

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

**APPLICATION OF AMEREDEV OPERATING, LLC
FOR COMPULSORY POOLING, LEA COUNTY, NEW MEXICO.**

CASE NO. _____

APPLICATION

Ameredev Operating, LLC (“Applicant” or “Ameredev”) (OGRID No. 372224), through its undersigned attorneys, hereby files this application with the Oil Conservation Division pursuant to the provisions of NMSA 1978, § 70-2-17, for an order pooling all uncommitted interests in the Bone Spring formation underlying a standard 320-acre, more or less, horizontal well spacing unit comprised of the E/2 E/2 of Sections 4 and 9, Township 26 South, Range 36 East, NMPM, Lea County, New Mexico. In support of its application, Ameredev states:

1. Applicant is a working interest owner in the proposed horizontal spacing unit and has the right to drill thereon.
2. Applicant proposes to initially dedicate the above-referenced spacing unit to the proposed **Firethorn 26 36 04 Fed Com #097H well**, to be horizontally drilled from a surface location in the NW/4 NW/4 (Unit A) of Section 4 to a bottom hole location in the SE/4 SE/4 (Unit P) of Section 9.
3. Applicant has sought and been unable to obtain voluntary agreement for the development of these lands from all unleased mineral interest owners in the subject spacing unit.
4. The pooling of interests will allow Applicant to obtain a just and fair share of the oil and gas underlying the subject lands, avoid the drilling of unnecessary wells, will prevent waste, and will protect correlative rights.

WHEREFORE, Applicant requests that this application be set for hearing before an Examiner of the Oil Conservation Division on October 6, 2022, and, after notice and hearing as required by law, the Division enter an order:

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

Respectfully submitted,
HOLLAND & HART LLP



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