

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

**APPLICATION OF STRATA PRODUCTION CO.
TO EXTEND THE DRILLING DEADLINE
UNDER ORDER NO. R-22417,
EDDY COUNTY, NEW MEXICO**

Case No. _____

APPLICATION

Strata Production Company, OGRID No. 21712 (“Strata”) files this application with the Oil Conservation Division (“Division”) to extend the drilling deadline under compulsory pooling Order No. R-22417. In support of its application, Strata states as follows:

1. On December 5, 2022, the Division entered Order No. R-22417 (“Order”) in Case No. 23004 pooling all mineral interests in the Delaware formation (Forty Niner Ridge; Delaware [24750]) in a standard 320-acre, more or less, horizontal spacing and proration unit (“HSU”) comprised of the NE/4 NE/4 of Section 31, the E/2 E/2 of Section 30, and the E/2 SE/4 and SE/4 NE/4 of Section 19, Township 23 South, Range 31 East in Eddy County, New Mexico.
2. The HSU is dedicated to the 2-mile **Pajarito Fed Com 31 19 AAL #4H** well, to be horizontally drilled from an approximate surface hole location 1070’ FNL and 910’ FEL of Section 31, T23S-R31E, to an approximate bottom hole location 1420’ FNL and 400’ FEL of Section 19, T23S-R31E (“Well”).
3. The deadline for drilling expires December 5, 2023.
4. Due to rig availability and commodity pricing throughout the summer, Strata had to release our drilling rig for six months, pushing this well’s anticipated spud date.
5. Strata anticipates drilling the Well in mid-2024.

6. Good cause exists to extend the deadline to commence drilling the Well because Strata has long term drilling plans in the area and this well is part of those plans. Strata has drilled four of the wells that were pooled at the same time as this well but was unable to complete the fifth well before the current deadline due to lack of rig availability and commodity pricing.

WHEREFORE, Strata requests that this application be set for hearing before an examiner of the Division on January 4, 2024, and that, after notice and hearing as required by law, the Division enter an order extending until December 5, 2024, the deadline to commence drilling the Well under the Pooling Order.

Respectfully submitted,

MONTGOMERY & ANDREWS, P.A.

/s/ Sharon T. Shaheen

Sharon T. Shaheen

Samantha H. Catalano

Post Office Box 2307

Santa Fe, NM 87504-2307

(505) 986-2678

sshaheen@montand.com

scatalano@montand.com

cc: wmcginnis@montand.com

Attorneys for Strata Production Company

Application of Strata Production Co. to Extend the Drilling Deadline Under Order No. R-22417, Eddy County, New Mexico. Applicant in the above-styled cause seeks to amend Order No. 22417 to extend by one year, through December 5, 2024, the time to commence drilling the **Pajarito Fed Com 31 19 AAL #4H** well, proposed to be drilled into the Delaware formation (Forty Niner Ridge; Delaware [24750]) in a standard 320-acre, more or less, horizontal spacing and proration unit (“HSU”) comprised of the NE/4 NE/4 of Section 31, the E/2 E/2 of Section 30, and the E/2 SE/4 and SE/4 NE/4 of Section 19, Township 23 South, Range 31 East in Eddy County, New Mexico. The well and lands are located approximately 16 miles East of Loving, New Mexico.