

**STATE OF NEW MEXICO  
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT  
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 interest in the Wolfcamp formation underlying a standard 640-acre, more or less, horizontal well spacing unit comprised of the W/2 E/2 and E/2 W/2 of Section 28 and the W/2 E/2 and E/2 W/2 of Section 33, Township 25 South, Range 36 East, NMPM, Lea County, New Mexico. In support of its application, Applicant 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 initially dedicate the above-referenced spacing unit to the proposed **Tea Olive Fed Com 25-36-33 104H well**, the **Tea Olive Fed Com 25-36-33 114H well**, and the **Tea Olive Fed Com 25-36-33 124H well**, all to be horizontally drilled from a surface location in the NE/4 NW/4 (Unit C) of Section 4, Township 26 South, Range 36 East, NMPM, Lea County, New Mexico, to bottom hole locations in the NE/4 NW/4 (Unit C) of Section 28, Township 25 South, Range 36 East, NMPM, Lea County, New Mexico.
3. The completed intervals of the **Tea Olive Fed Com 25-36-33 104H well**, the **Tea Olive Fed Com 25-36-33 114H well**, and the **Tea Olive Fed Com 25-36-33 124H well**, are all expected to remain within 330 feet of the adjoining quarter-quarter section (or equivalent) tracts

to allow inclusion of these proximity tracts within the proposed horizontal spacing unit under NMAC 19.15.16.15.B(1)(b).

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

WHEREFORE, Applicant requests that this application be set for hearing before an Examiner of the Oil Conservation Division on August 4, 2022, and, after notice and hearing as required by law, the Division enter an order:

- A. Pooling all uncommitted interests in the horizontal spacing unit;
- B. Designating Applicant operator of this spacing unit and the horizontal wells to be drilled thereon;
- C. Authorizing Applicant to recover its costs of drilling, completing, and equipping the wells;
- D. Approving the actual operating charges and costs of supervision while drilling and after completion, together with a provision adjusting the rates pursuant to the COPAS accounting procedures; and

- E. Imposing a 200% penalty for the risk assumed by Applicant in drilling and completing the wells against any working interest owner who does not voluntarily participate in the drilling of the wells.

Respectfully submitted,

HOLLAND & HART LLP

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