

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

**APPLICATION OF PLAINS RADIO PETROLEUM CO.
FOR APPROVAL OF A STANDARD SPACING AND
PRORATION UNIT AND COMPULSORY POOLING,
CHAVES COUNTY, NEW MEXICO**

Case No. _____

APPLICATION

Plains Radio Petroleum Co. (Plains Radio), by and through undersigned counsel, files this application pursuant to NMSA 1978 § 70-2-17 and NMAC 19.15.15.11 seeking an order (1) approving a standard 40 acre spacing and proration unit comprised of the NW4/NW4 of Section 29, Township 9 South, Range 29 East, Chaves County; (2) pooling all uncommitted interests in all formations from the surface through the Devonian formation underlying the proposed unit; (3) designating Plains Radio as the operator of the proposed unit; and (4) denying the competing application filed by Tamaroa Operating, LLC currently pending in Case No. 21634 before the Division. In support of this application, Plains Radio states as follows:

1. Plains Radio owns 75% of the leasehold interest in the acreage at issue and has the right to drill thereon.
2. Plains Radio proposes to dedicate the proposed unit to its Plainview 29 1 well which has already been permitted by the Division. The well is in a standard location on Section 29 and will comply with the Division's setback requirements. Plains Radio plans to drill to a depth of approximately 8.500 feet to test the Devonian formation.

3. Plains Radio has sought and been unable to obtain voluntary agreement for the development of Section 29 as a stand-alone unit from all of the working interest owners in the subject spacing unit. Tamaroa has filed a competing application seeking approval of a non-standard spacing unit consisting of the NE4/NE4 of Section 30 and the NW/4NW/4 of Section 29. Plains Radio opposes Tamaroa's application and believes that the two 40-acre sections at issue in Tamaroa's application, which are standard spacing units, should be separately developed with wells located at standard locations.

4. The pooling of interests and approval of Plains Radio's application for Section 29 will avoid the drilling of unnecessary wells, prevent waste, and protect correlative rights.

WHEREFORE, Plains Radio requests that its application be set for hearing before a Division Examiner on the same April 22, 2021 docket on which the Division has set Tamaroa's application in Case No. 21634 and, after notice and hearing as provided by law, the Division enter an order:

A. Approving the standard 40-acre spacing unit comprised of the NW4/NW4 of Section 29, Township 9 South, Range 29 East, Chaves County;

B. Pooling all uncommitted mineral interests in all formations from the surface through the Devonian formation underlying the standard spacing and proration unit;

C. Designating Plains Radio as operator of the standard spacing unit and the Plainview 29 1 well to be drilled thereon;

D. Authorizing Plains Radio to recover its costs of drilling, equipping and completing the well;

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

