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ABOVE THIS TABLE FOR OCD DIVISION USE ONLY

APR 08 2019 PM 01:59

**NEW MEXICO OIL CONSERVATION DIVISION**  
 - Geological & Engineering Bureau -  
 1220 South St. Francis Drive, Santa Fe, NM 87505



**ADMINISTRATIVE APPLICATION CHECKLIST**

THIS CHECKLIST IS MANDATORY FOR ALL ADMINISTRATIVE APPLICATIONS FOR EXCEPTIONS TO DIVISION RULES AND REGULATIONS WHICH REQUIRE PROCESSING AT THE DIVISION LEVEL IN SANTA FE

**Applicant:** Ameredev Operating, LLC **OGRID Number:** 372224  
**Well Name:** Nandina Fed Com 25 36 31 114H Well **API:** 30-025-pending  
**Pool:** Wolfcamp, West Pool **Pool Code:** 33813

**SUBMIT ACCURATE AND COMPLETE INFORMATION REQUIRED TO PROCESS THE TYPE OF APPLICATION INDICATED BELOW**

- 1) **TYPE OF APPLICATION:** Check those which apply for [A]
- A. Location - Spacing Unit - Simultaneous Dedication  
 NSL       NSP (PROJECT AREA)       NSP (PRORATION UNIT)       SD
- B. Check one only for [ I ] or [ II ]  
 [ I ] Commingling - Storage - Measurement  
 DHC    CTB    PLC    PC    OLS    OLM  
 [ II ] Injection - Disposal - Pressure Increase - Enhanced Oil Recovery  
 WFX    PMX    SWD    IPI    EOR    PPR

<b>FOR OCD ONLY</b>	
<input type="checkbox"/>	Notice Complete
<input type="checkbox"/>	Application Content Complete

- 2) **NOTIFICATION REQUIRED TO:** Check those which apply.
- A.  Offset operators or lease holders  
 B.  Royalty, overriding royalty owners, revenue owners  
 C.  Application requires published notice  
 D.  Notification and/or concurrent approval by SLO  
 E.  Notification and/or concurrent approval by BLM  
 F.  Surface owner  
 G.  For all of the above, proof of notification or publication is attached, and/or,  
 H.  No notice required

3) **CERTIFICATION:** I hereby certify that the information submitted with this application for administrative approval is **accurate** and **complete** to the best of my knowledge. I also understand that **no action** will be taken on this application until the required information and notifications are submitted to the Division.

**Note: Statement must be completed by an individual with managerial and/or supervisory capacity.**

Adam G. Rankin

Print or Type Name

Signature

April 8, 2019  
 Date

505-988-4421  
 Phone Number

AGRankin@hollandhart.com  
 e-mail Address

District I  
1625 N French Dr., Hobbs, NM 88240  
Phone (575) 393-6161 Fax (575) 393-0720  
District II  
511 S First St., Artesia, NM 88210  
Phone (575) 748-1283 Fax (575) 748-9720  
District III  
1000 Rio Brazos Road, Aztec, NM 87410  
Phone (505) 334-6178 Fax (505) 334-6170  
District IV  
1220 S. St. Francis Dr., Santa Fe, NM 87505  
Phone (505) 476-3460 Fax (505) 476-3462

State of New Mexico  
Energy, Minerals & Natural Resources  
Department  
OIL CONSERVATION DIVISION  
1220 South St. Francis Dr.  
Santa Fe, NM 87505

FORM C-102  
Revised August 1, 2011  
Submit one copy to appropriate  
District Office

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

<sup>1</sup> API Number <b>30-025-</b>	<sup>2</sup> Pool Code <b>33813</b>	<sup>3</sup> Pool Name <b>Jal; Wolfcamp, West</b>
<sup>4</sup> Property Code	<sup>5</sup> Property Name <b>NANDINA FED COM 25 36 31</b>	
<sup>6</sup> OGRID No. <b>372224</b>	<sup>7</sup> Operator Name <b>AMEREDEV OPERATING, LLC.</b>	<sup>8</sup> Well Number <b>114H</b>
		<sup>9</sup> Elevation <b>3017'</b>

<sup>10</sup>Surface Location

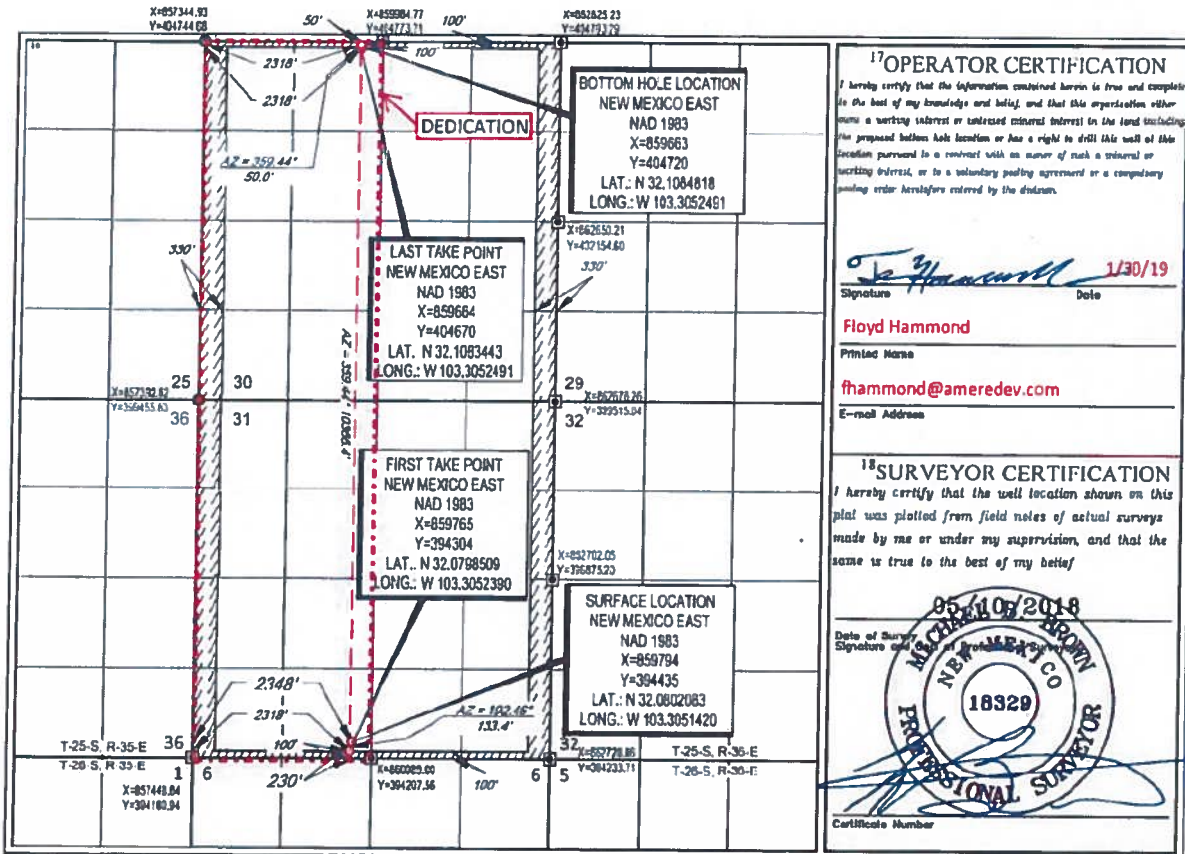
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
N	31	25-S	36-E	-	230'	SOUTH	2348'	WEST	LEA

<sup>11</sup>Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
C	30	25-S	36-E	-	50'	NORTH	2318'	WEST	LEA

<sup>12</sup> Dedicated Acres <b>640.40</b>	<sup>13</sup> Joint or Infill	<sup>14</sup> Consolidation Code <b>C</b>	<sup>15</sup> Order No.
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No allowable will be assigned to this completion until all interests have been consolidated or a non-standard unit has been approved by the division.



<sup>17</sup>OPERATOR CERTIFICATION

I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this operation either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well of this location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.

*Floyd Hammond* 1/30/19  
Signature Date

Floyd Hammond  
Printed Name

fhammond@amereDEV.com  
E-mail Address

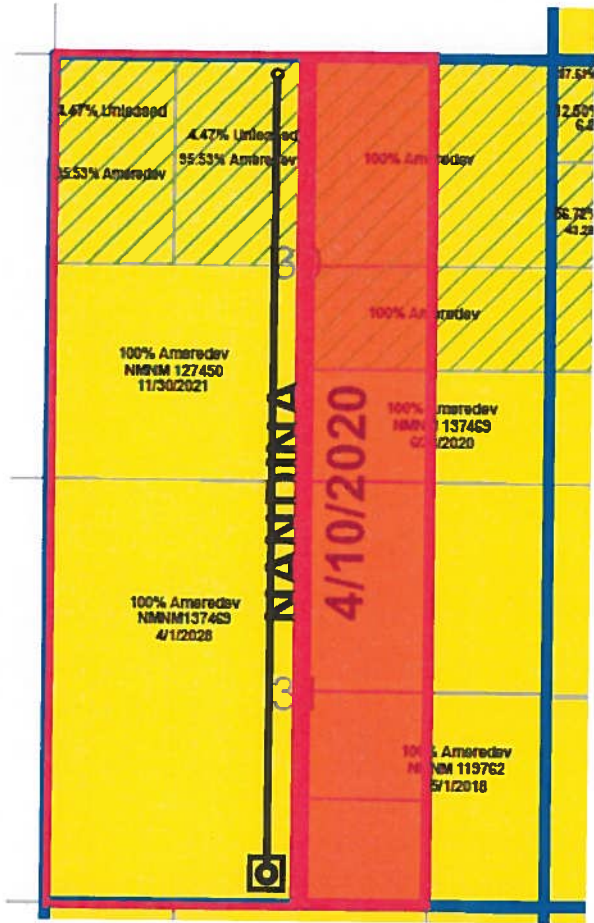
<sup>18</sup>SURVEYOR CERTIFICATION

I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true to the best of my belief.

02/10/2018  
Date of Survey  
Signature of Professional Surveyor  
*MICHAEL J. BRODIN*  
NEW MEXICO  
18329  
PROFESSIONAL SURVEYOR  
Certificate Number

6:\SURVEY\AMEREDEV\_OPERATING\_LLC\NANDINA\_FED\_COM\FRIAL\_PRODUCT\SLO\_NANDINA\_FED\_COM\_25\_36\_31\_114H\_REV1.DWG 11/20/2018 10:49:26AM ccaston

EXHIBIT A



Nandina Fed Com 25-36-31 #114H

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

**APPLICATION OF AMEREDEV OPERATING, LLC  
FOR COMPULSORY POOLING AND APPROVAL OF  
A NON-STANDARD WELL LOCATION,  
LEA COUNTY, NEW MEXICO.**

**CASE NO. 20331**

**AFFIDAVIT OF BRANDON FORTEZA  
IN SUPPORT OF CASE NO. 20331**

Brandon Forteza, of lawful age and being first duly sworn, declares as follows:

1. My name is Brandon Forteza. I work for Ameredev Operating, LLC (“Ameredev”) as a Landman.
2. I have previously testified before the New Mexico Oil Conservation Division as an expert witness in petroleum land matters. My credentials as a petroleum landman have been accepted by the Division and made a matter of record.
3. I am familiar with the application filed by Ameredev in this case, and I am familiar with the status of the lands in the subject area.
4. None of the uncommitted parties has indicated opposition to this pooling application, and therefore I do not expect any opposition at the hearing.
5. Ameredev is seeking an order pooling all uncommitted interests in the Wolfcamp formation [JAL; Wolfcamp, West] in the 640.40-acre horizontal spacing unit comprised of the W/2 of Section 30 and the W/2 of Section 31, Township 25 South, Range 36 East, NMPM, Lea County, New Mexico.
6. Ameredev seeks to dedicate the above horizontal spacing unit to the following proposed wells:

- The **Nandina Fed Com 25 36 31 No. 101H Well** to be drilled from a surface hole location in the SW/4 SW/4 (Unit M) of Section 31 to a bottom hole location in the NW/4 NW/4 (Unit D) of Section 30;
- The **Nandina Fed Com 25 36 31 No. 103H Well** to be drilled from a surface hole location in the SE/4 SW/4 (Unit N) of Section 31 to a bottom hole location in the NE/4 NW/4 (Unit C) of Section 30;
- The **Nandina Fed Com 25 36 31 No. 112H Well** to be drilled from a surface hole location in the SW/4 SW/4 (Unit M) of Section 31 to a bottom hole location in the NW/4 NW/4 (Unit D) of Section 30;
- The **Nandina Fed Com 25 36 31 No. 114H Well** to be drilled from a surface hole location in the SE/4 SW/4 (Unit N) of Section 31 to a bottom hole location in the NE/4 NW/4 (Unit C) of Section 30; and
- The **Nandina Fed Com 25 36 31 No. 121H Well** to be drilled from a surface hole location in the SW/4 SW/4 (Unit M) of Section 31 to a bottom hole location in the NW/4 NW/4 (Unit D) of Section 30.

7. Ameredev has prepared draft Form C-102s to file with the Division for these proposed wells. Those C-102s are attached hereto as **Ameredev Exhibits A-1, A-2, A-3, A-4, and A-5**. The C-102s show that Pool Code 33813 has been assigned.

8. Incorporating the proximity tracts, the completed intervals for the proposed Nandina Fed Com 25 36 31 No. 101H, Nandina Fed Com 25 36 31 No. 103H, Nandina Fed Com 25 36 31 No. 112H, and Nandina Fed Com 25 36 31 No. 121H will comply with the Division's setback requirements.



**Adam G. Rankin**  
**Associate**  
 Phone (505) 954-7294  
 Fax (505) 983-6043  
 AGRankin@hollandhart.com

April 8, 2019

**VIA HAND DELIVERY**

Adrienne Sandoval, Director  
 Oil Conservation Division  
 New Mexico Department of Energy,  
 Minerals and Natural Resources  
 1220 South Saint Francis Drive  
 Santa Fe, New Mexico 87505

APR 08 2019 PM 01:53

**Re: Application of Ameredev Operating, LLC for administrative approval of an unorthodox well location for its Nandina Fed Com 25 36 31 114H Well in the W/2 of Sections 30 and 31, Township 25 South, Range 36 East, N.M.P.M., Lea County, New Mexico.**

Dear Mr. Wade:

Ameredev Operating, LLC. (OGRID No. 372224) seeks administrative approval of an unorthodox well location for its **Nandina Fed Com 25 36 31 114H Well** (API No. 30-025-pending) to be completed within the Jal; Wolfcamp, West Pool (33813) underlying the W/2 of Sections 30 and 31, Township 25 South, Range 36 East, N.M.P.M., Lea County, New Mexico. This well will be drilled from a surface location 230 feet from the south line and 2,348 feet from the west line (Unit N) of Section 36. The upper most perforation will be located 100 feet from the south line and 2,318 feet from the west line (Unit N) of Section 31 and the lower most perforation will be 100 feet from the north line and 2,318 feet from the west line (Unit C) of Section 30. Since this acreage is governed by the Division's statewide rules, the completed interval for this well will be unorthodox because it is closer than 330 feet to the eastern boundary of the spacing unit. Approval of the unorthodox completed interval will allow Ameredev to use its preferred well spacing plan for horizontal wells in this area and thereby prevent waste.

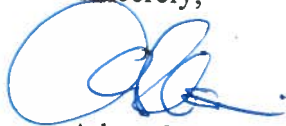
**Exhibit A** is a Well Location and Acreage Dedication Plat (Form C-102), which shows that the completed interval of the proposed **Nandina Fed Com 25 36 31 114H Well** encroaches on the drilling and spacing unit to the east.

**Exhibit B** is a land plat for Sections 30 and 31 that shows the proposed **Nandina Fed Com 25 36 31 114H Well** in relation to the adjoining spacing units to the east in Sections 30 and 31.

**Exhibit C** is an affidavit certifying in Paragraph 9 that Ameredev owns 100% working interest in the spacing unit to the east within the W/2 E/2 of Sections 30 and 31. Because the United States owns the mineral estate in tracts which are being encroached upon, the only affected party requiring notice pursuant to 19.15.2.7(A)(8) NMAC is the BLM. The BLM has been provided notice of this application by certified mail.

Your attention to this matter is appreciated.

Sincerely,



Adam G. Rankin

**ATTORNEY FOR AMEREDEV OPERATING, LLC**



**Adam G. Rankin**  
**Associate**  
Phone (505) 954-7294  
Fax (505) 983-6043  
AGRankin@hollandhart.com

April 8, 2019

**VIA CERTIFIED MAIL**  
**RETURN RECEIPT REQUESTED**

**TO AFFECTED PARTIES**

U.S. Bureau of Land Management  
620 E Greene St.  
Carlsbad, NM 88220

**Re: Application of Ameredev Operating, LLC for administrative approval of an unorthodox well location for its Nandina Fed Com 25 36 31 114H Well in the W/2 of Sections 30 and 31, Township 25 South, Range 36 East, N.M.P.M., Lea County, New Mexico.**

Ladies and Gentlemen:

Enclosed is a copy of the above-referenced application which was filed with the New Mexico Oil Conservation Division on this date. Any objection to this application must be filed in writing within twenty days from this date with the applicant and the New Mexico Oil Conservation Division, 1220 South St. Francis Drive, Santa Fe, New Mexico, 87505. If no objection is received within this twenty-day period, this application may be approved administratively by the Division.

If you have any questions about this application, please contact the following:

Brandon Forteza  
Ameredev II, LLC  
(737) 300-4721  
bforteza@ameredev.com

Sincerely,

Adam G. Rankin  
**ATTORNEY FOR AMEREDEV OPERATING, LLC**



9. The completed interval for the proposed Nandina Fed Com 25 36 31 No. 114H does not comply with the Division's setback requirements as it is too close to the east line. Ameredev is seeking an exception to the standard setbacks. Ameredev owns 100% of the working interest in the acreage that is being encroached upon to the East, and therefore additional notice was not necessary.

10. Because the proposed wells will be simultaneously drilled and completed, Ameredev requests an extension of the time period to drill and complete the initial well from 120 days to 365 days.

11. There are no depth severances in the Wolfcamp formation.

12. Ameredev **Exhibit A-6** is an exhibit prepared by me that identifies the tracts of land comprising the proposed spacing and proration unit. This proposed spacing and proration unit includes federal and fee land. This exhibit shows the interest owners and the percentage of their interest by tract. A unit recapitulation, showing the percentage of ownership interests in the proposed spacing and proration unit, is also included on the exhibit. Ameredev is seeking to pool the interest owners denoted by an asterisk.

13. Ameredev is seeking to pool unleased mineral interest owners only.

14. A copy of the well proposal letter, along with the corresponding AFEs, is attached as **Ameredev Exhibits A-7**. The costs reflected in the AFEs are consistent with what Ameredev and other operators have incurred for drilling similar horizontal wells in the area.

15. Ameredev made good faith efforts to reach an agreement with the uncommitted interest owners, including by offering to lease the interests of the unleased mineral interest owners.

16. Ameredev seeks approval of overhead and administrative costs at \$7,000/month while drilling and \$700/month while producing. These costs are consistent with what Ameredev and other operators are charging in this area for these types of wells. Ameredev respectfully requests that these administrative and overhead costs be incorporated into any order entered by the Division in this case.

17. I provided the law firm of Holland & Hart LLP a list of names and addresses for the uncommitted interest owners. In compiling these addresses, Ameredev conducted a diligent search of all public records in the county where the proposed wells are located and of phone directories, including computer searches. Not all parties were locatable, but notice was also provided by publication in the Hobbs News-Sun.

18. Ameredev Exhibits A-1 through A-7 were either prepared by me or compiled under my direction and supervision.



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BRANDON FORTEZA

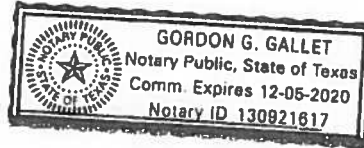
STATE OF TEXAS )  
COUNTY OF Travis )

SUBSCRIBED and SWORN to before me this 2nd day of April 2019 by  
Brandon Forteza.

  
\_\_\_\_\_  
NOTARY PUBLIC

My Commission Expires:

12/5/2020



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