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

APPLICATION OF EARTHSTONE OPERATING, LLC TO POOL ADDITIONAL INTERESTS UNDER ORDER NO. R-22597, LEA COUNTY, NEW MEXICO.

CASE NO. ____ORDER NO. R-22597

APPLICATION

Pursuant to NMSA 1978, Section 70-2-17, Earthstone Operating, LLC ("Earthstone" or "Applicant") (OGRID No. 331165) files this application with the Oil Conservation Division ("Division") seeking to pool additional uncommitted interests under the terms of Division Order No. R-22597. Applicant states the following in support of its application.

- 1. On March 30, 2023, the Division entered Order No. R-22597 ("Order") in Case No. 23270, which pooled uncommitted interests from the top of the Second Bone Spring interval to the base of the Third Bone Spring interval of the Bone Spring formation, underlying a 638.71-acre, more or less, standard horizontal spacing unit comprised of the E/2 of Section 34, Township 19 South, Range 33 East, and Lots 1 and 2, S/2 NE/4, and SE/4 (E/2 equivalent) of irregular Section 3, Township 20 South, Range 33 East, Lea County, New Mexico ("Unit"). The Order dedicated the Unit to the Jade 34-3 Fed 2BS Com 9H, Jade 34-3 Fed 2BS Com 18H, Jade 34-3 Fed HKY Com 19H, Jade 34-3 Fed 3BS Com 21H, and Jade 34-3 Fed 3BS Com 22H wells ("Wells") and designated Applicant as operator of the Unit and Wells.
- 2. Since the Order was entered, Applicant has identified additional interests in the Unit that have not been pooled under the terms of the Order.

- 3. Applicant has undertaken diligent, good-faith efforts to obtain voluntary agreements from the additional interest owners but has been unable to obtain voluntary agreements from the owners.
- 4. In order to allow Applicant to obtain its just and fair share of the oil and gas underlying the subject lands, the additional interests should be pooled into the Unit pursuant to the terms of the Order.

WHEREFORE, Applicant requests this application be set for hearing before an Examiner of the Division on September 11, 2025, and, after notice and hearing, the Division pool the additional uncommitted interests into the Unit pursuant to the terms of Division Order No. R-22597.

Respectfully submitted,

/s/ Dana S. Hardy
Hardy McLean LLC
Dana S. Hardy
Jaclyn M. McLean
Jaime R. Kennedy
125 Lincoln Ave., Suite 223
Santa Fe, NM 87501
505-230-4410
dhardy@hardymclean.com
jmclean@hardymclean.com
jkennedy@hardymclean.com

Attorneys for Earthstone Operating, LLC