

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

**APPLICATION OF GREYHOUND RESOURCES
COMPANY, LLC, FOR COMPULSORY POOLING,
LEA COUNTY, NEW MEXICO.**

CASE NO. _____

APPLICATION

Greyhound Resources Company, LLC (“Applicant”) through its undersigned attorneys, files this application with the Oil Conservation Division pursuant to the provisions of NMSA 1978, § 70-2-17, for an order pooling all uncommitted interests in standard 40-acre vertical well spacing units in the Wolfcamp and Bone Spring formations underlying the SW4 NE4 of Section 14, Township 17 South, Range 37 East, NMPM, Lea County, New Mexico. In support of this application, Applicant states:

1. Applicant is an interest owner in the subject acreage and has a right to drill thereon.
2. Applicant seeks to designate Matador Production Company (OGRID No. 228937) as the operator of the proposed spacing units.
3. Applicant proposes to dedicate the above-referenced spacing unit to the existing **Monika 14 17S 37E State 001** (30-025-49719), a vertical well currently drilled in the Strawn formation from a previously approved non-standard location in the SW4 NE4 (Unit G) of Section 14.
4. Applicant intends to recomplete the well initially in the Wolfcamp formation [Humble City; Wolfcamp (33510)], and then in the Bone Spring formation [Hobbs Channel; Bone Spring (31705)] as warranted.

5. Applicant has separately filed for administrative approval of the non-standard location in the Wolfcamp and Bone Spring formations.

6. Applicant has sought and been unable to obtain voluntary agreement for the development of these lands from all working interest owners in the subject acreage.

7. The pooling of interests will avoid the drilling of unnecessary wells, will prevent waste, and will protect correlative rights.

8. The approval of this application and the pooling of interests will allow Applicant to obtain a just and fair share of the oil and gas underlying the subject lands, avoid the drilling of unnecessary wells, will prevent waste, and will protect correlative rights.

WHEREFORE, Matador requests that this application be set for hearing before an Examiner of the Oil Conservation Division on June 13, 2024, and, after notice and hearing as required by law, the Division enter an order:

- A. Pooling all uncommitted interests in the proposed Wolfcamp and Bone Spring spacing units;
- B. Designating Matador Production Company as the operator of said spacing units and wells drilled thereon;
- C. Authorizing Applicant to recover a proportionate share of costs of drilling, equipping, completing, and recompleting the existing well;
- D. Approving the actual operating charges and costs of supervision while recompleting the well, 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 recompleting the well against any working interest owner who does not voluntarily participate in the recompletion of the well.

Respectfully submitted,

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**ATTORNEYS FOR GREYHOUND RESOURCES
COMPANY, LLC**

CASE _____: Application of Greyhound Resources Company, LLC for Compulsory Pooling, Lea County, New Mexico. Applicant in the above-styled cause seeks an order pooling all uncommitted interests in standard 40-acre vertical well spacing units in the Wolfcamp and Bone Spring formations underlying the SW4NE4 of Section 14, Township 17 South, Range 37 East, NMPM, Lea County, New Mexico. Applicant proposes to dedicate the above-referenced spacing unit to the existing **Monika 14 17S 37E State 001** (30-025-49719), a vertical well currently drilled in the Strawn formation from a previously approved non-standard location in the SW4NE4 (Unit G) of Section 14. Also to be considered will be the proportionate cost of drilling, recompleting and equipping said well and the allocation of these costs, the operating costs and charges for supervision, the designation of Matador Production Company as operator of the well, and a 200% charge for risk involved in recompleting said well. Said area is located approximately 10 miles Northwest of Hobbs, New Mexico.