

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

**APPLICATION OF RIDGE RUNNER  
RESOURCES OPERATING, LLC  
FOR COMPULSORY POOLING,  
LEA COUNTY, NEW MEXICO**

**Case No.** \_\_\_\_\_

**APPLICATION**

Pursuant to NMSA § 70-2-17, Ridge Runner Resources Operating, LLC (“Ridge Runner”) applies for an order pooling all uncommitted mineral interests in the Bone Spring formation in a 320-acre, more or less, standard horizontal spacing unit comprised of the E/2 W/2 of Sections 2 and 11, Township 20 South, Range 35 East in Lea County, New Mexico. In support of its application, Ridge Runner states the following.

1. Ridge Runner (OGRID No. 373013) is a working interest owner in the horizontal spacing unit and has the right to drill thereon.
2. The horizontal spacing unit will be dedicated to Ridge Runner’s proposed Zeus 2-11 Fed Com #2H well, which will be horizontally drilled from a surface location approximately 100' FNL & 2310' FWL in Section 2 to a bottom hole location approximately 100' FSL & 2310' FWL in Section 11.
3. The completed interval of the well will be orthodox.
4. Ridge Runner has undertaken diligent, good-faith efforts to obtain voluntary agreements from all mineral interest owners to participate in the drilling of the well but has been unable to obtain voluntary agreements from all of the mineral interest owners.
5. The pooling of uncommitted mineral interests will avoid the drilling of unnecessary wells, prevent waste, and protect correlative rights.

6. In order to allow Ridge Runner to obtain its just and fair share of the oil and gas underlying the subject lands, all uncommitted mineral interests in the horizontal spacing unit should be pooled.

WHEREFORE, Ridge Runner requests that this application be set for hearing on February 4, 2021 and that, after notice and hearing, the Division enter an order:

A. Pooling all uncommitted mineral interests in the Bone Spring formation underlying the E/2 W/2 of Sections 2 and 11, Township 20 South, Range 35 East in Lea County;

B. Designating Ridge Runner as operator of the Zeus 2-11 Fed Com #2H well;

C. Authorizing Ridge Runner to recover its costs of drilling, equipping, and completing the well and allocating the costs among the well's working interest owners;

D. Approving the actual operating charges and costs of supervision during drilling and after completion, together with a provision for adjusting the rates pursuant to the COPAS accounting procedure; and

E. Imposing a 200% penalty for the risk assumed by Ridge Runner in drilling and completing the well against any mineral interest owner who does not voluntarily participate in the drilling of the well.

Respectfully submitted,

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