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

APPLICATION OF AMEREDEV OPERATING, LLC TO AMEND ORDER NO. R-22058, EDDY COUNTY, NEW MEXICO.

CASE NO. _____ ORDER NO. R-22058

APPLICATION

Ameredev Operating, LLC ("Ameredev" or "Applicant") (OGRID No. 372224), through its undersigned attorneys, hereby files this application with the Oil Conservation Division to amend Division Order No. R-22058 ("Order") to replace the initial wells in the approved spacing unit under the Order with substitute wells. In support its application, Ameredev states:

1. The Order, entered on March 9, 2022, in Case No. 22401, created a standard 320acre, more or less, horizontal spacing unit in the Wolfcamp formation comprised of the E/2 W/2 of Sections 29 and 32, Township 25 South, Range 36 East, NMPM, Lea County, New Mexico (the "Unit"), and designated Ameredev as the operator of the Unit.

2. The Order further pooled the uncommitted interests in the Wolfcamp formation [Jal; Wolfcamp, West Pool (Pool Code 33813)] in the Unit and dedicated the Unit to the proposed initial **Red Bud Fed Com 25 36 32 #104H Well** (API Pending) and the **Red Bud Fed Com 25 36 32 #114H Well** (API Pending).

3. Since the entry of the Order, Ameredev has determined that due to federal permitting issues it is prudent to instead dedicate the Unit to the proposed initial **Red Bud Fed Com 25 36 32 #103H Well** (API 30-025-47940) and the **Red Bud Fed Com 25 36 32 #113H** Well (API 30-025-48789). Both wells will be drilled from a surface hole location in the NE/4 NW/4 of Section 5 (Unit C) to a bottom hole location in the NE/4 NW/4 of Section 29 (Unit C).

4. The completed interval for these wells will remain within the standard offset required by the statewide rules for oil wells.

5. Ameredev requests that the remainder of the provisions in Order No. R-22058 remain unchanged.

WHEREFORE, Ameredev requests that this application be set for hearing before an Examiner of the Oil Conservation Division on May 5, 2022, and, after notice and hearing as required by law, the Division enter an order approving this application.

Respectfully submitted,

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ATTORNEYS FOR AMEREDEV OPERATING, LLC

CASE NO. : Application of Ameredev Operating, LLC to Amend Order No. 22058, Lea County, New Mexico. Applicant in the above-styled cause seeks to amend R-22058 ("Order") to replace the initial wells in the approved spacing unit under the Order with substitute wells. The Order created a standard 320-acre, more or less, horizontal spacing unit in the Wolfcamp formation comprised of the E/2 W/2 of Sections 29 and 32, Township 25 South, Range 36 East, NMPM, Lea County, New Mexico (the "Unit"), and designated Ameredev as the operator of the Unit. Order No. R-22058 pooled the uncommitted interests in the Wolfcamp formation [Jal; Wolfcamp, West Pool (Pool Code 33813)], and dedicated the Unit to the proposed Red Bud Fed Com 25 36 32 #104H Well (API Pending) and the Red Bud Fed Com 25 36 32 #114H Well (API Pending). Ameredev now seeks to amend to dedicate the Unit to the proposed initial Red Bud Fed Com 25 36 32 #103H Well (API 30-025-47940), and the Red Bud Fed Com 25 36 32 #113H Well (API 30-025-48789). Both wells will be drilled from a surface hole location in the NE/4 NW/4 of Section 5 (Unit C) to a bottom hole location in the NE/4 NW/4 of Section 29 (Unit C). Said area is located approximately 9 miles southeast of Carlsbad, New Mexico.