

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

**APPLICATION OF AMEREDEV
OPERATING, LLC TO RE-OPEN CASE
NO. 20416 TO ADD ADDITIONAL
INITIAL WELLS UNDER THE TERMS
OF COMPULSORY POOLING ORDER
NO. R-20608, LEA COUNTY, NEW
MEXICO.**

**CASE NO. 20416 (Re-Opened)
ORDER NO. R-20608**

APPLICATION

Ameredev Operating, LLC ("Ameredev") (OGRID No. 372224), through its undersigned attorneys, hereby files this application with the Oil Conservation Division to add additional initial wells pursuant to the terms of Order No. R-20608. In support of its application, Ameredev states:

1. Division Order No. R-20608, entered June 6, 2019, created a 640-acre, more or less, horizontal oil well spacing unit in the Jal; Wolfcamp, West Pool (Pool Code 33813), comprised of the E/2 W/2 and W/2 E/2 of Sections 5 and 8, Township 26 South, Range 36 East, NMPPM, Lea County, New Mexico.

2. The Order dedicated the above-described spacing unit to the following three initial wells:

- **Holly Fed Com 26-36-05 103H Well**, which will be horizontally drilled from a surface location in the NE/4 NW/4 (Unit C) of Section 5 to a bottom hole location in the SE/4 SW/4 (Unit N) of Section 8;
- **Holly Fed Com 26-36-05 113H Well**, which will be horizontally drilled from a surface location in the NE/4 NW/4 (Unit C) of Section 5 to a bottom hole location in the SE/4 SW/4 (Unit N) of Section 8; and

- **Holly Fed Com 26-36-05 124H Well**, to be horizontally drilled from a surface location in the NE/4 NW/4 (Unit C) of Section 5 to a bottom hole location in the SE/4 SW/4 (Unit N) of Section 8.

3. Under the Order, the completed interval for the **Holly Fed Com 26-36-05 124H Well** will remain within 330 feet of the W/2 E/2 of Sections 5 and 8 to allow these tracts to be incorporated as proximity tracts, pursuant to NMAC 19.15.16.15(B)(1)(b), into a standard 640-acre horizontal well spacing unit.

4. Since entry of Order No. R-20608, Ameredev has added additional initial proposed wells in the Wolfcamp formation within this acreage. The spacing unit, pool, and all other provisions remain the same under Order No. R-20608.

5. The spacing unit now will be dedicated to five initial wells, with the following two initial wells already designated to the spacing unit under Order No. R-20608:

- **Holly Fed Com 26-36-05 103H Well**, which will be horizontally drilled from a surface location in the NE/4 NW/4 (Unit C) of Section 5 to a bottom hole location in the SE/4 SW/4 (Unit N) of Section 8; and
- **Holly Fed Com 26-36-05 113H Well**, which will be horizontally drilled from a surface location in the NE/4 NW/4 (Unit C) of Section 5 to a bottom hole location in the SE/4 SW/4 (Unit N) of Section 8.

Additionally, Ameredev intends to dedicate the following three additional initial wells to the horizontal spacing unit:

- **Holly Fed Com 26-36-05 104H Well**, which will be horizontally drilled from a surface location in the NE/4 NW/4 (Unit C) of Section 5 to a bottom hole location in the SE/4 SW/4 (Unit N) of Section 8;

- **Holly Fed Com 26-36-05 114H Well**, which will be horizontally drilled from a surface location in the NE/4 NW/4 (Unit C) of Section 5 to a bottom hole location in the SE/4 SW/4 (Unit N) of Section 8; and
- **Holly Fed Com 26-36-05 123H Well**, which will be horizontally drilled from a surface location in the NE/4 NW/4 (Unit C) of Section 5 to a bottom hole location in the SE/4 SW/4 (Unit N) of Section 8.

6. The completed interval for the **Holly Fed Com 26-36-05 114H Well** will remain within 330 feet of the W/2 E/2 of Sections 5 and 8 to allow these tracts to be incorporated as proximity tracts, pursuant to NMAC 19.15.16.15(B)(1)(b), into a standard 640-acre horizontal well spacing unit.

WHEREFORE, Ameredev requests that this application be set for hearing before an Examiner of the Oil Conservation Division on October 3, 2019 and, after notice and hearing as required by law, the Division amend the initial wells dedicated to the spacing unit under the terms of existing Division Order R-20608 as requested herein.

Respectfully submitted,

HOLLAND & HART LLP

By: 

Michael H. Feldewert

Adam G. Rankin

Julia Broggi

Kaitlyn A. Luck

Post Office Box 2208

Santa Fe, NM 87504

505-998-4421

505-983-6043 Facsimile

mfeldewert@hollandhart.com

agrarkin@hollandhart.com

jbroggi@hollandhart.com

kaluck@hollandhart.com

ATTORNEYS FOR AMEREDEV OPERATING, LLC

CASE 20416 (Re-Opened): Application of Ameredev Operating, LLC to Re-Open Case No. 20146 to Add Additional Initial Wells Under the Terms of Compulsory Pooling Order No. R-20608, Lea County, New Mexico. Applicant in the above-styled cause seeks to amend Division Order No. R-20608 to additional initial wells dedicated to the 640-acre, more or less, horizontal well spacing unit within the Wolfcamp formation (Jal; Wolfcamp West, Pool Code 33813) and comprised of the E/2 W/2 and W/2 E/2 of Sections 5 and 8 in Township 26 South, Range 36 East, NMPM, Lea County, New Mexico. The spacing unit now will be dedicated to the following five wells:

- **Holly Fed Com 26-36-05 103H Well**, which will be horizontally drilled from a surface location in the NE/4 NW/4 (Unit C) of Section 5 to a bottom hole location in the SE/4 SW/4 (Unit N) of Section 8;
- **Holly Fed Com 26-36-05 104H Well**, which will be horizontally drilled from a surface location in the NE/4 NW/4 (Unit C) of Section 5 to a bottom hole location in the SE/4 SW/4 (Unit N) of Section 8;
- **Holly Fed Com 26-36-05 113H Well**, which will be horizontally drilled from a surface location in the NE/4 NW/4 (Unit C) of Section 5 to a bottom hole location in the SE/4 SW/4 (Unit N) of Section 8;
- **Holly Fed Com 26-36-05 114H Well**, which will be horizontally drilled from a surface location in the NE/4 NW/4 (Unit C) of Section 5 to a bottom hole location in the SE/4 SW/4 (Unit N) of Section 8; and
- **Holly Fed Com 26-36-05 123H Well**, which will be horizontally drilled from a surface location in the NE/4 NW/4 (Unit C) of Section 5 to a bottom hole location in the SE/4 SW/4 (Unit N) of Section 8.

The completed interval for the **Holly Fed Com 26-36-05 114H Well** will remain within 330 feet of the W/2 E/2 of Sections 5 and 8 to allow these tracts to be incorporated as proximity tracts. All wells are at standard locations. Said area is located approximately 7 miles southwest of Jal, New Mexico.