

**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 underlying a standard 640-acre, more or less, horizontal spacing unit comprised of the E/2 of Section 34, Township 23 South, Range 27 East, and the E/2 of Section 3, 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 following wells (“Wells”):
  - a. Smooth Hoperator 34-3 Fed Com 113H and Smooth Hoperator 34-3 Fed Com 123H to be horizontally drilled with first take point in the NW/4NE/4 (Unit B) of Section 34 and last take point in the SW/4SE/4 (Unit O) of Section 3, and
  - b. Smooth Hoperator 34-3 Fed Com 114H and Smooth Hoperator 34-3 Fed Com 124H to be horizontally drilled with first take point in the NE/4NE/4 (Unit A) of Section 34 and last take point in the SE/4SE/4 (Unit P) of Section 3.
3. The producing area for the Wells is expected to be orthodox.
4. The completed interval for the Smooth Hoperator 34-3 Fed Com 113H is expected to be less than 330 feet from the adjoining tracts thereby allowing for the inclusion of the proximity tracts within the Unit.
5. Civitas has sought and been unable to obtain voluntary agreement for the development of these lands from all the interest owners in the Unit.

6. The pooling of all interests in the Unit will avoid the drilling of unnecessary wells, prevent waste and protect correlative rights.

7. 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 November 7, 2024, and after notice and hearing, the Division enter its order:

- a. Pooling all uncommitted interests in the Unit;
- b. Approving the Wells in the Unit;
- c. Designating Civitas as operator of the Unit and the Wells to be drilled thereon;
- d. Authorizing Civitas to recover its costs of drilling, equipping and completing the Wells;
- 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 Wells in the event a working interest owner elects not to participate in the Wells.

Respectfully submitted,

**Civitas Permian Operating, LLC**



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