

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

**APPLICATION OF CIVITAS PERMIAN OPERATING,
LLC FOR COMPULSORY POOLING,
LEA 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 from the top of the Bone Spring formation to the base of the Second Bone Spring interval underlying a standard 480-acre, more or less, horizontal spacing unit comprised of the SE/4 of Section 3 and the E/2 of Section 10, Township 25 South, Range 35 East, Lea 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. First Tee Fed Com 113H and First Tee Fed Com 122H to be horizontally drilled with first take points in the NE/4SE/4 (Unit I) of Section 3 and last take points in the SE/4SE/4 (Unit P) of Section 10; and
 - b. First Tee Fed Com 111H, First Tee Fed Com 112H and First Tee Fed Com 121H to be horizontally drilled with first take points in the NW/4SE/4 (Unit J) of Section 3 and last take points in the SW/4SE/4 (Unit O) of Section 10.
3. The producing area for the Wells is expected to be orthodox.
4. The completed interval for the First Tee Fed Com 122H is expected to be less than 330 feet from the adjoining tracts thereby allowing for the inclusion of the proximity tracts within the Unit under Rule 19.15.16.15(B)(1)(b) NMAC.
5. Civitas seeks to pool all uncommitted interests from the top of the Bone Spring formation to the base of the Second Bone Spring interval (being the stratigraphic equivalent of

11,164' TVD as referenced from the Oxy Banana Girl Federal 2 well [API # 30-025-35322]).

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

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

8. 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 May 8, 2025, 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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