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

APPLICATION OF STEWARD ENERGY II, LLC TO POOL ADDITIONAL INTEREST OWNERS UNDER ORDER NO. R-21691 LEA COUNTY, NEW MEXICO.

CASE NO. \_\_\_\_\_ORDER NO. R-21691 (Re-Open)

## <u>APPLICATION</u>

Pursuant to NMSA § 70-2-17, Steward Energy II, LLC ("Applicant") (OGRID No. 371682) files this application with the Oil Conservation Division ("Division") for the limited purpose of pooling additional unleased mineral interest owners under the terms of Division Order No. R-21691. Applicant states the following in support of its application:

- 1. On May 17, 2021, the Division entered Order No. R-21691 ("Order") in Case No. 21841 which pooled all uncommitted interests in the Bronco; San Andres, South Pool (Pool Code 7500) within the San Andres formation in a 480-acre, more or less, standard horizontal spacing unit comprised of the SW/4 of Section 11 and the W/2 of Section 14, Township 13 South, Range 38 East, Lea County, New Mexico ("Unit"). The Order further dedicated the Unit to the Gustavo Fee #5H well ("Well") and designated Applicant as operator of the Unit and Well.
- 2. Since entry of the Order, Applicant has identified additional unleased mineral interest owners in the Unit that have not been pooled under the terms of the Order.
- 3. Applicant has undertaken diligent, good-faith efforts to obtain voluntary agreements from the additional unleased mineral interest owners to participate in the drilling of the Well but has been unable to obtain voluntary agreements from the owners.
  - 4. Applicant has sought and been unable to locate the unleased mineral interest owners.

5. In order to permit Applicant to obtain its just and fair share of the oil and gas underlying the subject lands, the additional mineral interest owners should be pooled into the Unit pursuant to terms of the Order.

WHEREFORE, Applicant requests this application be set for hearing before an Examiner of the Oil Conservation Division on December 2, 2021 and after notice and hearing as required by law, the Division pool the additional unleased mineral interest owners into the Unit pursuant to the terms of Division Order No. R-21691.

Respectfully submitted,

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