

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

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

CASE NO. _____

APPLICATION

Civitas Permian Operating, LLC ("Civitas") (OGRID Number 332195) submits to the Oil Conservation Division this application pursuant to the provisions of NMSA 1978, § 70-2-17 for an order pooling all uncommitted interests from the top of the Bone Spring formation, to include the Avalon Formation, to the base of the First Bone Spring and the top of the Third Bone Spring to the bottom of the Third Bone Spring [Salt Lake; Bone Spring – 53560] interval underlying a standard 640-acre, more or less, horizontal spacing unit comprised of the E/2 of Section 10 and the E/2 of Section 15, Township 20 South, Range 32 East, Lea County, New Mexico (the "Unit"). In support of this application, Civitas states the following.

1. Civitas is a working interest owner in the Unit and has the right to drill a well thereon.
2. Civitas seeks to dedicate the Unit to the following wells ("Wells"):
 - a. Queenie Fed Com 101H (Avalon) to be horizontally drilled with first take points in the SE/4SE/4 (Unit P) of Section 15 and last take points in the NE/4NE/4 (Unit A) of Section 10;
 - b. Queenie Fed Com 102H (Avalon) to be horizontally drilled with first take points in the SW/4SE/4 (Unit O) of Section 15 and last take points in the NW/4NE/4 (Unit B) of Section 10;
 - c. Queenie Fed Com 113H (First Bone Spring) to be horizontally drilled with first take points in the SW/4SE/4 (Unit O) of Section 15 and last take points in the NW/4NE/4 (Unit B) of Section 10;
 - d. Queenie Fed Com 114H (First Bone Spring) to be horizontally drilled with first take points in the SE/4SE/4 (Unit P) of Section 15 and last take points in the NE/4NE/4 (Unit A) of Section 10;
 - e. Queenie Fed Com 133H (Third Bone Spring) to be horizontally drilled with first take points in the SW/4SE/4 (Unit O) of Section 15 and last take points in the NW/4NE/4 (Unit B) of Section 10; and
 - f. Queenie Fed Com 134H (Third Bone Spring) to be horizontally drilled with first take points in the SE/4SE/4 (Unit P) of Section 15 and last take points in the NE/4NE/4 (Unit A) of Section 10.

3. The producing area for the Wells is expected to be orthodox.
4. The completed interval for the Queenie Fed Com 114H is expected to be less than 330 feet from the adjoining tracts thereby allowing for the inclusion of the proximity tracts within the Unit under Rule 19.15.16.15(B)(1)(b) NMAC.
5. Civitas seeks to pool all uncommitted interests from the top of the Bone Spring formation, to include the Avalon Formation, to the base of the First Bone Spring and the top of the Third Bone Spring to the bottom of the Third Bone Spring interval (being the stratigraphic equivalent of 7,651' to 10,750', less and except the Second Bone Spring at 9,533' to 9,897', as referenced from the Fasken Oil & Ranch LTD well [API # 30-025-36437]).
6. Civitas has sought and been unable to obtain voluntary agreement for the development of these lands from all the interest owners in the Unit.
7. The pooling of all interests in the Unit will avoid the drilling of unnecessary wells, prevent waste and protect correlative rights.
8. Approval of this application will allow Civitas to obtain its just and fair share of the oil and gas underlying the subject lands.

WHEREFORE, Civitas requests this application be set for hearing before an Examiner of the Oil Conservation Division on November 13, 2025, and after notice and hearing, the Division enter its order:

- a. Pooling all uncommitted interests in the Unit;
- b. Approving the Wells in the Unit;
- c. Designating Civitas as operator of the Unit and the Wells to be drilled thereon;
- d. Authorizing Civitas to recover its costs of drilling, equipping and completing the Wells;
- e. Approving actual operating charges and costs charged for supervision, together with a provision adjusting the rates pursuant to the COPAS accounting procedure; and
- f. Setting a 200% charge for the risk involved in drilling and completing the Wells in the event a working interest owner elects not to participate in the Wells.

Date: September 24, 2025.

Respectfully submitted,

Civitas Permian Operating, LLC

*/s/ Gabrielle A. Gerholt on September 24,
2025*

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Case No. _____: Application of Civitas Permian Operating, LLC (Operator No. 332195) for Compulsory Pooling, Lea County, New Mexico. Applicant in the above-styled case seeks an order from the Division pooling all uncommitted mineral interests in the Avalon and Bone Spring Formations underlying a standard 640-acres, more or less, stand-up spacing unit comprised of the E/2 of Section 10 and the E/2 of Section 15, Township 20 South, Range 32 East, NMPM, Lea County, New Mexico. The proposed horizontal spacing unit will be dedicated to the following wells to be horizontally drilled: (1) Queenie Fed Com 101H (Avalon) to be horizontally drilled with first take points in the SE/4SE/4 (Unit P) of Section 15 and last take points in the NE/4NE/4 (Unit A) of Section 10; (2) Queenie Fed Com 102H (Avalon) to be horizontally drilled with first take points in the SW/4SE/4 (Unit O) of Section 15 and last take points in the NW/4NE/4 (Unit B) of Section 10; (3) Queenie Fed Com 113H (First Bone Spring) to be horizontally drilled with first take points in the SW/4SE/4 (Unit O) of Section 15 and last take points in the NW/4NE/4 (Unit B) of Section 10; (4) Queenie Fed Com 114H (First Bone Spring) to be horizontally drilled with first take points in the SE/4SE/4 (Unit P) of Section 15 and last take points in the NE/4NE/4 (Unit A) of Section 10; (5) Queenie Fed Com 133H (Third Bone Spring) to be horizontally drilled with first take points in the SW/4SE/4 (Unit O) of Section 15 and last take points in the NW/4NE/4 (Unit B) of Section 10; and (6) Queenie Fed Com 113H (Third Bone Spring) to be horizontally drilled with first take points in SE/4SE/4 (Unit P) of Section 15 and last take points in the NE/4NE/4 (Unit A) of Section 10. The completed interval for the Queenie Fed Com 114H Well and the Queenie Fed Com 134H are expected to be no less than 330 feet from the adjoining tracts thereby allowing for the inclusion of the proximity tracts within the Unit. Also to be considered will be the cost of drilling and completing the wells and the allocation of costs thereof; actual operating costs and charges for supervision; the designation of the Applicant of Operator of the wells and unit; and a 200% charge for the risk involved in drilling and completing the wells. The wells and lands are located approximately 30 miles NE of Carlsbad, New Mexico.