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

APPLICATION OF AMEREDEV OPERATING, LLC TO AMEND ORDER NO. R-21945, LEA COUNTY, NEW MEXICO.

CASE NO. ORDER NO. R-22864

APPLICATION

Ameredev Operating, LLC ("Ameredev" or "Applicant"), through its undersigned attorneys, hereby files this application with the Oil Conservation Division to amend Order No. R-22864 ("Order") to allow for an extension of time for completing the proposed initial wells drilled under the Order. In support of its application, Ameredev states:

1. Division Order No. R-22864, entered on September 11, 2023, in Case No. 23682, created a standard 640-acre, more or less, horizontal spacing unit comprised of the E/2 W/2 and W/2 E/2 of Sections 28 and 33, Township 25 South, Range 36 East, NMPM, Lea County, New Mexico (the "Unit"), and designated Ameredev as operator of the Unit.

2. Order No. R-22864 further pooled the uncommitted interests in the Wolfcamp formation (Jal; Wolfcamp, West [33813]) in the Unit and dedicated the Unit to the proposed initial **Tea Olive Fed Com 25 36 33 104H** (API No. 30-025-50739), **Tea Olive Fed Com 25 36 33 104H** (API No. 30-025-50745), **Tea Olive Fed Com 25 36 33 105H** (API No. 30-025-50740), and **Tea Olive Fed Com 25 36 33 115H** (API No. 30-025-50742).

3. The **Tea Olive Fed Com 25 36 33 105H** (API No. 30-025-50740) was not drilled under the Order. The **Tea Olive Fed Com 25 36 33 104H** (API No. 30-025-50739) was drilled on April 27, 2023; the **Tea Olive Fed Com 25 36 33 115H** (API No. 30-025-50742) was drilled on <u>July 10, 2023;</u> and the **Tea Olive Fed Com 25 36 33 124H well** (API No. 30-025-50745) was drilled on <u>April 24, 2023</u>.

4. Applicant requests that Order No. R-22864 be re-opened and amended to allow Applicant additional time to complete the wells under the Order.

5. There is good cause for Applicant's request for an extension of time to complete the wells. Completion operations are delayed due to a force majeure event at the primary gas purchaser facility that the wells will tie into, thereby causing Ameredev to delay its intended plans to complete the wells as required by the Order.

6. Under the Order, Applicant would be required to complete each well no later than one year after the commencement of drilling the well; therefore, Ameredev asks for a year extension from the date of commencement of drilling each well.

WHEREFORE, Applicant requests that this application be set for hearing before an Examiner of the Oil Conservation Division on March 7, 2024, and, after notice and hearing as required by law, the Division enter an order extending the time for Ameredev to complete the proposed initial wells under the Order.

Respectfully submitted,

HOLLAND & HART LLP

attur By:

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ATTORNEYS FOR AMEREDEV OPERATING, LLC

CASE ____:

Application of Ameredev Operating, LLC to Amend Order No. R-23682, Lea County, New Mexico. Applicant in the above-styled cause seeks a year extension of time to complete the wells drilled under Order No. R-22864. The Unit is comprised of the E/2 W/2 and W/2 E/2 of Sections 28 and 33, Township 25 South, Range 36 East, NMPM, Lea County, New Mexico. Order No. R-22864 pooled the uncommitted interests in the Wolfcamp formation and dedicated the Unit to the proposed initial Tea Olive Fed Com 25 36 33 104H well (API No. 30-025-50739) to be horizontally drilled from a surface location in the NE/4 NW/4 (Unit C) of Section 4, T26S-R36E, to a bottom hole location in the NE/4 NW/3 (Unit C) of Section 28, T25S-R36E; Tea Olive Fed Com 25 36 33 124H well (API No. 30-025-50745) to be horizontally drilled from a surface location in the NE/4 NW/4 (Unit C) of Section 4, T26S-R36E, to a bottom hole location in the NE/4 NW/3 (Unit C) of Section 28, T25S-R36E; and Tea Olive Fed Com 25 36 33 115H well (API No. 30-025-50742) to be horizontally drilled from a surface location in the NW/4 NE/4 (Unit B) of Section 4, T26S-R36E, to a bottom hole location in the NW/4 NE/4 (Unit B) of Section 28, T25S-R36E. Said area is located 5 miles southwest of Jal, New Mexico.