

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

**APPLICATION OF ROCKWOOD ENERGY, LP  
FOR COMPULSORY POOLING,  
LEA COUNTY, NEW MEXICO.**

CASE NO. \_\_\_\_\_

**APPLICATION**

Rockwood Energy, LP (OGRID No. 333298) (“Rockwood”), through its undersigned attorney, hereby files this application with the Oil Conservation Division (“Division”), pursuant to the provisions of NMSA 1978, § 70-2-17, for an order pooling all uncommitted interests within a 320-acre, more or less, standard horizontal spacing unit in the Bone Spring formation (Pool: Mescalero Escarpe; Bone Spring [Pool code: 45793]), underlying the N/2 of Section 18, Township 18 South, Range 34 East, N.M.P.M., Lea County, New Mexico (the “Unit”). In support of this application, Rockwood states as follows:

1. Rockwood has an interest in the subject lands and has a right to drill and operate a well thereon.
2. Rockwood seeks to be designated as the operator of the proposed wells and Unit, with authority to designate a contract operator, if necessary.
3. Rockwood seeks to dedicate the Unit to the following wells:
  - **Grace Ann 18 Federal Com #41H well, and Grace Ann 18 Federal Com #51H well**, with proposed surface hole locations in the NW/4 NW/4 (Unit D) of Section 18, and proposed bottom hole locations in the NE/4 NE/4 (Unit A) of Section 18; and
  - **Grace Ann 18 Federal Com #42H well, and Grace Ann 18 Federal Com #52H well**, with proposed surface hole locations in the NW/4 NW/4 (Unit D) of Section 18, and proposed bottom hole locations in the NE/4 NE/4 (Unit H) of Section 18.
4. The wells will be horizontally drilled, and the producing areas for the wells are expected to be orthodox.

5. Rockwood sought, but has been unable to obtain, a voluntary agreement from all interest owners in the Bone Spring formation underlying the proposed Unit to participate in the drilling of the wells or to otherwise commit their interests to the wells.

6. Approval of this proposed standard spacing unit and the pooling of interests therein will allow Rockwood to prevent waste, and protect correlative rights.

WHEREFORE, Rockwood requests this application be set for a hearing before an Examiner of the Oil Conservation Division, on June 4, 2026, and after notice and hearing as required by law, the Division enter an order:

- A. Approving the proposed standard horizontal spacing unit and pooling all uncommitted interests in the Bone Spring formation, within a 320-acre, more or less, standard horizontal spacing unit comprised of the N/2 of Section 18, Township 18 South, Range 34 East, N.M.P.M., Lea County, New Mexico;
- B. Designating Rockwood Energy, LP (OGRID No. 333298) as operator of this unit and the wells to be drilled thereon;
- C. Authorizing Rockwood to recover its costs of drilling, equipping and completing the Wells;
- D. Approving actual operating charges and costs charged for supervision, together with a provision adjusting the rates pursuant to the COPAS accounting procedure; and
- E. 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,



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***Attorney for Rockwood Energy, LP***

**CASE NO. \_\_\_\_\_: Application of Rockwood Energy, LP for compulsory pooling, Lea County, New Mexico.** Applicant seeks an order pooling all uncommitted interests in the Bone Spring formation, within a 320-acre, more or less, standard horizontal spacing unit comprised of the N/2 of Section 18, Township 18 South, Range 34 East, N.M.P.M., Lea County, New Mexico. This spacing unit will be dedicated to the following wells: Grace Ann 18 Federal Com #41H well, and Grace Ann 18 Federal Com #51H well, with proposed surface hole locations in the NW/4 NW/4 (Unit D) of Section 18, and proposed bottom hole locations in the NE/4 NE/4 (Unit A) of Section 18; and Grace Ann 18 Federal Com #42H well, and Grace Ann 18 Federal Com #52H well, with proposed surface hole locations in the NW/4 NW/4 (Unit D) of Section 18, and proposed bottom hole locations in the NE/4 NE/4 (Unit H) of Section 18. The wells will be drilled at orthodox locations. Also to be considered will be the cost of drilling and completing said wells, the allocation of these costs as well as the actual operating costs and charges for supervision, designation of Rockwood Energy, LP as operator of the wells, and a 200% charge for risk involved in drilling said wells. Said area is located approximately 30 miles southwest of Lovington, New Mexico.