

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

**APPLICATION OF HIGH PLAINS  
NATURAL RESOURCES, LLC FOR  
COMPULSORY POOLING AND APPROVAL  
OF OVERLAPPING SPACING UNIT,  
LEA COUNTY, NEW MEXICO.**

**CASE NO. 26133**

**APPLICATION**

Pursuant to NMSA § 70-2-17, High Plains Natural Resources, LLC (“Applicant” or “High Plains”) applies for an order pooling uncommitted interests in the San Andres formation, underlying a 320-acre, more or less, standard, overlapping horizontal spacing unit comprised of all the W/2 E/2 of irregular Sections 11 and 14, Township 13 South, Range 38 East, Lea County, New Mexico (“Unit”). In support of its application, Applicant states the following.

1. Applicant is a working interest owner in the Unit and has the right to drill wells thereon.
2. The Unit will be dedicated to the **Gale-Fring Federal Com 3H** well (“Well”), which will produce from a first take point in the NW/4 NE/4 (Unit B) of Section 11 to a last take point in the SW/4 SE/4 (Unit O) of Section 14.
3. The completed interval of the Well will be orthodox.
4. The Unit will partially overlap with the spacing unit for the Gale Federal #002H well (API No. 30-025-52292), which is located in the E/2 of irregular Section 11, Township 13 South, Range 38 East, Lea County, and produces from the Bronco; San Andres, South Pool (Code 7500).
5. The Unit will also partially overlap with the spacing unit for the Fring Federal #2H well (API No. 30-025-50202), which is located in the W/2 E/2 and Lots 1, 2, 3, and 4 of irregular

Section 14, Township 13 South, Range 38 East, Lea County, and produces from the Bonco; San Andres, South Pool (Code 7500).

6. Applicant further requests that the Division designate Burk Royalty Co., LTD (OGRID No. 3053) as the operator of the Unit and the Well.

7. Applicant has undertaken diligent, good faith efforts to obtain voluntary agreements from all interest owners to participate in the drilling of the Well but has been unable to obtain voluntary agreements from all interest owners.

8. The pooling of uncommitted interests will avoid the drilling of unnecessary wells, prevent waste, and protect correlative rights.

9. In order to allow Applicant to obtain its just and fair share of the oil and gas underlying the subject lands, all uncommitted interests in the Unit should be pooled and Applicant should be designated the operator of the Well and the Unit.

WHEREFORE, Applicant requests that this application be set for 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. Pooling all uncommitted interests in the Unit;
- B. Approving the Well in the Unit;
- C. Designating Burk Royalty Co., LTD as the operator of the Unit and the Well to be drilled thereon;
- D. Authorizing Applicant 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 adjusting the rates pursuant to the COPAS accounting procedures; and
- F. Imposing a 200% charge for the risk assumed by Burk Royalty Co., LTD in drilling and completing the Well against any working interest owner who does not voluntarily participate in the drilling of the Well.

Respectfully submitted,

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