

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

**APPLICATION OF ALPHA ENERGY
PARTNERS, LLC, FOR COMPULSORY
POOLING, EDDY COUNTY, NEW MEXICO**

Case No. _____

APPLICATION

Alpha Energy Partners, LLC (“Alpha”), OGRID No. 330859., through its undersigned attorneys, hereby files this Application with the Oil Conservation Division (“Division”) pursuant to the provisions of NMSA 1978, Section 70-2-17, for an order pooling all uncommitted mineral interests in the Wolfcamp formation, designated as a gas pool, underlying a standard 1267.84-acres, more or less, horizontal spacing unit comprised of Section 17 and 18 in Township 22 South, Range 27 East, Eddy County, New Mexico.

In support of its Application, Alpha states the following:

1. Alpha is a working interest owner in the proposed horizontal spacing unit (“HSU”) and has a right to drill a well thereon.
2. Therefore, Alpha proposes and dedicates to the HSU seven (7) initial wells: the **Hollywood Star 17-18 Fee 701H; Hollywood Star 17-18 Fee 702H; Hollywood Star 17-18 Fee 703H; Hollywood Star 17-18 Fee 704H; Hollywood Star 17-18 Fee 801H; Hollywood Star 17-18 Fee 802H;** and the **Hollywood Star 17-18 Fee 803H**, to be drilled to a sufficient depth to test the Wolfcamp.
3. Alpha proposes the **Hollywood Star 17-18 Fee 701H Well** to be horizontally drilled from a surface location in the SE/4SE/4 (Unit P) of Section 17 to a bottom hole location in the SW/4SW/4 (Lot 4) of Section 18.

4. Alpha proposes the **Hollywood Star 17-18 Fee 702H Well** to be horizontally drilled from a surface location in the NE/4SE/4 (Unit I) of Section 17 to a bottom hole location in the NW/4SW/4 (Lot 3) of Section 18.

5. Alpha proposes the **Hollywood Star 17-18 Fee 703H Well** to be horizontally drilled from a surface location in the SE/4NE/4 (Unit H) of Section 17 to a bottom hole location in the SW/4NW/4 (Lot 2) of Section 18.

6. Alpha proposes the **Hollywood Star 17-18 Fee 704H Well** to be horizontally drilled from a surface location in the NE/4NE/4 of Section 17 (Unit A) to a bottom hole location in the NW/4NW/4 (Lot 1) of Section 18.

7. Alpha proposes the **Hollywood Star 17-18 Fee 801H Well** to be horizontally drilled from a surface location in the SE/4SE/4 (Unit P) of Section 17 to a bottom hole location in the SW/4SW/4 (Lot 4) of Section 18.

8. Alpha proposes the **Hollywood Star 17-18 Fee 802H Well** to be horizontally drilled from a surface location in the NE/4SE/4 (Unit I) of Section 17 to a bottom hole location in the NW/4SW/4 of Section 18 (Lot 3). The **Hollywood Star 17-18 Fee 802H Well** is the proximity well positioned so the unit can include proximity tracts, thereby allowing for the larger standard spacing unit.

9. Alpha proposes the **Hollywood Star 17-18 Fee 803H Well** to be horizontally drilled from a surface location in the SE/4NE/4 (Unit H) of Section 17 to a bottom hole location in the SW/4NW/4 (Lot 2) of Section 18.

10. All the wells proposed herein are orthodox in their location, and the take points and completed intervals comply with setback requirements under the special rules for the Purple Sage, Wolfcamp pool, pursuant to Order No. R-14262.

11. Alpha's review of records did not show any overlapping units.

12. Alpha has sought in good faith, but has been unable to obtain, voluntary agreement from all interest owners to participate in the drilling of the well or in the commitment of their interests to the well for their development within the proposed HSU.

13. The pooling of all interests in the Wolfcamp formation within the proposed HSU will avoid the drilling of unnecessary wells, prevent waste and protect correlative rights.

14. In order to provide for its just and fair share of the oil and gas underlying the subject lands, Devon requests that all uncommitted interests in this HSU be pooled and that Alpha be designated the operator of the proposed horizontal wells and HSU.

WHEREFORE, Alpha requests that this Application be set for hearing on November 7, 2024, before an Examiner of the Oil Conservation Division, and after notice and hearing as required by law, the Division enter an order:

A. Pooling all uncommitted mineral interests in the Wolfcamp formation underlying a standard 1267.84-acres, more or less, horizontal spacing unit comprised of Sections 17 and 18 in Township 22 South, Range 27 East, Eddy County, New Mexico;

B. Approving the **Hollywood Star 17-18 Fee 701H; Hollywood Star 17-18 Fee 702H; Hollywood Star 17-18 Fee 703H; Hollywood Star 17-18 Fee 704H; Hollywood Star 17-18 Fee 801H; Hollywood Star 17-18 Fee 802H;** and the **Hollywood Star 17-18 Fee 803H** as the wells for the HSU;

C. Designating Alpha as operator of this HSU and the horizontal wells to be drilled thereon;

D. Authorizing Alpha to recover its costs of drilling, equipping, and completing the wells;

E. Approving actual operating charges and costs of supervision, to the maximum extent allowable, while drilling and after completion, together with a provision adjusting the rates pursuant to the COPAS accounting procedures; and

F. Setting a 200% charge for the risk assumed by Alpha in drilling and completing the wells in the event a working interest owner elects not to participate in the well.

Respectfully submitted,

ABADIE & SCHILL, PC

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Application of Alpha Energy Partners, LLC, for Compulsory Pooling, Eddy County, New Mexico. Applicant in the above-styled cause seeks an order from the Division pooling all uncommitted mineral interests in the Wolfcamp formation, designated as a gas pool, underlying a standard 1267.84-acre, more or less, horizontal spacing and proration unit comprised of the Sections 17 and 18 in Township 22 South, Range 27 East, Eddy County, New Mexico. The proposed wells to be dedicated to the horizontal spacing unit are the **Hollywood Star 17-18 Fee 701H Well** to be horizontally drilled from a surface location in the SE/4SE/4 (Unit P) of Section 17 to a bottom hole location in the SW/4SW/4 (Lot 4) of Section 18; the **Hollywood Star 17-18 Fee 702H Well** to be horizontally drilled from a surface location in the NE/4SE/4 (Unit I) of Section 17 to a bottom hole location in the NW/4SW/4 (Lot 3) of Section 18; the **Hollywood Star 17-18 Fee 703H Well** to be horizontally drilled from a surface location in the SE/4NE/4 (Unit H) of Section 17 to a bottom hole location in the SW/4NW/4 (Lot 2) of Section 18; the **Hollywood Star 17-18 Fee 704H Well** to be horizontally drilled from a surface location in the NE/4NE/4 (Unit A) of Section 17 to a bottom hole location in the NW/4NW/4 (Lot 1) of Section 18; the **Hollywood Star 17-18 Fee 801H Well** to be horizontally drilled from a surface location in the SE/4SE/4 (Unit P) of Section 17 to a bottom hole location in the SW/4SW/4 (Lot 4) of Section 18; the **Hollywood Star 17-18 Fee 802H Well** to be horizontally drilled from a surface location in the NE/4SE/4 (Unit I) of Section 17 to a bottom hole location in the NW/4SW/4 of Section 18 (Lot 3); and the **Hollywood Star 17-18 Fee 803H Well** to be horizontally drilled from a surface location in the SE/4NE/4 (Unit H) of Section 17 to a bottom hole location in the SW/4NW/4 (Lot 2) of Section 18. The **802H Well** is the proximity well, and proximity tracts will be utilized. All the proposed wells will be orthodox, and their take points and completed intervals will comply with the special rules for the Purple Sage, Wolfcamp pool pursuant to Order No. R-14262. Also to be considered will be the cost of drilling and completing the wells and the allocation of the costs thereof; actual operating costs and charges for supervision; the designation of the Applicant as Operator of the wells and unit; and a 200% charge for the risk involved in drilling and completing the wells. The wells and lands are located approximately 1.5 miles south-southeast from the center of Carlsbad.