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

APPLICATION OF FASKEN OIL & RANCH, LTD, TO AMEND ORDER NO. R-22121, LEA COUNTY, NEW MEXICO.

CASE NO. ORDER NO. R-22121

APPLICATION

Fasken Oil & Ranch, LTD ("Fasken" or "Applicant"), through its undersigned attorneys, hereby files this application with the Oil Conservation Division to amend Order No. R-22121 ("Order") to allow for an extension of time for drilling the proposed initial well under the Order. In support of its application, Fasken states:

1. Division Order No. R-22121, entered on May 9, 2022, in Case No. 22697, created a standard 320-acre, more or less, horizontal spacing unit comprised of the W/2 W/2 of Sections 22 and 15, Township 20 South, Range 32 East, NMPM, Lea County, New Mexico (the "Unit"), and designated Fasken as operator of the Unit.

2. Order No. R-22121 further pooled the uncommitted interests in the Bone Spring formation (Salt Lake, Bone Spring [Pool Code 53560]) in the Unit and dedicated the Unit to the proposed initial **Baetz 22/15 Fed Com #1H well** (API No. 30-025-PENDING).

3. Applicant requests that Order No. R-22121 be re-opened and amended to allow Applicant additional time to commence drilling the well under the Order.

4. There is good cause for Applicant's request for an extension of time to drill. Fasken filed permits with the Bureau of Land Management on June 30, 2022, and has not yet received approval, thereby causing Fasken to delay its intended plans to develop the acreage subject to the Order. 5. Under the Order, Applicant would be required to commence drilling the well by May 10, 2023, and therefore, asks for the deadline to commence drilling the well be extended for a year, to May 10, 2024.

WHEREFORE, Applicant requests that this application be set for hearing before an Examiner of the Oil Conservation Division on May 4, 2023, and, after notice and hearing as required by law, the Division enter an order extending the time for Fasken to commence drilling the proposed initial well under the Order.

Respectfully submitted,

HOLLAND & HART LLP

By:

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ATTORNEYS FOR FASKEN OIL & RANCH, LTD

CASE ____:

Application of Fasken Oil & Ranch, LTD, to Amend Order No. R-22121, Lea County, New Mexico. Applicant in the above-styled cause seeks a year extension of time for drilling the well under Order No. R-22121. The Unit is comprised of the W/2 W/2 of Sections 22 and 15, Township 20 South, Range 32 East, NMPM, Lea County, New Mexico. Order No. R-22121 pooled the uncommitted interests in the Bone Spring formation and dedicated the Unit to the proposed initial Baetz 22/15 Fed Com #1H well to be horizontally drilled from a surface location in the SW/4 SW/4 (Unit M) of Section 22, to a bottom hole location in the NW/4 NW/4 (Unit D) of Section 15. Said area is located 29 miles northeast of Carlsbad, New Mexico.