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

APPLICATION OF ALPHA ENERGY PARTNERS II, LLC, FOR COMPULSORY POOLING, EDDY COUNTY, NEW MEXICO.

APPLICATION

Alpha Energy Partners II, LLC ("Alpha Energy"), OGRID Number 330859, through its undersigned attorneys, hereby submits this application to the Oil Conservation Division pursuant to the provisions of NMSA 1978, § 70-2-17, for an order pooling all uncommitted mineral interests within a standard 320-acre, more or less, Bone Spring horizontal spacing unit comprised of the S/2 N/2 of Sections 14 and 13, Township 22 South, Range 26 East, NMPM, Eddy County, New Mexico. In support of this application, Alpha Energy states as follows:

- 1. Alpha Energy is an interest owner in the subject lands and has a right to drill a well thereon.
- 2. Alpha Energy seeks to dedicate the spacing unit to the **Dude Abides 14-13 Fed Com 502H** and **Dude Abides 14-13 Fed Com 602H** wells to be horizontally drilled with proposed first take points in the SW/4 NW/4 (Unit E) of Section 14 and proposed last take points in the SE/4 NE/4 (Unit H) of Section 13.
 - 3. The producing area for the wells is expected to be orthodox.
 - 4. These wells will comply with the Division's setback requirements for this pool.
- 5. Alpha Energy sought, but has been unable to obtain, a voluntary agreement from all interest owners in the Bone Spring formation underlying the proposed spacing unit to participate in the drilling of the wells or to otherwise commit their interests to the wells.

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6. The pooling of all interests in the Bone Spring formation underlying the proposed unit will prevent the drilling of unnecessary wells, prevent waste and protect correlative rights.

WHEREFORE, Alpha Energy requests this application be set for hearing before an Examiner of the Oil Conservation Division on January 9, 2025 and after notice and hearing as required by law, the Division enter its order:

- A. Pooling all uncommitted interests in a standard 320-acre, more or less, Bone Spring horizontal spacing unit comprised of the S/2 N/2 of Sections 14 and 13, Township 22 South, Range 26 East, NMPM, Eddy County, New Mexico.;
- B. Designating Alpha Energy as operator of this unit and the wells to be drilled thereon;
- C. Authorizing Alpha Energy to recover its costs of drilling, equipping and completing the wells;
- D. Approving actual operating charges and costs charged for supervision, together with a provision adjusting the rates pursuant to the COPAS accounting procedure;
- E. 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.

Respectfully submitted,

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

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edebrine@modrall.com deana.bennett@modrall.com yarithza.pena@modrall.com Attorneys for Alpha Energy Partners II, LLC CASE NO. ______: Application of Alpha Energy Partners II, LLC for Compulsory Pooling, Eddy County, New Mexico. Applicant seeks an order from the Division pooling all uncommitted mineral interests within a standard 320 -acre, more or less, Bone Spring horizontal spacing unit comprised of the S/2 N/2 of Sections 14 and 13, Township 22 South, Range 26 East, NMPM, Eddy County, New Mexico. This spacing unit will be dedicated to the **Dude Abides 14-13 Fed Com 602H** wells to be horizontally drilled with proposed first take points in the SW/4 NW/4 (Unit E) of Section 14 and proposed last take points in the SE/4 NE/4 (Unit H) of Section 13. The producing area for the wells is expected to be orthodox. Also to be considered will be the cost of drilling and completing said wells, the allocation of these costs as well as the actual operating costs and charges for supervision, designation of Alpha Energy as operator of the wells, and a 200% charge for risk involved in drilling said wells. Said area is located approximately 1 mile west of Carlsbad, New Mexico.