

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

**APPLICATION OF PBEX OPERATIONS, LLC
FOR COMPULSORY POOLING,
LEA COUNTY, NEW MEXICO.**

CASE NO. 25154

AMENDED APPLICATION

In accordance with NMSA 1978, § 70-2-17, PBEX Operations, LLC (“PBEX” or “Applicant”) (OGRID No. 332544) seeks an order pooling uncommitted interests in the Second and Third Bone Spring intervals of the Bone Spring formation underlying a 960-acre, more or less, standard horizontal spacing unit comprised of the W/2 of Sections 15, 22, and 27, Township 19 South, Range 33 East, Lea County, New Mexico (“Unit”). In support of this application, PBEX states the following.

1. Applicant is a working interest owner in the Unit and has the right to drill thereon.
2. Applicant seeks to dedicate the Unit to the following proposed wells (“Wells”):
 - a. **Moonraker 15-27 Fed Com 201H**, which will be drilled from a surface hole location in the NE/4 NW/4 (Unit C) of Section 15 to a bottom hole location in the SW/4 SW/4 (Unit M) of Section 27;
 - b. **Moonraker 15-27 Fed Com 203H**, which will be drilled from a surface hole location in the NE/4 NW/4 (Unit C) of Section 15 to a bottom hole location in the SW/4 SW/4 (Unit M) of Section 27; and
 - c. **Moonraker 15-27 Fed Com 205H**, which will be drilled from a surface hole location in the NE/4 NW/4 (Unit C) of Section 15 to a bottom hole location in the SE/4 SW/4 (Unit N) of Section 27.
3. The completed intervals of the Wells will be orthodox.
4. The Moonraker 15-27 Fed Com 203H well will be located within 330’ of the quarter-quarter section line separating the W/2 W/2 and E/2 W/2 of Sections 15, 22, and 27 to allow for the creation of a 960-acre standard, overlapping horizontal spacing unit.

5. The Unit will overlap with the spacing units for the following wells:
 - Malachite 22 Federal #001H (API No. 30-025-40318), which is located in the W/2 W/2 of Section 22, Township 19 South, Range 33 East, and produces from the Tonto; Bone Spring Pool (Code 59475);
 - Malachite 22 Federal #002H (API No. 30-025-40389), which is located in the E/2 W/2 of Section 22, Township 19 South, Range 33 East, and produces from the Tonto; Bone Spring Pool (Code 59475); and
 - Lowell Federal #001 (API No. 30-025-31008), which is located in the NE/4 SW/4 of Section 15, Township 19 South, Range 33 East, and produces from the Tonto; Bone Spring Pool (Code 59475).

6. Due to a depth severance within the Unit, Applicant seeks to pool uncommitted interests in the Second Bone Spring and Third Bone Spring intervals of the Bone Spring formation, at depths lying between the stratigraphic equivalent of 9,600' and 10,770' TVD, as shown on the Lowell Federal #001 (API No. 30-025-31008) well log.

7. Applicant has sought and been unable to obtain voluntary agreement for the development of these lands from all of the interest owners in the Unit.

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

9. In order to permit Applicant to obtain its just and fair share of the oil and gas underlying the subject lands, all uncommitted interests in the Unit should be pooled and Applicant should be designated the operator of the proposed horizontal Wells and the Unit.

WHEREFORE, Applicant requests that this application be set for hearing before an Examiner of the Oil Conservation Division on March 13, 2025, and, after notice and hearing as required by law, the Division enter an order:

- A. Pooling all uncommitted interests in the Unit;
- B. Approving the initial wells in the Unit;
- C. Designating Applicant as the operator of the Unit and the horizontal wells to be drilled thereon;
- D. Authorizing Applicant to recover its costs of drilling, equipping, and completing the wells;
- E. Approving the actual operating charges and costs of supervision, together with a provision adjusting the rates pursuant to the COPAS accounting procedures; and
- F. Imposing a 200% charge for the risk assumed by Applicant in drilling and completing the wells against any working interest owner who does not voluntarily participate in the drilling of the wells.

Respectfully submitted,

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