

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

**APPLICATION OF CENTENNIAL  
RESOURCE PRODUCTION, LLC FOR  
COMPULSORY POOLING, LEA COUNTY,  
NEW MEXICO.**

CASE NO. \_\_\_\_\_

**APPLICATION**

Centennial Resource Production, LLC (“Centennial” or “Applicant”) (OGRID No. 372165), 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 (1) approving a standard 640-acre, more or less, horizontal spacing unit in a portion of the Bone Spring formation from a depth of 10,388 feet to the base of the Bone Spring formation, comprised of the E/2 of irregular Sections 6 and 31, Township 22 South, Range 35 East, NMPM, Lea County, New Mexico; and (2) pooling all uncommitted interests within such acreage. In support of its application, Centennial 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 dedicate the above-referenced spacing unit to the following proposed initial wells:

- a. the **Eric Cartman 6 State Com #604H well**, to be horizontally drilled from a surface location in the SW/4 SE/4 (Unit O) of irregular Section 6, to a bottom hole location in the NW/4 NE/4 (Unit B) of irregular Section 31; and

- b. the **Eric Cartman 6 State Com #605H well**, to be horizontally drilled from a surface location in the SW/4 SE/4 (Unit O) of irregular Section 6, to a bottom hole location in the NE/4 NE/4 (Unit A) of irregular Section 31.

3. The completed interval for the proposed **Eric Cartman 6 State Com #604H well** will remain within 330 feet of the quarter-quarter line separating the W/2 E/2 from the E/2 E/2 of irregular Sections 6 and 31, to allow inclusion of this acreage into a standard horizontal well spacing unit.

4. Applicant has sought and been unable to obtain voluntary agreement for the development of these lands from all the working interest 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 this horizontal spacing unit should be pooled, and Applicant should be designated the operator of the proposed horizontal wells and spacing unit.

WHEREFORE, Applicant requests that this application be set for hearing before an Examiner of the Oil Conservation Division on April 7, 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 in the defined portion of the Bone Spring formation and approving the initial wells thereon;
- B. Designating Applicant as operator of the horizontal spacing unit and the horizontal wells to be drilled thereon;

- C. Authorizing Applicant to recover its costs of drilling, equipping, and completing 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% charge 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

By: 

Michael H. Feldewert  
Adam G. Rankin  
Julia Broggi  
Post Office Box 2208  
Santa Fe, New Mexico 87504-2208  
(505) 988-4421  
(505) 983-6043 Facsimile  
mhfeldewert@hollandhart.com  
agrarkin@hollandhart.com  
jbroggi@hollandhart.com

**ATTORNEYS FOR  
CENTENNIAL RESOURCE PRODUCTION, LLC**