uncommitted interests in the horizontal spacing unit;
- B. Designating Applicant as operator of this spacing unit and the horizontal well to be drilled thereon;
- C. Authorizing Applicant to recover its costs of drilling, completing, and equipping the well;

- D. Approving the actual operating charges and costs of supervision while drilling and after completion, together with a provision adjusting the rates pursuant to the COPAS accounting procedures; and
- E. Imposing a 200% charge for the risk assumed by Applicant in drilling and completing the well against any working interest owner who does not voluntarily participate in the drilling of the well.

Respectfully submitted,

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