

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

**APPLICATION OF CIVITAS PERMIAN OPERATING,
LLC FOR COMPULSORY POOLING,
EDDY COUNTY, NEW MEXICO.**

CASE NO. _____

APPLICATION

Civitas Permian Operating, LLC (“Civitas”) (OGRID Number 332195) submits to the Oil Conservation Division this application pursuant to the provisions of NMSA 1978, § 70-2-17 for an order pooling all uncommitted interests in the Bone Spring formation (Forehand Ranch Bone Spring [24660]) underlying a standard 160-acre, more or less, horizontal spacing unit comprised of the W/2W/2 of Section 10, Township 24 South, Range 27 East, Eddy County, New Mexico (the “Unit”).

In support of this application, Civitas states the following.

1. Civitas is a working interest owner in the Unit and has the right to drill a well thereon.
2. Civitas seeks to dedicate the Unit to the Silver Bullet 10 State Com #131H to be horizontally drilled with first take point in the SW/4SW/4 (Unit M) of Section 10 and last take point in the NW/4NW/4 (Unit D) of Section 10.
3. The producing area for the well is expected to be orthodox.
4. Civitas has sought and been unable to obtain voluntary agreement for the development of these lands from all the interest owners in the Unit.
5. The pooling of all interests in the Unit will avoid the drilling of unnecessary wells, prevent waste and protect correlative rights.
6. Approval of this application will allow Civitas to obtain its just and fair share of the oil and gas underlying the subject lands.

WHEREFORE, Civitas requests this application be set for hearing before an Examiner of the Oil Conservation Division on October 3, 2024, and after notice and hearing, the Division enter its order:

- a. Pooling all uncommitted interests in the Unit;
- b. Approving the well in the Unit;
- c. Designating Civitas as operator of the Unit and the well to be drilled thereon;
- d. Authorizing Civitas to recover its costs of drilling, equipping and completing the well;
- e. Approving actual operating charges and costs charged for supervision, together with a provision adjusting the rates pursuant to the COPAS accounting procedure; and
- f. Setting a 200% charge for the risk involved in drilling and completing the well in the event a working interest owner elects not to participate in the well.

Respectfully submitted,

Civitas Permian Operating, LLC



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