

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

**APPLICATION OF STRATA PRODUCTION CO.
FOR COMPULSORY POOLING,
EDDY COUNTY, NEW MEXICO**

Case No. 25487



Eeyore 27 28 ADL Fed Com #1H Well

EXHIBITS

for hearing on September 11, 2025

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Tab 1

COMPULSORY POOLING APPLICATION CHECKLIST	
ALL INFORMATION IN THE APPLICATION MUST BE SUPPORTED BY SIGNED AFFIDAVITS	
Case: 25487	APPLICANT'S RESPONSE
Date	September 11, 2025
Applicant	Strata Production Company
Designated Operator & OGRID (affiliation if applicable)	Strata Production Company, 21712
Applicant's Counsel:	Spencer Fane, LLP (Sharon T. Shaheen)
Case Title:	Application of Strata Production Co. for Compulsory Pooling, Eddy County, New Mexico
Entries of Appearance/Intervenors:	Conoco Phillips Co. (Elizabeth Ryan and Keri Hatley)
Well Family	Eeyore 27 28 Fed Com Wells
Formation/Pool	
Formation Name(s) or Vertical Extent:	Delaware Formation
Primary Product (Oil or Gas):	Oil
Pooling this vertical extent:	Delaware Formation
Pool Name and Pool Code (Only if NSP is requested):	
Well Location Setback Rules (Only if NSP is Requested):	
Spacing Unit	
Type (Horizontal/Vertical)	Horizontal
Size (Acres)	320 acres
Building Blocks:	Quarter-quarter section (40 ac)
Orientation:	East-West
Description: TRS/County	N/2 N/2 of Sections 27 and 28, Township 23 South, Range 30 East in Eddy County, New Mexico
Standard Horizontal Well Spacing Unit (Y/N), If No, describe and is approval of non-standard unit requested in this application?	Yes
Other Situations	
Depth Severance: Y/N. If yes, description	No
Proximity Tracts: If yes, description	n/a
Proximity Defining Well: if yes, description	n/a
Applicant's Ownership in Each Tract	Tract 1: 64.90%; Tract 2: 0.00%; Tract 3: 0.00%
Well(s)	
Name & API (if assigned), surface and bottom hole location, footages, completion target, orientation, completion status (standard or non-standard)	Add wells as needed
Well #1	Eeyore 27 28 ADL Fed Com #1H, API No. 30-015-54348 SHL: 920' FNL & 450' FEL of Section 27, T23S-R30E BHL: 920' FNL & 100' FWL of Section 28, T23S-R30E Completion Target: Brushy Canyon at ~7626' Well Orientation: East to West Completion location expected to be standard

Horizontal Well First and Last Take Points	FTP: ~920' FNL and 450' FEL of Section 27, T23S-30E LTP: ~920' FNL and 10' FWL of Section 28, T23S-30E
Completion Target (Formation, TVD and MD)	Brushy Canyon - TVD (~7626'), MD (~17338')
AFE Capex and Operating Costs	
Drilling Supervision/Month \$	\$8,000; <i>see</i> Exhibit A, ¶ 16
Production Supervision/Month \$	\$800; <i>see</i> Exhibit A, ¶ 16
Justification for Supervision Costs	<i>See</i> AFE at Exhibit A-4
Requested Risk Charge	200%; <i>see</i> Exhibit A, ¶ 17
Notice of Hearing	
Proposed Notice of Hearing	Submitted with online filing of Application
Proof of Mailed Notice of Hearing (20 days before hearing)	Exhibits C, C-1, C-2, and C-3
Proof of Published Notice of Hearing (10 days before hearing)	Exhibit C-4
Ownership Determination	
Land Ownership Schematic of the Spacing Unit	Exhibit A-2
Tract List (including lease numbers and owners)	Exhibits A-2 and A-3
If approval of Non-Standard Spacing Unit is requested, Tract List (including lease numbers and owners) of Tracts subject to notice requirements.	n/a
Pooled Parties (including ownership type)	Exhibit A-3
Unlocatable Parties to be Pooled	n/a
Ownership Depth Severance (including percentage above & below)	n/a
Joinder	
Sample Copy of Proposal Letter	Exhibit A-4
List of Interest Owners (ie Exhibit A of JOA)	Exhibit A-3
Chronology of Contact with Non-Joined Working Interests	Exhibit A-5
Overhead Rates In Proposal Letter	Exhibit A-4
Cost Estimate to Drill and Complete	<i>See</i> AFE at Exhibit A-4
Cost Estimate to Equip Well	<i>See</i> AFE at Exhibit A-4
Cost Estimate for Production Facilities	n/a
Geology	
Summary (including special considerations)	<i>See</i> Exhibit B, ¶ 11
Spacing Unit Schematic	Exhibit A-2(b)
Gunbarrel/Lateral Trajectory Schematic	Exhibit B-4
Well Orientation (with rationale)	Exhibit B, ¶ 11(d)
Target Formation	Exhibits B-3 & B-4
HSU Cross Section	Exhibit B-3
Depth Severance Discussion	n/a
Forms, Figures and Tables	

C-102	Exhibit A-1
Tracts	Exhibit A-2(b), A-2(c), A-3
Summary of Interests, Unit Recapitulation (Tracts)	Exhibit A-3
General Location Map (including basin)	Exhibit B-1
Well Bore Location Map	Exhibits A-1, A-2(a), & A-2(b)
Structure Contour Map - Subsea Depth	Exhibit B-2, Exhibit B-5
Cross Section Location Map (including wells)	Exhibit B-2(a)
Cross Section (including Landing Zone)	Exhibit B-3
Additional Information	
Special Provisions/Stipulations	n/a
CERTIFICATION: I hereby certify that the information provided in this checklist is complete and accurate.	
Printed Name (Attorney or Party Representative):	Sharon T. Shaheen
Signed Name (Attorney or Party Representative):	Sharon T. Shaheen
Date:	Sept. 4, 2025

Tab 2

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

**APPLICATION OF STRATA PRODUCTION CO.
FOR COMPULSORY POOLING,
EDDY COUNTY, NEW MEXICO**

Case No. 25487

APPLICATION

Strata Production Company, OGRID No. 21712 ("Strata"), through its undersigned counsel Spencer Fane LLP (Sharon T. Shaheen), hereby files this application with the Oil Conservation Division pursuant to the provisions of NMSA 1978, § 70-2-17, for an order 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 N/2 N/2 of Sections 27 and 28, Township 23 South, Range 30 East in Eddy County, New Mexico. In support of its application, Strata states as follows:

1. Strata is a working interest owner in the proposed HSU and has the right to drill thereon.
2. Strata proposes to drill the following 2-mile well in the proposed HSU: **Eeyore 27 28 ADL Fed Com #1H** well, to be horizontally drilled from an approximate surface hole location 920' FNL & 450' FEL of Section 27, T23S-R30E, to an approximate bottom hole location 920' FNL & 100' FWL of Section 28, T23S-R30E ("Well").
3. The first and last take points for the proposed well will meet the setback requirements set forth in the statewide rules for horizontal oil wells. The completed lateral for the Well complies with the standard setbacks.

4. Strata has in good faith sought and been unable to obtain voluntary agreement for the development of these lands from all of the mineral interest owners in the HSU.

5. Approval of the HSU and the pooling of all mineral interest owners in the Delaware formation underlying the HSU will avoid the drilling of unnecessary wells, prevent waste, and protect correlative rights.

6. In order to permit Strata to obtain its just and fair share of the oil and gas underlying the subject lands, all uncommitted interests in this HSU should be pooled and Strata should be designated the operator of the HSU.

WHEREFORE, Strata requests that this application be set for hearing before an examiner of the Oil Conservation Division on August 7, 2025, and that, after notice and hearing as required by law, the Division enter an order:

A. Creating a standard 320-acre, more or less, HSU comprised of the N/2 N/2 of Sections 27 and 28, Township 23 South, Range 30 East in Eddy County, New Mexico;

B. Pooling all mineral interests in the Delaware formation underlying the HSU;

C. Allowing the drilling of the following 2-mile well in the proposed HSU: **Eeyore 27 28 ADL Fed Com #1H**;

D. Designating Strata as operator of the HSU and the well to be drilled thereon;

E. Authorizing Strata to recover its costs of drilling, equipping and completing the well;

F. Approving the operating charges and costs of supervision while drilling of \$8,000/month and, after completion, \$800/month, together with a provision adjusting the rates pursuant to the COPAS accounting procedures; and

G. Imposing a 200% penalty for the risk assumed by Strata in drilling and completing the well against any interest owner who does not voluntarily participate in the drilling of the well.

Respectfully submitted,

SPENCER FANE LLP

/s/ Sharon T. Shaheen

Sharon T. Shaheen

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Attorneys for Strata Production Company

Application of Strata Production Co. for Compulsory Pooling, Eddy County, New Mexico.

Applicant in the above-styled cause seeks an order from the Division pooling all uncommitted 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 N/2 N/2 of Sections 27 and 28 , Township 23 South, Range 30 East in Eddy County, New Mexico. Applicant proposes to drill the following well: **Eeyore 27 28 ADL Fed Com #1H** well, to be horizontally drilled from an approximate surface hole location 920' FNL & 450' FEL of Section 27, T23S-R30E, to an approximate bottom hole location 920' FNL & 100' FWL of Section 28, T23S-R30E. The first and last take points and completed interval meet the setback requirements set forth in the statewide rules for horizontal oil wells. Also to be considered will be the cost of drilling and completing the well and the allocation of the costs, the designation of Applicant as Operator of the well, and a 200% charge for the risk involved in drilling and completing the well. The well and lands are located approximately 13 miles East of Loving, New Mexico.

Tab 3

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

**APPLICATION OF STRATA PRODUCTION CO.
FOR COMPULSORY POOLING,
EDDY COUNTY, NEW MEXICO**

Case No. 25487

SELF-AFFIRMED STATEMENT OF LANDMAN MITCH KRAKAUSKAS

I, Mitch Krakauskas, so hereby affirm the following statements:

1. I am over the age of 18, and have the capacity to execute this Affirmation, which is based on my personal knowledge.
2. I am employed as the Land Manager for Strata Production Company (“Strata” or “Applicant”), and I am familiar with the subject applications and the lands involved.
3. This affirmation is submitted in connection with the filing by Strata of the above-referenced compulsory pooling application pursuant to 19.15.4.12.A(1) NMAC.
4. 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. My education and work experience are as follows: I graduated from New Mexico State University with a bachelor’s degree in Agricultural Business and Economics in December 2005. After graduation, I worked as an independent petroleum landman from January 2006 to March 2009, working throughout New Mexico, Texas, Colorado and Arizona. I have worked for Strata since April 2009. I have worked on New Mexico land matters for approximately sixteen years. I am a Certified Professional Landman through the American Association of Professional Landmen.
5. The purpose of this application is to force pool working interest owners into the horizontal spacing units (“HSU”) described below and in the wells to be drilled in the HSUs.

6. In this case, Applicant seeks an order from the Division pooling all uncommitted mineral interests in the Delaware formation (Forty Niner Ridge; Delaware [24750]) in a standard 320-acre, more or less, HSU comprised of the N/2 N/2 of Sections 27 and 28, Township 23 South, Range 30 East in Eddy County, New Mexico. Applicant proposes to dedicate the HSU to the **Eeyore 27 28 ADL Fed Com #1H** well (API No. 30-015-54348), to be horizontally drilled from an approximate surface hole location 920' FNL & 450' FEL of Section 27, T23S-R30E, to an approximate bottom hole location 920' FNL & 100' FWL of Section 28, T23S-R30E ("Well"). The first take point will be located at approximately 920' FNL and 450' FEL of Section 27, T23S-R30E. The last take point will be located at approximately 920' FNL and 10' FWL of Section 28, T23S-R30E.

7. The first and last take points and completed intervals for all proposed wells will meet the setback requirements set forth in the statewide rules for horizontal oil wells.

8. The location of the proposed well within the HSU is depicted in the C-102 form attached as **Exhibit A-1**. The C-102 form also indicates the locations of the surface hole, bottom hole, and first and last take points.

9. A map illustrating the tracts in the proposed HSU and the ownership of each individual tract is attached as **Exhibit A-2**.

10. **Exhibit A-3** shows the unit ownership, with pooled parties highlighted, and applicable leases.

11. **Exhibit A-4** includes a sample well proposal letter and authority for expenditure ("AFE"). The estimated costs of the well set forth in the AFE is fair, reasonable, and comparable to the costs of other wells of similar depths and lengths drilled in this area of New Mexico.

12. A detailed summary of chronology of contacts is attached as **Exhibit A-5**.

13. There are no depth severances.

14. Strata conducted a diligent search of the public records in Eddy County, New Mexico, where the wells will be located, and conducted phone directory and computer searches to obtain contact information for parties entitled to notification. Strata mailed all parties well proposals, including an AFE.

15. Strata has made a good faith effort to obtain voluntary joinder of WPX in the proposed wells.

16. Strata requests the Division to approve operating charges and costs of supervision while drilling of \$8,000/month and, after completion, \$800/month, together with a provision adjusting the rates pursuant to the COPAS accounting procedures.

17. Strata requests the maximum cost, plus 200% risk charge, be assessed against non-consenting working interest owners.

18. Strata requests that it be designated operator of the wells.

19. The Exhibits hereto were prepared by me, or compiled from Strata's business records.

20. The granting of the Applications is in the interests of conservation, the prevention of waste, and the protection of correlative rights.

21. The foregoing is correct and complete to the best of my knowledge and belief.

I affirm under penalty of perjury under the laws of the State of New Mexico that this statement is true and correct.


MITCH KRAKAUSKAS

September 3, 2025
DATE

C-102 Submit Electronically Via OCD Permitting	State of New Mexico Energy, Minerals & Natural Resources OIL CONSERVATION	Eeyore 27 28 ADL Fed Com #1H NM OCD Case No. 25487 Exhibit A-1
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WELL LOCATION INFORMATION

API Number 30-015-54348	Pool Code 24750	Pool Name FORTY NINER RIDGE DELAWARE
Property Code 334837	Property Name EYORE 27/28 FED COM	Well Number 1H
OGRID No. 21712	Operator Name STRATA PRODUCTION COMPANY	Ground Level Elevation 3304'
Surface Owner: <input type="checkbox"/> State <input type="checkbox"/> Fee <input type="checkbox"/> Tribal <input checked="" type="checkbox"/> Federal		Mineral Owner: <input type="checkbox"/> State <input checked="" type="checkbox"/> Fee <input type="checkbox"/> Tribal <input checked="" type="checkbox"/> Federal

Surface Location

UL A	Section 27	Township 23S	Range 30E	Lot	Ft. from N/S 920 FNL	Ft. from E/W 450 FEL	Latitude 32.2806742°N	Longitude 103.8617266°W	County EDDY
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Bottom Hole Location

UL D	Section 28	Township 23S	Range 30E	Lot	Ft. from N/S 920 FNL	Ft. from E/W 100 FWL	Latitude 32.2807229°N	Longitude 103.8946126°W	County EDDY
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Dedicated Acres 320	Infill or Defining Well INFILL	Defining Well API	Overlapping Spacing Unit (Y/N) N	Consolidation Code
Order Numbers.			Well setbacks are under Common Ownership: <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	

Kick Off Point (KOP)

UL A	Section 27	Township 23S	Range 30E	Lot	Ft. from N/S 920 FNL	Ft. from E/W 450 FEL	Latitude 32.2806742°N	Longitude 103.8617266°W	County EDDY
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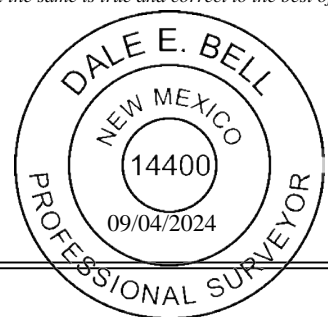
First Take Point (FTP)

UL A	Section 27	Township 23S	Range 30E	Lot	Ft. from N/S 920 FNL	Ft. from E/W 450 FEL	Latitude 32.2806742°N	Longitude 103.8617266°W	County EDDY
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Last Take Point (LTP)

UL D	Section 28	Township 23S	Range 30E	Lot	Ft. from N/S 920 FNL	Ft. from E/W 10 FWL	Latitude 32.2807229°N	Longitude 103.8946126°W	County EDDY
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Unitized Area or Area of Uniform Interest	Spacing Unit Type <input checked="" type="checkbox"/> Horizontal <input type="checkbox"/> Vertical	Ground Floor Elevation: 3304'
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OPERATOR CERTIFICATIONS <i>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and, if the well is a vertical or directional well, that this organization 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 at this location pursuant to a contract with an owner of a working interest or unleased mineral interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.</i> <i>If this well is a horizontal well, I further certify that this organization has received the consent of at least one lessee or owner of a working interest or unleased mineral interest in each tract (in the target pool or formation) in which any part of the well's completed interval will be located or obtained a compulsory pooling order from the division.</i>		SURVEYOR CERTIFICATIONS <i>I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me under my supervision, and that the same is true and correct to the best of my belief.</i>	
Signature: <u>Jerry Elgin</u> Date: <u>09/04/2024</u>		Signature and Seal of Professional Surveyor: 	
Printed Name: <u>Jerry Elgin, VP of Operations</u>		Certificate Number: <u>14400</u> Date of Survey: <u>03/27/2023</u>	
Email Address: <u>jelgin@stratanm.com</u>			

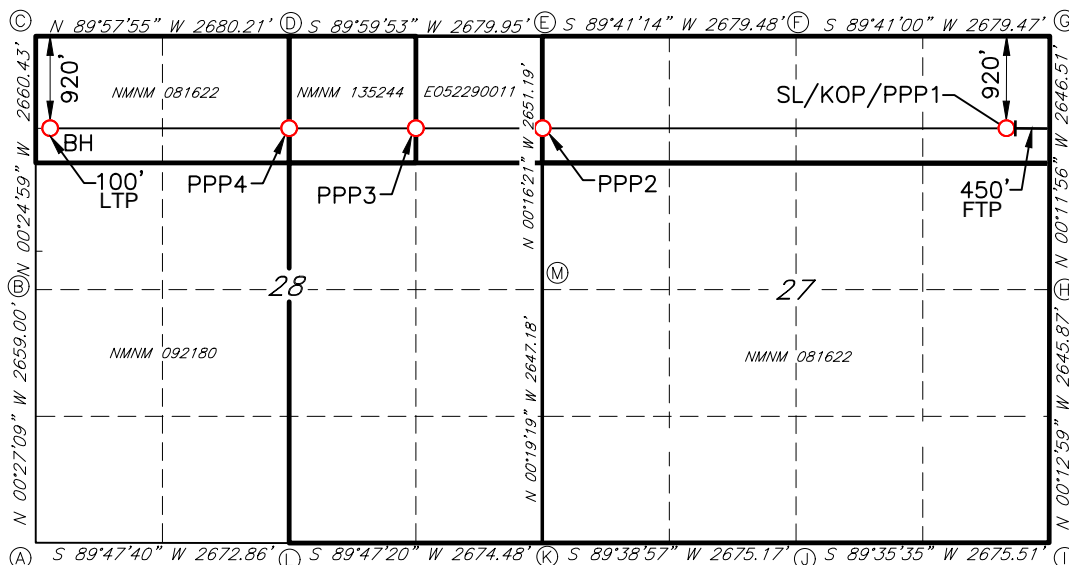
Note: No allowable will be assigned to this completion until all interests have been consolidated or a non-standard unit has been approved by the division.

ACREAGE DEDICATION PLATS

This grid represents a standard section. You may superimpose a non-standard section, or larger area, over this grid. Operators must outline the dedicated acreage in a red box, clearly show the well surface location and bottom hole location, if it is a directionally drilled, with the dimensions from the section lines in the cardinal directions. If this is a horizontal wellbore show on this plat the location of the First Take Point and Last Take Point, and the point within the Completed interval (other than the First Take Point or Last Take Point) that is closest to any outer boundary of the tract.

Surveyors shall use the latest United States government survey or dependent resurvey. Well locations will be in reference to the New Mexico Principal Meridian. If the land is not surveyed, contact the OCD Engineering Bureau. Independent subdivision surveys will not be acceptable.

EEYORE 27/28 FED COM #1H



GEODETIC DATA
NAD 83 GRID - NM EAST

SURFACE LOCATION (SL)/
KICK OFF POINT (KOP) PROPOSED
PENETRATION POINT 1 (PPP1)
N: 466162.5 - E: 687083.6
LAT: 32.2806742° N
LONG: 103.8617266° W

PROPOSED PENETRATION POINT 2 (PPP2)
920' FNL - 0' FEL SEC.28
N: 466135.6 - E: 682177.0
LAT: 32.2806586° N
LONG: 103.8776033° W

PROPOSED PENETRATION POINT 3 (PPP3)
920' FNL - 1340' FEL SEC.28
N: 466135.5 - E: 680837.3
LAT: 32.2806740° N
LONG: 103.8819382° W

PROPOSED PENETRATION POINT 4 (PPP4)
920' FNL - 2680' FEL SEC.28
N: 466135.5 - E: 679497.6
LAT: 32.2806893° N
LONG: 103.8862732° W

BOTTOM HOLE (BH)
N: 466137.1 - E: 676920.3
LAT: 32.2807229° N
LONG: 103.8946126° W

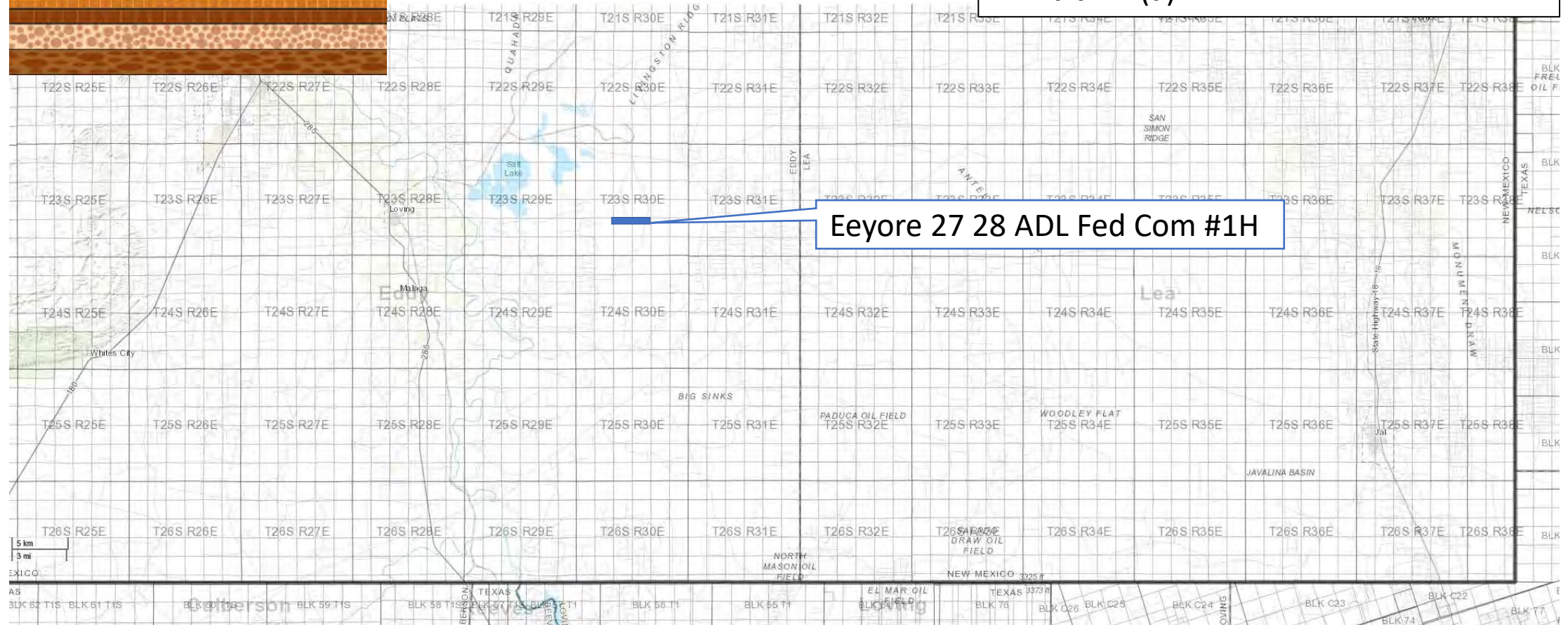
CORNER DATA
NAD 83 GRID - NM EAST

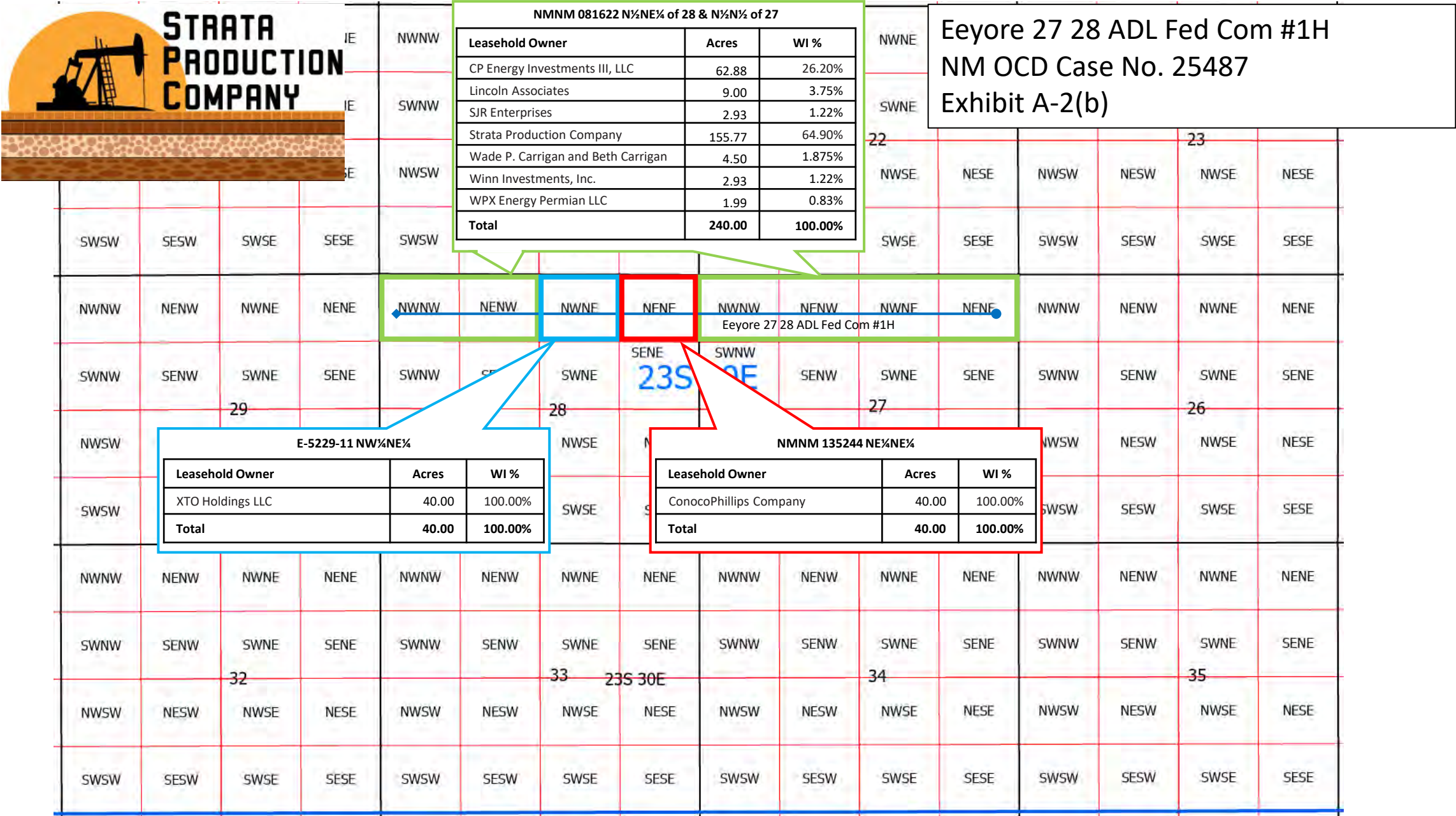
A: FOUND BRASS CAP "1942"
N: 461738.8 - E: 676853.9
B: FOUND BRASS CAP "1942"
N: 464397.1 - E: 676833.0
C: FOUND BRASS CAP "1942"
N: 467056.9 - E: 676813.6
D: FOUND BRASS CAP "1942"
N: 467055.3 - E: 679493.2
E: FOUND BRASS CAP "1942"
N: 467055.4 - E: 682172.6
F: FOUND BRASS CAP "1942"
N: 467070.0 - E: 684851.5
G: FOUND BRASS CAP "1942"
N: 467084.8 - E: 687530.3
H: FOUND BRASS CAP "1942"
N: 464438.9 - E: 687539.5
I: FOUND BRASS CAP "1942"
N: 461793.6 - E: 687549.5
J: FOUND BRASS CAP "1942"
N: 461774.6 - E: 684874.6
K: FOUND BRASS CAP "1942"
N: 461758.2 - E: 682200.1
L: FOUND BRASS CAP "1942"
N: 461748.4 - E: 679526.2
M: FOUND BRASS CAP "1942"
N: 464404.8 - E: 682185.2

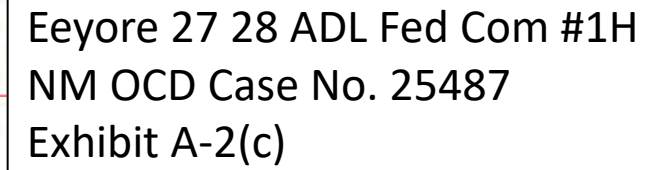




Eeyore 27 28 ADL Fed Com #1H
NM OCD Case No. 25487
Exhibit A-2(a)







Eeyore 27 28 HEL Fed Com #2H Proration Unit WI %		
Leasehold Owner	Acres	WI %
CP Energy Investments III, LLC	62.88	19.65%
Lincoln Associates	9.00	2.81%
SJR Enterprises	2.93	0.92%
Strata Production Company	155.77	48.68%
Wade P. Carrigan and Beth Carrigan	4.50	1.41%
Winn Investments, Inc.	2.93	0.92%
WPX Energy Permian LLC	1.99	0.62%
XTO Holdings LLC	40.00	12.50%
ConocoPhillips Company	40.00	12.50%
Total	320.00	100.00%



Eeyore 27 28 ADL Fed Com #1H
NM OCD Case No. 25487
Exhibit A-3

CONTRACT AREA Eeyore 27 28 ADL Fed Com #1H– Case No. 25487:

N½N½ of Sec. 27-23S-30E and N½N½ of Sec. 28-23S-30E, Eddy County, New Mexico,
320.00 acres, more or less

UNIT INTEREST OF THE PARTIES:

Interest Owners:	Net Acres	WI %
CP Energy Investments III, LLC	62.88	19.65%
Lincoln Associates	9.00	2.81%
SJR Enterprises	2.93	0.92%
Strata Production Company	155.77	48.68%
Wade P. Carrigan and Beth Carrigan	4.50	1.41%
Winn Investments, Inc.	2.93	0.92%
WPX Energy Permian LLC	1.99	0.62%
XTO Holdings LLC	40.00	12.50%
ConocoPhillips Company	40.00	12.50%
Total	320.00	100.000%

TRACT INTEREST OF THE PARTIES:

Tract 1 (N½N½ of Sec. 27 & N½NW¼ of Sec. 28, T23S-R30E 240.00 acres, more or less)

Interest Owners:	Net Acres	WI %
CP Energy Investments III, LLC	62.88	26.20%
Lincoln Associates	9.00	3.75%
SJR Enterprises	2.93	1.22%
Strata Production Company	155.77	64.90%
Wade P. Carrigan and Beth Carrigan	4.50	1.875%
Winn Investments, Inc.	2.93	1.22%
WPX Energy Permian LLC	1.99	0.83%
Total	240.00	100.000%

Record Title Owners:	%
XTO Holdings, LLC	37.500000%
Devon Energy Production Co.	20.833300%
ConocoPhillips Company	20.833400%
Aquila Energy Resources	20.000000%
WPX Energy Permian, LLC	0.8333000%
Total	100.00%

Tract 2 (NW¼ NE¼ of Sec. 28, T23S-R30E, 40.00 acres, more or less)

Interest Owners:	Net Acres	WI %
XTO Holdings LLC	40.00	100.00%
Total	40.00	100.00%

Record Title Owners:	%
XTO Holdings LLC	100.00%
Total	100.00%

Tract 3 (NE¼ NE¼ of Sec. 28, T23S-R30E, 40.00 acres, more or less)

Interest Owners:	Net Acres	WI %
ConocoPhillips Company	40.00	100.00%
Total	40.00	100.00%

Record Title Owners:	%
ConocoPhillips Company	100.00%
Total	100.00%

OIL AND GAS LEASES SUBJECT TO THIS AGREEMENT:

Tract 1:

Lessor: United State of America
 Lessee: Bettis Brothers Inc.
 Serial No.: NMNM 081622
 Date: July 1, 1989
 Description: S½N½ of Sec. 27 & S½NE¼ of Sec. 28, T23S-R30E 240.00 acres, more or less

Tract 2:

Lessor: State of New Mexico
 Lessee: Malco Refineries, Inc.
 Serial No.: E-5229-11
 Date: May 10, 1951
 Description: NW¼NE¼ of Sec. 28, T23S-R30E, 40.00 acres, more or less

Tract 3:

Lessor: United State of America
 Lessee: Roy G. Barton, Jr.
 Serial No.: NMNM 135244
 Date: June 1, 2016
 Description: NE¼NE¼ of Sec. 28, T23S-R30E, 40.00 acres, more or less

* Those Parties Highlighted are the only parties Strata Production Company is seeking to pool at this time.

POST OFFICE DRAWER 1030
ROSWELL, NM 88202-1030



Eeyore 27 28 ADL Fed Com #1H
NM OCD Case No. 25487
Exhibit A-4

130
ROSWELL, NEW MEXICO 88201
www.stratanm.com

June 6, 2025

To:

Subject: Eeyore 27 28 ADL Fed Com #1H

Dear Sir/Madam:

Strata Production Company ("Strata") proposes the drilling and completion of the Eeyore 27 28 ADL Federal Com #1H (the "Well") located in Sections 27 & 28, Township 23 South, Range 30 East, Eddy County, New Mexico.

In connection with the above, please note the following:

The estimated cost of drilling, testing, completing, and equipping of the Well is itemized on the enclosed Authority for Expenditure ("AFE") dated March 11, 2025.

Eeyore 27 28 ADL Fed Com #1H: To be drilled from the legal location with a proposed surface hole location 920' FNL & 450' FEL of Section 27 and a proposed bottom hole location of 400' FSL & 100' FWL of Section 28, Township 23 South, Range 30 East. The well will have a targeted interval within the Brushy Canyon (7626' TVD) and will be drilled horizontally to a measured depth of approximately 17338'.

Strata reserves the right to modify the locations and drilling plans described above in order to address regulatory requirements. Strata will advise you of any such modifications.

Strata is proposing to drill the Wells under the terms of the modified 1989 AAPL form Operating Agreement ("JOA"). The JOA dated June 1, 2025, by and between Strata Production Company, as Operator and WPX Energy Permian LLC, et al as Non-Operator, covers Section 27: N½N½ and Section 28: N½N½, Township 23 South, Range 30 East, Eddy County, New Mexico, being 320 acres, more or less, with the following general provisions:

- 100%/300%/300% Non-consent penalty;
- \$8,000/\$800 Drilling and producing rate;
- Strata Production Company named as Operator from the surface to base of the Delaware Formation.

Strata requests that you indicate your election in the drilling and completion of the Wells on each AFE, sign and return one copy of each AFE to the undersigned within thirty (30) days of receipt of this notice. Please be aware that the enclosed AFEs are only an estimate of costs to be incurred and by electing to participate in the Wells, each working interest owner shall be responsible for its proportionate share of all costs incurred.

Strata is offering the following terms for divesting your interest:

- \$500 per net acre
- NRI delivered equal to the difference between 20% and existing lease burdens

If you are interested in divesting of your interest or wish to discuss this proposal further, please contact myself at (575) 622-1127 ext. 23 or by email mitch@stratanm.com.

Sincerely,

Mitch Krakauskas
Vice President

Enclosures: as stated

AUTHORITY FOR EXPENDITURE
ESTIMATED WELL COSTS

WELL NAME AND NUMBER		AFE NUMBER		DATE	
Eeyore 27 28 HEL ADL Com #1H				March 11, 2025	
LOCATION:		FIELD			
SL: 920' FNL & 450' FEL of Section 27		Forty Niner Ridge Delaware			
BHL: 920' FNL & 100' FWL of Section 28					
API NUMBER		COUNTY		STATE	
30-015-54348		Eddy		New Mexico	
PROJECT DESCRIPTION AND LOCATION		SECTION	TOWNSHIP	RANGE	
Drill ~10,033' lateral at ~7,626' TVD to test the Brushy Canyon Formation. Construct separate tank battery for well.		27	23S	30E	
		PROPOSED FORMATION		PROPOSED DEPTH	
		Delaware		17,338 7,626	

ACCT CODE	INTANGIBLES				DRY HOLE	RUN CSG		TOTAL
	Drilling - Footage Ft. @ \$ /Ft.							
	Drilling - Day Work - BCP 20 Days @ \$ 27000 /Day				\$540,000			\$540,000
	Drilling - Day Work - ACP 2 Days @ \$ 27000 /Day					\$54,000		\$54,000
	Completion Rig, Power Swivel, and Reverse Unit etc					\$128,000		\$128,000
	Mobilization & Demobilization- Other Contractors Charges				\$189,000			\$189,000
	Location, Roads, Pits, Survey, Permits, Cleanup, Damages & Title Opinion				\$222,000	\$500		\$222,500
	Drill Bits, Coring & DST				\$56,000	\$8,000		\$64,000
	Transportation and Hauling				\$27,500	\$28,000		\$55,500
	Drilling Mud, Chemicals & Completion Fluids				\$122,000	\$12,000		\$134,000
	Fuel, Power, Water				\$150,000	\$269,000		\$419,000
	Cementing Services, Cementing Equipment, Hangers; Packers				\$82,050	\$146,600		\$228,650
	Mud Logging				\$63,900			\$63,900
	Open Hole Logging and Side Wall Coring				\$108,400			\$108,400
	Cased Hole Logging and Perforating					\$405,000		\$405,000
	Equipment Rental Including Solids Control, Closed Loop & Directional Services				\$643,200	\$41,669		\$684,869
	Insurance				\$32,075			\$32,075
	Other Well Services, NU/BOP, Casing Inspection				\$52,000	\$49,000		\$101,000
	Overhead				\$10,000	\$5,000		\$15,000
	Supervision: Wellsite, Engineering, Geological, Consultants				\$128,600	\$32,250		\$160,850
	Contract Services							
	Fluids & Cuttings Disposal				\$264,000	\$261,100		\$525,100
	Environmental Charges							
	Stimulation Treatment 53 Stages					\$2,606,000		\$2,606,000
	Plugging Costs							
	Miscellaneous Costs, Tax and Contingencies				\$467,365	\$1,004,218		\$1,471,583
	TOTAL INTANGIBLES				\$3,158,091	\$5,050,337		\$8,208,428

ACCT CODE	TANGIBLES						DRY HOLE	COMPLETION	TOTAL
	CASING	FOOTAGE	SIZE	WEIGHT	GRADE	COST/FT			
	Conductor	100	20"	94#	H40	\$300.00	\$30,000		\$30,000
	Surface	500	13 3/8"	48#	H40	\$31.79	\$15,895		\$15,895
	Surface								
	Intermediate	4,200	9 5/8"	43.5	N-80	\$36.60	\$153,720		\$153,720
	Intermediate								
	Liner								
	Production	10,338	5-1/2"	20#	HCP110	\$16.90		\$174,712	\$174,712
	Production	7,000	7"	29#	HCP110	\$24.75		\$173,250	\$173,250
	Tubing	7,000	3.5	9.3	L80	\$8.54		\$59,780	\$59,780
	Subsurface Well Equipment (Packers/Bottom Hole Pump)								
	Rods, etc							\$500	\$500
	Wellhead Equipment (Casing Head/Christmas Tree)						\$30,750	\$99,000	\$129,750
	Pumping Equipment (Pumping Unit or Sub Pump)							\$356,000	\$356,000
	Flowlines							\$76,000	\$76,000
	Tanks							\$465,000	\$465,000
	Sales Line Equipment							\$50,000	\$50,000
	Separator-Prod. Equip.							\$315,000	\$315,000
	Valves,Fittings etc.							\$248,000	\$248,000
	Installation of Surface Lease Equipment (extend electric grid - to be prorated to all Eeyore wells)							\$213,000	\$213,000
	Other Lease & Well Equip.								
	TOTAL TANGIBLES						\$230,365	\$2,230,242	\$2,460,607
	TOTAL WELL COSTS						\$3,388,456	\$7,280,579	\$10,669,035

Strata Production Company Working Interest	Strata Production Co. - DRY HOLE	Strata Production Co.- COMPLETED
--	----------------------------------	----------------------------------

PREPARED BY: Jerry Elgin, VP Operations	DATE: 3/11/2025	
APPROVED BY: Mitch Krakauskas, Vice President	DATE:	SIGNED: 

JOINT INTEREST SHARE Due to rig availability and timing, the undersigned agrees that this AFE is valid for 180 days from execution.

COMPANY NAME:	SIGNATURE:	DATE:	WORKING INTEREST:
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By execution of this AFE, the above signee is agreeing to be covered by the Operator’s well control insurance and agreeing to the limits within and carrier of such insurance, neither of which is guaranteed as sufficient by Operator. In order to decline coverage by Operator’s well control insurance, you must sign below and provide a Certificate of Insurance with waiver of subrogation prior to spud date and agree to hold Operator harmless for any loss to your interest not covered by your insurance or as otherwise set forth in Exhibit D of the Joint Operating Agreement.

Agree to decline coverage, provide proof, and hold harmless:

By: _____ Date: _____



Eeyore 27 28 ADL Fed Com #1H
NM OCD Case No. 25487
Exhibit A-5

Interest Owner: WPX Energy Permian LLC

Contact Type: Email, USPS

Notes: I mailed the proposals on November 29, 2023, with no response. The wells were delayed so we mailed them again on June 6, 2025, with no response. I followed up with an email to Aaron Young on July 15, 2025, with no response, although we have exchanged emails regarding other wells since this date.

Interest Owner: XTO Holdings LLC

Contact Type: Email, USPS

Notes: I mailed the proposals on June 6, 2025, with no response. I followed up with an email to Chad Smith on July 14, 2025, with no response. On August 8, 2025, I received executed AFEs from Glenn Harris, showing XTO's intent to participate in the well when drilled after compulsory pooling.

Interest Owner: ConocoPhillips Company

Contact Type: Email, USPS

Notes: I mailed the proposals on June 6, 2025, with no response. I followed up with an email to Valeria Gomez on July 14, 2025, where she responded with some more questions regarding the well and completions, which I answered and then I did not receive any further response.

Tab 4

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

**APPLICATION OF STRATA PRODUCTION CO.
FOR COMPULSORY POOLING,
EDDY COUNTY, NEW MEXICO**

Case No. 25487

SELF-AFFIRMED STATEMENT OF GEOLOGIST SCOTT KELLEY

I, Scott Kelley, do hereby affirm the following statements:

1. I am over the age of eighteen and have personal knowledge of the matters stated herein.
2. I am employed as the geologist for Strata Production Company (“Strata” or “Applicant”), and I am familiar with the subject applications and the lands involved.
3. This affidavit is submitted in connection with the filing by Strata of the above-referenced compulsory pooling applications pursuant to 19.15.4.12.A(1) NMAC.
4. I have previously testified before the New Mexico Oil Conservation Division as an expert witness in petroleum land matters. My credentials as a petroleum geologist have been accepted by the Division and made a matter of record. My education and work experience are as follows: I have a bachelor’s degree in geology from the University of Oklahoma and a master’s degree in geology from the University of Texas at Arlington. I have been working continuously as a professional geologist since 2009. I worked for two years at Geosite Inc., two years at Panther Energy Company, six Years at Pioneer Natural Resources and have been at Strata Production Company for six years.
5. **Exhibit B-1** is a location map showing the regional setting for the proposed well.
6. **Exhibit B-2** is a regional Brushy Canyon structure map with 50’ contour intervals, which illustrates the location of the HSU in a yellow-highlighted rectangle.

7. **Exhibit B-3** is a Brushy Canyon stratigraphical cross section, indicating that the horizontal section of this well is being placed in a zone that has an estimated gross interval thickness of 263'. This gross thickness is being calculated from the top of the lower Brushy Canyon formation to the Base of the lower Brushy Canyon formation (top of Bone Spring formation). Perforations and completions are planned where reservoir quality sands are present through the vertical portion of the wellbore within the greater Brushy Canyon formation.

8. **Exhibit B-4** is a gunbarrel diagram.

9. **Exhibit B-5** is a gross isopach map.

10. The measured depth and true vertical depth for the well is approximately 17338' and 7626', respectively.

11. Based on my geologic study of the area, I conclude the following:

- a. The horizontal spacing and proration unit is justified from a geologic standpoint.
- b. There are no structural impediments or faulting that will interfere with horizontal development.
- c. Each quarter-quarter section in the HSU will contribute more or less equally to production.
- d. The most efficient way to develop the pertinent acreage is as proposed because of drilling island locations due to Potash limitations. There is no known and generally accepted preferential drilling orientation based on present-day stress regime or other geological factors that would counter the proposed East-West well orientation. Successfully developed Brushy Canyon formation horizontal wells oriented East-West have been drilled in the region, so an established trend is present. This orientation also fits our lease boundaries and aligns with the remainder

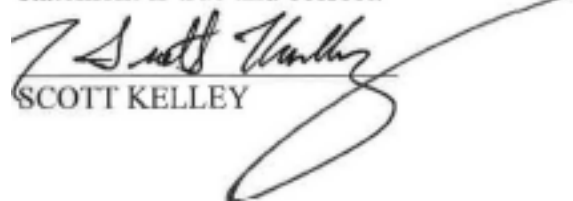
of Strata's planned development in the adjoining tracts. Therefore, the preferred well orientation does not strand any acreage or reserves.

12. The exhibits attached hereto were prepared by me or compiled from Strata's business records.

13. The granting of the Application is in the interests of conservation, the prevention of waste, and the protection of correlative rights.

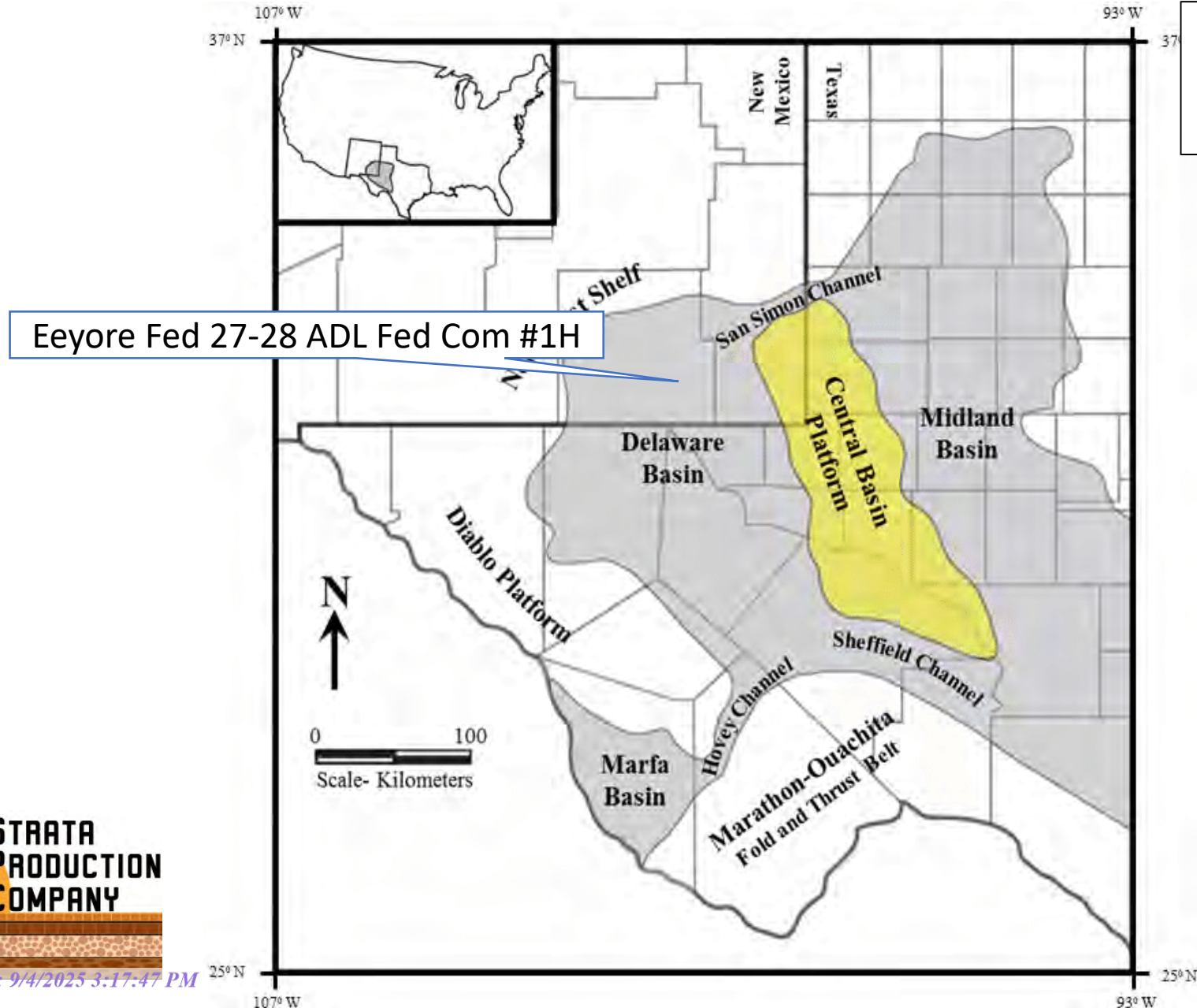
14. The foregoing is correct and complete to the best of my knowledge and belief.

I affirm under penalty of perjury under the laws of the State of New Mexico that this statement is true and correct.


SCOTT KELLEY

September 3, 2025
DATE

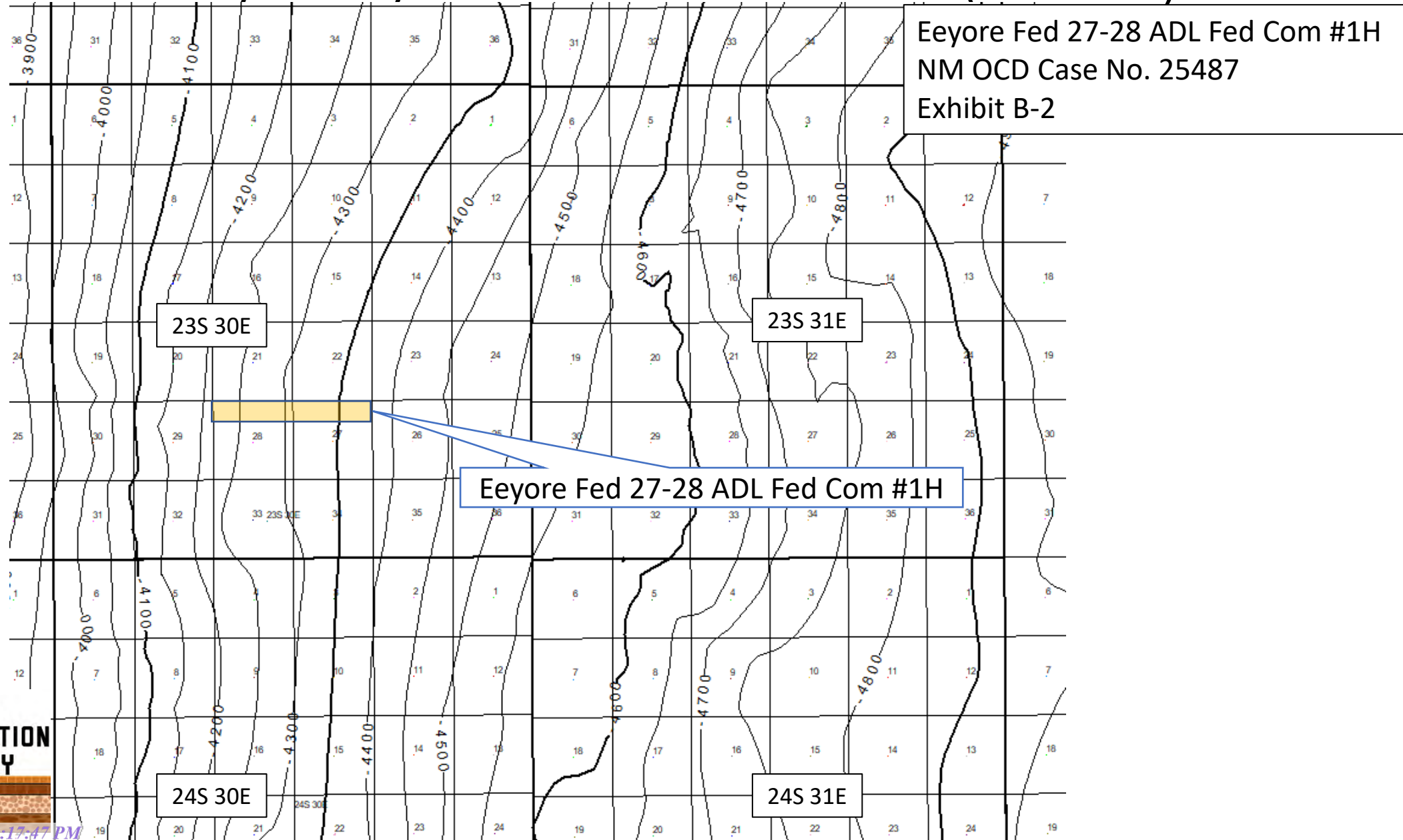
Regional View of the Delaware Basin



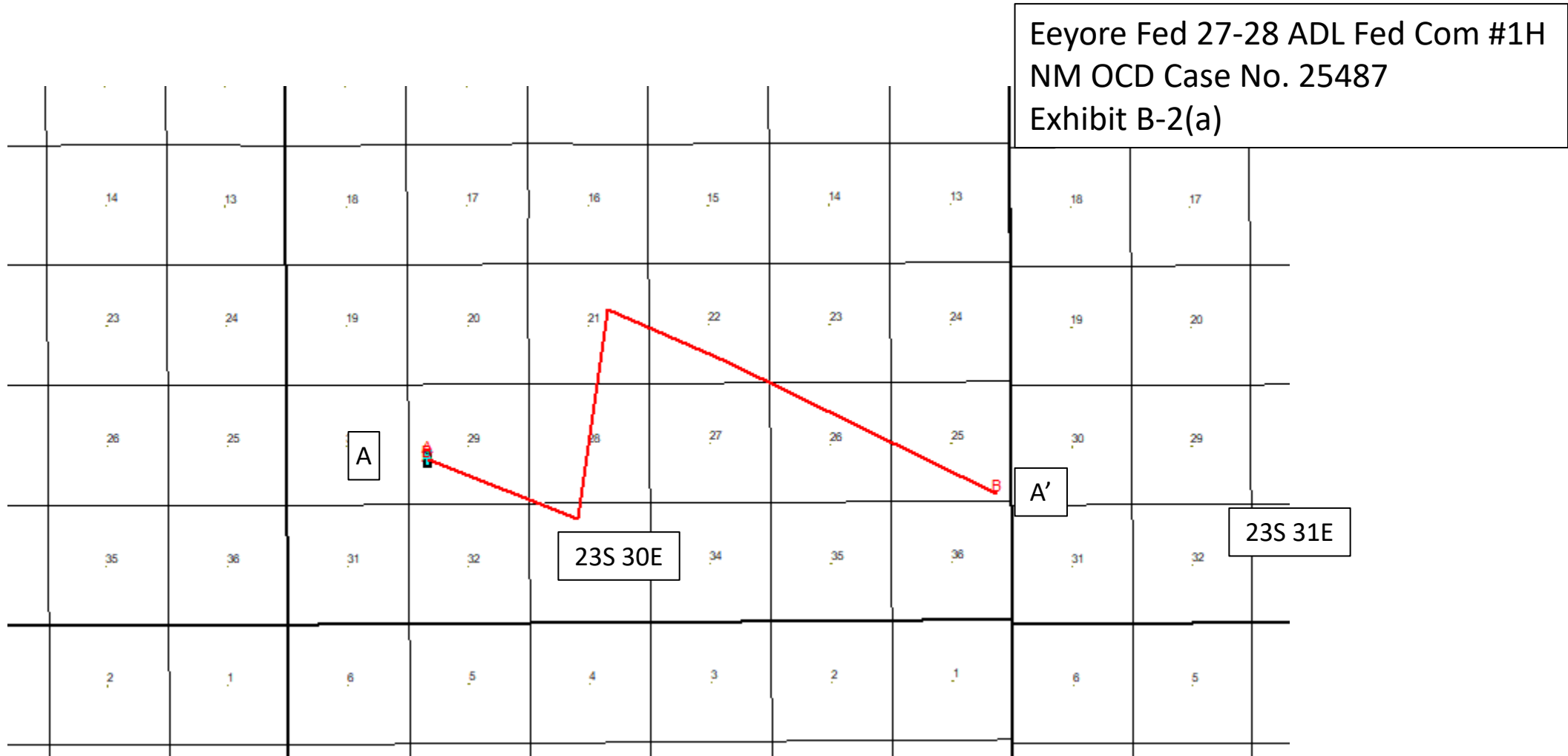
Eeyore Fed 27-28 ADL Fed Com #1H
NM OCD Case No. 25487
Exhibit B-1



Base of Brushy Canyon Fm. Structure (TVDSS)

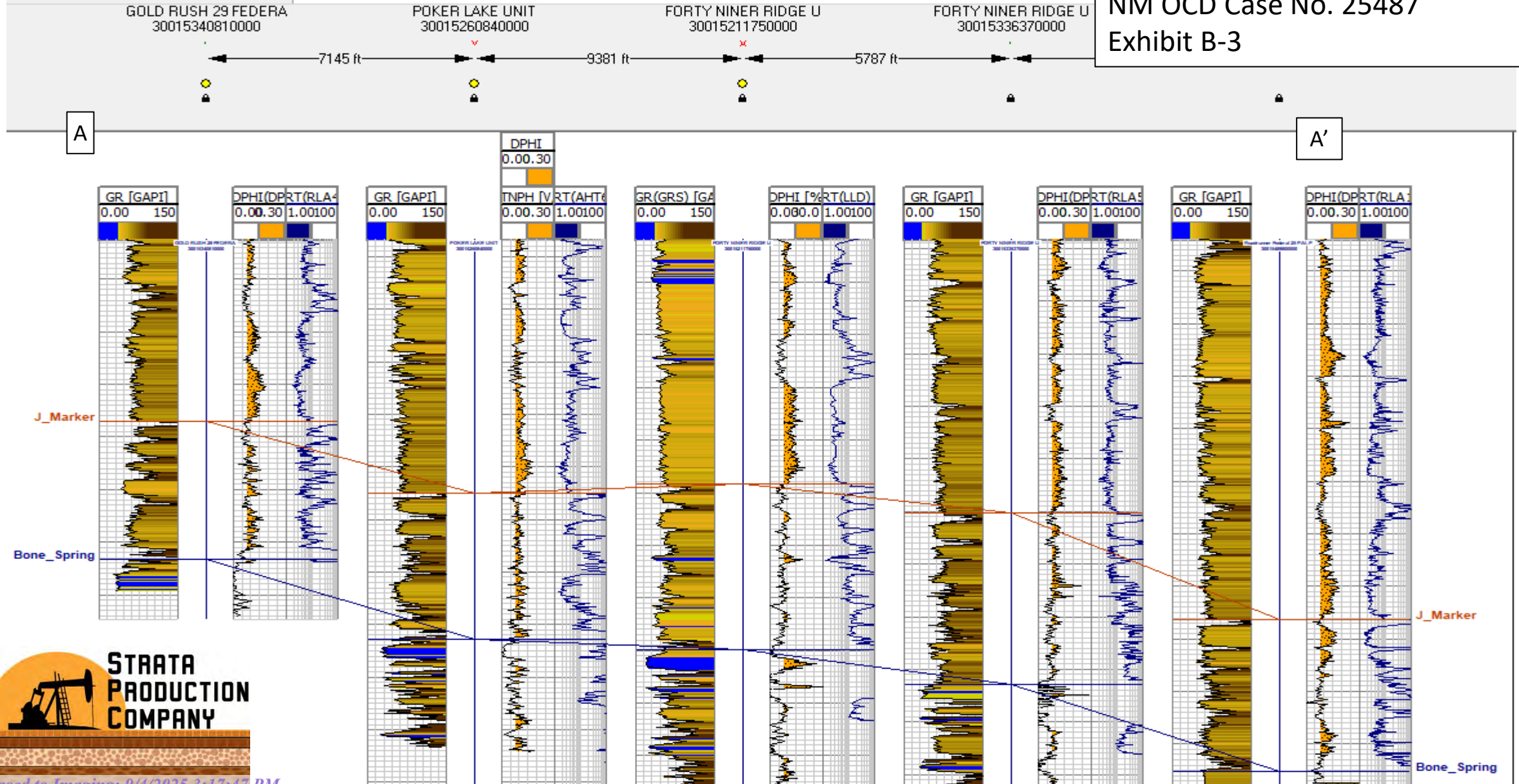


Cross Section Line



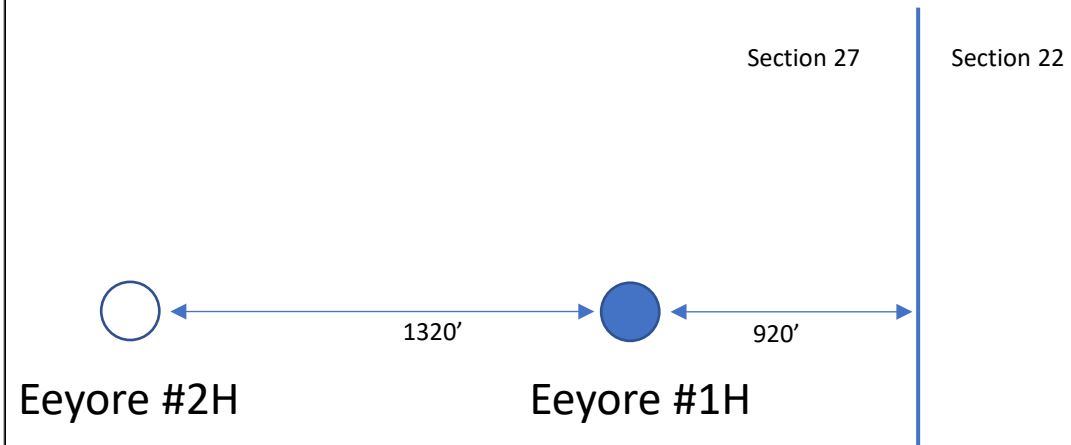
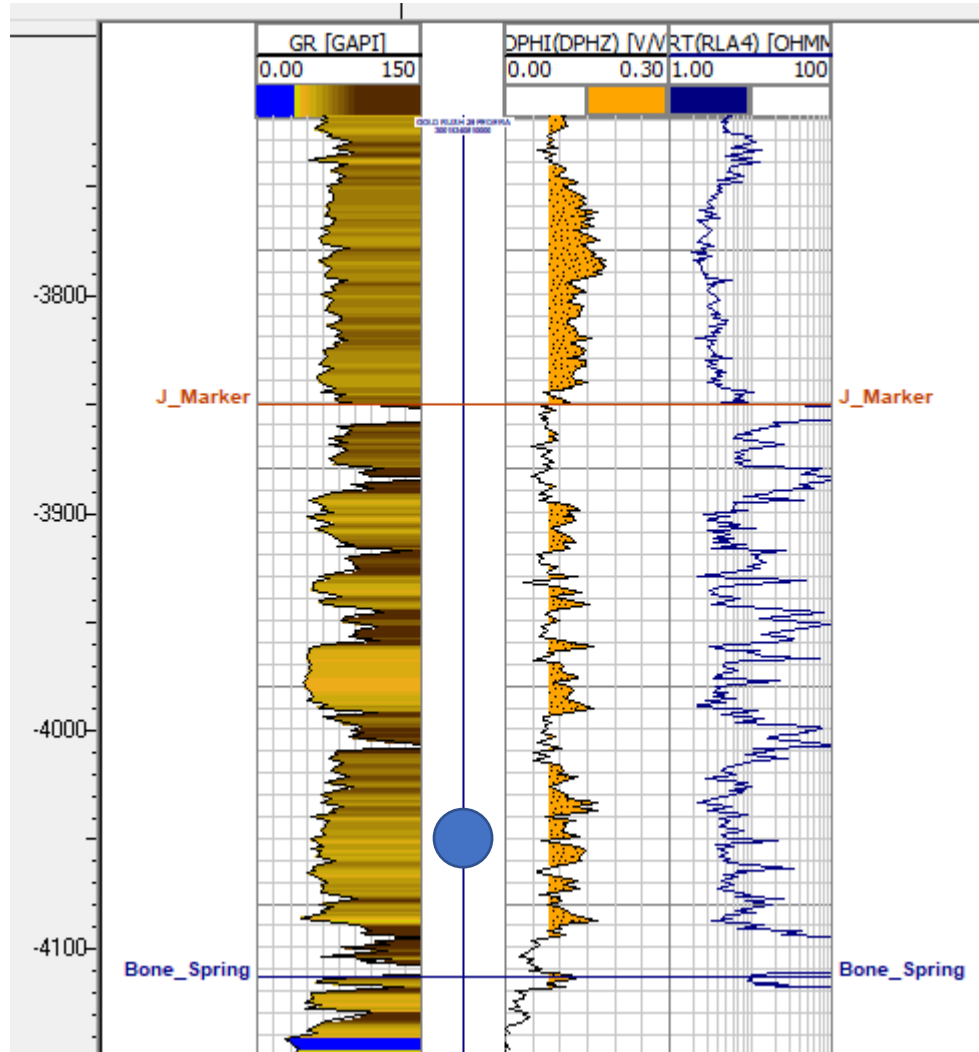
Structural Cross section

Eeyore Fed 27-28 ADL Fed Com #1H
NM OCD Case No. 25487
Exhibit B-3



Gunbarrel Diagram

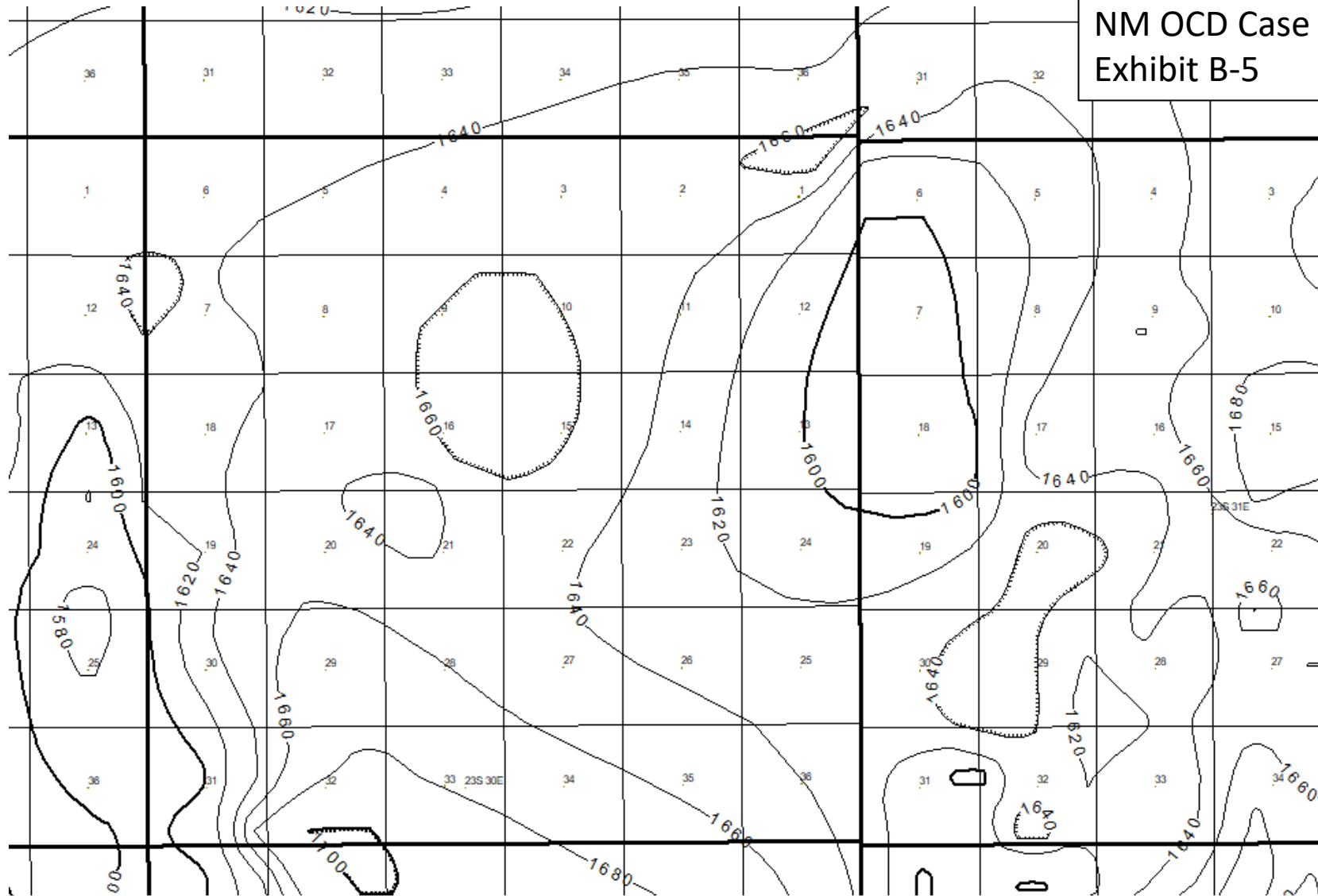
Eeyore Fed 27-28 ADL Fed Com #1H
NM OCD Case No. 25487
Exhibit B-4



**STRATA
PRODUCTION
COMPANY**

Gross Isopach Map

Eeyore Fed 27-28 ADL Fed Com #1H
NM OCD Case No. 25487
Exhibit B-5



**STRATA
PRODUCTION
COMPANY**

Tab 5

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

**APPLICATION OF STRATA PRODUCTION CO.
FOR COMPULSORY POOLING,
EDDY COUNTY, NEW MEXICO**

Case No. 25487

AFFIRMATION OF NOTICE

I, Sharon T. Shaheen, attorney for STRATA PRODUCTION COMPANY (“Strata”), Applicant in the above-captioned matter, state and affirm the following:

I caused notice of the application to be sent by certified mail through the United States Postal Service on July 15, 2025, to all interest owners sought to be pooled in these proceedings, and to the New Mexico State Land Office on July 29, 2025. Sample notice letters to all interested parties are attached hereto as Exhibit C-1. A chart showing the results of certified mailing is attached as Exhibit C-2. All interested parties in this matter received notice by certified mail, which is reflected in the attached Exhibit C-3. Nonetheless, in an abundance of caution, notice was also directed to all such owners by publication in the Carlsbad Current Argus on July 19, 2025, as shown in the Affidavit of Publication attached hereto as Exhibit C-4. The attached exhibits demonstrate to my satisfaction that all owners entitled to notice were properly served.

Strata has conducted a good faith, diligent effort to find the names and correct addresses for the interest owners entitled to receive notice of the Applications filed herein.

I affirm under penalty of perjury under the laws of the State of New Mexico that this statement is true and correct.

/s/ Sharon T. Shaheen
SHARON T. SHAHEEN

September 4, 2025
Date



Sharon T. Shaheen
Direct Dial: 505-986-2678
sshahen@spencerfane.com

July 15, 2025

Via U.S. Certified Mail, return receipt requested

TO: ALL INTEREST OWNERS ON ATTACHED LIST

Re: Case No. 25487 – Application of Strata Production Co. for Compulsory Pooling, Eddy County, New Mexico – **Eeyore 27 28 ADL Fed Com #1H**

Dear Interest Owner:

This will advise that pursuant to NMSA 1978, § 70-2-17, STRATA PRODUCTION COMPANY (“Strata”) has filed an application with the New Mexico Oil Conservation Division seeking an order pooling all uncommitted interests in the proposed well described below. You are receiving this notice because you may have an interest in this well.

Case No. 25487. Application of Strata Production Co. for Compulsory Pooling, Eddy County, New Mexico. Applicant in the above-styled cause seeks an order from the Division pooling all uncommitted 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 N/2 N/2 of Sections 27 and 28, Township 23 South, Range 30 East in Eddy County, New Mexico. Applicant proposes to drill the following well: **Eeyore 27 28 ADL Fed Com #1H** well, to be horizontally drilled from an approximate surface hole location 920' FNL & 450' FEL of Section 27, T23S-R30E, to an approximate bottom hole location 920' FNL & 100' FWL of Section 28, T23S-R30E. The first and last take points and completed interval meet the setback requirements set forth in the statewide rules for horizontal oil wells. Also to be considered will be the cost of drilling and completing the well and the allocation of the costs, the designation of Applicant as Operator of the well, and a 200% charge for the risk involved in drilling and completing the well. The well and lands are located approximately 13 miles East of Loving, New Mexico.

The attached application will be set for hearing before a Division Examiner at the New Mexico Oil Conservation Division on **August 7, 2025**, beginning at 9:00 a.m. Hearings are currently conducted in a hybrid fashion, both in-person at the Energy, Minerals, Natural Resources Department, Wendell Chino Building, Pecos Hall, 1220 South St. Francis Drive, 1st Floor, Santa Fe NM 87505 and via a virtual meeting platform. To participate in the electronic hearing, see the instructions posted on the docket for the hearing date at <http://www.emnrd.state.nm.us/OCD/hearing-info>. You are not required to attend this hearing, but as an owner of an interest that may be affected, you may appear and present testimony.

Failure to appear at that time and become a party of record will preclude you from challenging these applications at a later time. If you intend to present testimony or evidence at the hearing, you must enter

All Interest Owners
July 15, 2025
Page 2



your appearance **eight days prior to the hearing**, no later than **July 30, 2025**, and serve the Division, counsel for the Applicant, and other parties with a pre-hearing statement **seven days prior to the hearing**, no later than **July 31, 2025**, in accordance with Division Rule 19.15.4.13 NMAC.

Please feel free to contact me if you have any questions about this application.

Very truly yours,

/s/ Sharon T. Shaheen
Sharon T. Shaheen

Enclosure

cc: Strata Production Co., *via email*

EXHIBIT A

INTEREST OWNERS

Working Interest Party(ies):

WPX Energy Permian LLC
333 West Sheridan Avenue
Oklahoma City, OK 73102

XTO Holdings, LLC
22777 Springwoods Village Parkway
Spring, TX 77389

ConocoPhillips
600 West Illinois Avenue
Midland, TX 79701

Additional Interested Party(ies):

Bureau of Land Management
620 East Greene Street
Carlsbad, NM 88220



Sharon T. Shaheen
Direct Dial: 505-986-2678
sshhaheen@spencerfane.com

July 29, 2025

Via U.S. Certified Mail, return receipt requested

TO: ALL INTEREST OWNERS ON ATTACHED LIST

Re: Case No. 25487 – Application of Strata Production Co. for Compulsory Pooling, Eddy County, New Mexico – **Eeyore 27 28 ADL Fed Com #1H**

Dear Interest Owner:

This will advise that pursuant to NMSA 1978, § 70-2-17, STRATA PRODUCTION COMPANY (“Strata”) has filed an application with the New Mexico Oil Conservation Division seeking an order pooling all uncommitted interests in the proposed well described below. You are receiving this notice because you may have an interest in this well.

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Failure to appear at that time and become a party of record will preclude you from challenging these applications at a later time. If you intend to present testimony or evidence at the hearing, you must enter

All Interest Owners
July 29, 2025
Page 2



your appearance **eight days prior to the hearing**, no later than **September 3, 2025**, and serve the Division, counsel for the Applicant, and other parties with a pre-hearing statement **seven days prior to the hearing**, no later than **September 4, 2025**, in accordance with Division Rule 19.15.4.13 NMAC.

Please feel free to contact me if you have any questions about this application.

Very truly yours,

/s/ Sharon T. Shaheen
Sharon T. Shaheen

Enclosure

cc: Strata Production Co., *via email*

EXHIBIT A

INTEREST OWNERS

Working Interest Party(ies):

WPX Energy Permian LLC
333 West Sheridan Avenue
Oklahoma City, OK 73102

XTO Holdings, LLC
22777 Springwoods Village Parkway
Spring, TX 77389

ConocoPhillips
600 West Illinois Avenue
Midland, TX 79701

New Mexico State Land Office
310 Old Santa Fe Trail
Santa Fe, NM 87501

Additional Interested Party(ies):

Bureau of Land Management
620 East Greene Street
Carlsbad, NM 88220

STRATA PRODUCTION COMPANY
No. 25487 - Eeyore 27 28 ADL Fed Com #1H
September 11, 2025 Hearing

Entity	Date Letter Mailed	Certified Mail Number	Status of Delivery	Date Received
WORKING INTEREST PARTY(IES)				
WPX Energy Permian LLC 333 West Sheridan Avenue Oklahoma City, OK 73102	July 15, 2025	9314 7699 0430 0137 3581 25	Delivered	July 18, 2025
XTO Holdings, LLC 22777 Springwoods Village Parkway Spring, TX 77389	July 15, 2025	9314 7699 0430 0137 3581 32	Delivered	July 18, 2025
ConocoPhillips 600 West Illinois Avenue Midland, TX 79701	July 15, 2025	9314 7699 0430 0137 3581 49	Delivered	July 21, 2025
New Mexico State Land Office 310 Old Santa Fe Trail Santa Fe, NM 87501	July 29, 2025	9314 7699 0430 0137 9873 25	Delivered	August 5, 2025
ADDITIONAL PARTY(IES)				
Bureau of Land Management 620 E. Greene Street Carlsbad, NM 88220	July 15, 2025	9314 7699 0430 0137 3581 56	Delivered	July 18, 2025

Transaction Details**Recipient:**

WPX Energy Permian LLC
333 West Sheridan Avenue
Oklahoma City, OK 73102

Date Created:

07/14/2025 12:24 PM

Date Mail Delivered:

07/18/2025 8:11 AM

USPS Article Number:

9314769904300137358125

Return Receipt Article Number:

9590969904300137358127

Sender:

Sharon T. Shaheen
Strata (9015271,2202) Eayore Wells
Spencer Fane, LLP
325 Paseo de Peralta
Santa Fe, NM 87501-1860

Service Options:

Return Receipt

Certified Mail

Mail Service:

Certified

Reference #:

001

Postage:

\$1.90

Certified Mail Fees:

\$9.70

Status:

Delivered

Sender:

S. Shaheen

Contents:

Notice Letter

Custom Field 2:

Strata Eayore Well


Custom Field 3:

No. 25487

Transaction created by: Dortiz
User ID: 32565
Firm Mailing Book ID: None
Batch ID: 313640

Transaction History**Event Description****Event Date****Details**

USPS® Return Receipt	07-14-2025 01:12 PM	[USPS] - RETURN RECEIPT ASSOCIATED at SANTA FE,NM
USPS® Certified Mail	07-14-2025 03:25 PM	[USPS] - PRESHIPMENT INFO SENT USPS AWAITS ITEM at SANTA FE,NM
USPS® Certified Mail	07-15-2025 10:46 PM	[USPS] - ORIGIN ACCEPTANCE at SANTA FE,NM
USPS® Certified Mail	07-16-2025 12:01 AM	[USPS] - PROCESSED THROUGH USPS FACILITY at ALBUQUERQUE,NM
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USPS® Certified Mail	07-17-2025 01:40 PM	[USPS] - PROCESSED THROUGH USPS FACILITY at OKLAHOMA CITY OK DISTRIBUTION C
USPS® Certified Mail	07-17-2025 09:59 PM	[USPS] - PROCESSED THROUGH USPS FACILITY at OKLAHOMA CITY OK DISTRIBUTION C
USPS® Certified Mail	07-18-2025 07:36 AM	[USPS] - ARRIVAL AT UNIT at OKLAHOMA CITY,OK
USPS® Certified Mail	07-18-2025 07:47 AM	[USPS] - OUT FOR DELIVERY at OKLAHOMA CITY,OK
USPS® Certified Mail	07-18-2025 08:11 AM	[USPS] - CERTIFIED MAIL DELIVERED PO BOX at OKLAHOMA CITY,OK
USPS® Return Receipt	07-19-2025 12:29 AM	[USPS] - PROCESSED THROUGH USPS FACILITY at OKLAHOMA CITY OK DISTRIBUTION C
USPS® Return Receipt	07-19-2025 10:10 AM	[USPS] - DEPARTED USPS REGIONAL FACILITY at OKLAHOMA CITY OK DISTRIBUTION C

Return Receipt (Form 3811) Barcode		COMPLETE THIS SECTION ON DELIVERY	
 9590 9699 0430 0137 3581 27		A. Signature <input checked="" type="checkbox"/> Agent <input type="checkbox"/> Addres.	
		B. Received by (Printed Name)	C. Date of Delivery
1. Article Addressed to: WPX Energy Permian LLC 333 West Sheridan Avenue Oklahoma City, OK 73102		D. Is delivery address different from item 1? <input type="checkbox"/> Yes If YES, enter delivery address below: <input type="checkbox"/> No	
		3. Service Type: <input checked="" type="checkbox"/> Certified Mail <input type="checkbox"/> Certified Mail Restricted Delivery	
2. Certified Mail (Form 3800) Article Number 9314 7699 0430 0137 3581 25		Reference Information	
PS Form 3811, Facsimile, July 2015		Domestic Return Receipt	

Transaction Details**Recipient:**

XTO Holdings, LLC
22777 Springwoods Village Parkway
Spring, TX 77389

Date Created:

07/14/2025 12:24 PM

Date Mail Delivered:

07/18/2025 10:04 AM

USPS Article Number:

9314769904300137358132

Return Receipt Article Number:

9590969904300137358134

Sender:

Sharon T. Shaheen
Strata (9015271.2202) Eeyore Wells
Spencer Fane, LLP
325 Paseo de Peralta
Santa Fe, NM 87501-1860

Service Options:

Return Receipt
Certified Mail

Mail Service:

Certified

Reference #:

002

Postage:

\$1.90

Certified Mail Fees:

\$9.70

Status:

Delivered

Sender:

S. Shaheen

Contents:

Notice Letter

Custom Field 2:

Strata Eeyore Well



Custom Field 3:

No, 25487

Transaction created by: Dortiz
User ID: 32565
Firm Mailing Book ID: None
Batch ID: 313640

Transaction History**Event Description****Event Date****Details**

USPS® Return Receipt	07-14-2025 01:12 PM	[USPS] - RETURN RECEIPT ASSOCIATED at SANTA FE,NM
USPS® Certified Mail	07-14-2025 03:25 PM	[USPS] - PRESHPMENT INFO SENT USPS AWAITS ITEM at SANTA FE,NM
USPS® Certified Mail	07-15-2025 10:46 PM	[USPS] - ORIGIN ACCEPTANCE at SANTA FE,NM
USPS® Certified Mail	07-16-2025 12:01 AM	[USPS] - PROCESSED THROUGH USPS FACILITY at ALBUQUERQUE,NM
USPS® Certified Mail	07-16-2025 08:47 AM	[USPS] - DEPARTED USPS REGIONAL FACILITY at ALBUQUERQUE,NM
USPS® Certified Mail	07-17-2025 09:10 AM	[USPS] - PROCESSED THROUGH USPS FACILITY at NORTH HOUSTON TX DISTRIBUTION C
USPS® Certified Mail	07-17-2025 08:30 PM	[USPS] - PROCESSED THROUGH USPS FACILITY at NORTH HOUSTON TX DISTRIBUTION C
USPS® Certified Mail	07-18-2025 10:04 AM	[USPS] - CERTIFIED MAIL DELIVERED LEFT WITH INDIVIDUAL at SPRING,TX

Return Receipt (Form 3811) Barcode		COMPLETE THIS SECTION ON DELIVERY	
 9590 9699 0430 0137 3581 34		A. Signature 	
		B. Received by (Printed Name) C. Date of Delivery	
1. Article Addressed to: XTO Holdings, LLC 22777 Springwoods Village Parkway Spring, TX 77389		D. Is delivery address different from item 1? <input type="checkbox"/> Yes If YES, enter delivery address below: <input type="checkbox"/> No	
		3. Service Type: <input checked="" type="checkbox"/> Certified Mail <input type="checkbox"/> Certified Mail Restricted Delivery	
2. Certified Mail (Form 3800) Article Number 9314 7699 0430 0137 3581 32		Reference Information	

PS Form 3811, Facsimile, July 2015

Domestic Return Receipt

Transaction Details

Recipient:

ConocoPhillips
600 West Illinois Avenue
Midland, TX 79701

Date Created:

07/14/2025 12:24 PM

Date Mail Delivered:

07/21/2025 8:16 AM

USPS Article Number:

9314769904300137358149

Return Receipt Article Number:

9590969904300137358141

Sender:

Sharon T. Shaheen
Strata (9015271.2202) Eeyore Wells
Spencer Fane, LLP
325 Paseo de Peralta
Santa Fe, NM 87501-1860

Service Options:

Return Receipt
Certified Mail

Mail Service:

Certified

Reference #:

003

Postage:

\$1.90

Certified Mail Fees:

\$9.70

Status:

Delivered

Sender:

S. Shaheen

Contents:

Notice Letter

Custom Field 2:

Strata Eeyore Well


Custom Field 3:

No. 25487

Transaction created by: Dortiz
User ID: 32565
Firm Mailing Book ID: None
Batch ID: 313640

Transaction History

Event Description	Event Date	Details
USPS® Return Receipt	07-14-2025 01:12 PM	[USPS] - RETURN RECEIPT ASSOCIATED at SANTA FE,NM
USPS® Certified Mail	07-14-2025 03:25 PM	[USPS] - PRESHPMENT INFO SENT USPS AWAITS ITEM at SANTA FE,NM
USPS® Certified Mail	07-15-2025 10:46 PM	[USPS] - ORIGIN ACCEPTANCE at SANTA FE,NM
USPS® Certified Mail	07-16-2025 12:01 AM	[USPS] - PROCESSED THROUGH USPS FACILITY at ALBUQUERQUE,NM
USPS® Certified Mail	07-16-2025 08:47 AM	[USPS] - DEPARTED USPS REGIONAL FACILITY at ALBUQUERQUE,NM
USPS® Certified Mail	07-17-2025 02:08 PM	[USPS] - PROCESSED THROUGH USPS FACILITY at MIDLAND TX DISTRIBUTION CENTER
USPS® Certified Mail	07-17-2025 05:50 PM	[USPS] - PROCESSED THROUGH USPS FACILITY at MIDLAND TX DISTRIBUTION CENTER
USPS® Certified Mail	07-18-2025 10:25 AM	[USPS] - RESCHEDULED TO NEXT DELIVERY DAY at MIDLAND,TX
USPS® Certified Mail	07-21-2025 08:16 AM	[USPS] - CERTIFIED MAIL DELIVERED INDIVIDUAL PICKED UP AT USPS at MIDLAND,TX

Return Receipt (Form 3811) Barcode		COMPLETE THIS SECTION ON DELIVERY	
 9590 9699 0430 0137 3581 41		A. Signature <input checked="" type="checkbox"/> Agent <input type="checkbox"/> Addressee	C. Date of Delivery 7/21/25
		B. Received by (Printed Name) Sharon T. Shaheen	
1. Article Addressed to: ConocoPhillips 600 West Illinois Avenue Midland, TX 79701		D. Is delivery address different from item 1? <input type="checkbox"/> Yes If YES, enter delivery address below: <input type="checkbox"/> No	
		3. Service Type: <input checked="" type="checkbox"/> Certified Mail <input type="checkbox"/> Certified Mail Restricted Delivery	
2. Certified Mail (Form 3800) Article Number 9314 7699 0430 0137 3581 49		Reference Information	
PS Form 3811, Facsimile, July 2015		Domestic Return Receipt	

Thank you for using Return Receipt Service

Transaction Details

Recipient:
New Mexico State Land Office
310 Old Santa Fe Trail
Santa Fe, NM 87501

Date Created: 07/29/2025 4:06 PM
Date Mail Delivered: 08/05/2025 8:48 AM
USPS Article Number: 9314769904300137987325
Return Receipt Article Number: 9590969904300137987327



Sender:
Sharon T. Shaheen
Strata (9015271.2202) Eeyore Wells
Spencer Fane, LLP
325 Paseo de Peralta
Santa Fe, NM 87501-1860

Service Options: Return Receipt
Certified Mail
Mail Service: Certified
Reference #:
Postage: \$1.90
Certified Mail Fees: \$9.70
Status: Delivered

Transaction created by: Dortiz
User ID: 32565
Firm Mailing Book ID: None
Batch ID:

Transaction History

Event Description	Event Date	Details
USPS® Return Receipt	07-29-2025 05:12 PM	[USPS] - RETURN RECEIPT ASSOCIATED at SANTA FE,NM
USPS® Certified Mail	07-29-2025 07:28 PM	[USPS] - PRESHIPMENT INFO SENT USPS AWAITS ITEM at SANTA FE,NM
USPS® Certified Mail	08-05-2025 08:48 AM	[USPS] - CERTIFIED MAIL DELIVERED INDIVIDUAL PICKED UP AT USPS at SANTA FE,NM

Return Receipt (Form 3811) Barcode		COMPLETE THIS SECTION ON DELIVERY	
 9590 9699 0430 0137 9873 27		A. Signature  <input type="checkbox"/> Agent <input checked="" type="checkbox"/> Addressee	
		B. Received by (Printed Name) <u>Marcus Barela</u> C. Date of Delivery <u>8/5/25</u>	
1. Article Addressed to: New Mexico State Land Office 310 Old Santa Fe Trail Santa Fe, NM 87501		D. Is delivery address different from item 1? <input type="checkbox"/> Yes If YES, enter delivery address below: <input type="checkbox"/> No	
		3. Service Type: <input checked="" type="checkbox"/> Certified Mail <input type="checkbox"/> Certified Mail Restricted Delivery	
2. Certified Mail (Form 3800) Article Number 9314 7699 0430 0137 9873 25		Reference Information	

PS Form 3811, Facsimile, July 2015

Domestic Return Receipt

Transaction Details

Recipient:

Bureau of Land Management
620 East Greene Street
Carlsbad, NM 88220

Date Created:

07/14/2025 12:24 PM

Date Mail Delivered:

07/18/2025 2:05 PM

USPS Article Number:

9314769904300137358156

Return Receipt Article Number:

9590969904300137358158

Sender:

Sharon T. Shaheen
Strata (9015271.2202) Eeyore Wells
Spencer Fane, LLP
325 Paseo de Peralta
Santa Fe, NM 87501-1860

Service Options:

Return Receipt
Certified Mail

Mail Service:

Certified

Reference #:

004

Postage:

\$1.90

Certified Mail Fees:

\$9.70

Status:

Delivered

Sender:

S. Shaheen

Contents:

Notice Letter

Custom Field 2:

Strata Eeyore Well

Custom Field 3:

No. 25487

Transaction created by: Dortiz

User ID: 32565

Firm Mailing Book ID: None

Batch ID: 313640

Transaction History

Event Description

Event Date

Details

USPS® Return Receipt	07-14-2025 01:12 PM	[USPS] - RETURN RECEIPT ASSOCIATED at SANTA FE,NM
USPS® Certified Mail	07-14-2025 03:25 PM	[USPS] - PRESHPMENT INFO SENT USPS AWAITS ITEM at SANTA FE,NM
USPS® Certified Mail	07-15-2025 10:46 PM	[USPS] - ORIGIN ACCEPTANCE at SANTA FE,NM
USPS® Certified Mail	07-16-2025 12:01 AM	[USPS] - PROCESSED THROUGH USPS FACILITY at ALBUQUERQUE,NM
USPS® Certified Mail	07-16-2025 08:47 AM	[USPS] - DEPARTED USPS REGIONAL FACILITY at ALBUQUERQUE,NM
USPS® Certified Mail	07-17-2025 11:34 AM	[USPS] - PROCESSED THROUGH USPS FACILITY at LUBBOCK TX DISTRIBUTION CENTER
USPS® Certified Mail	07-17-2025 01:54 PM	[USPS] - PROCESSED THROUGH USPS FACILITY at LUBBOCK TX DISTRIBUTION CENTER
USPS® Certified Mail	07-17-2025 08:58 PM	[USPS] - DEPARTED USPS REGIONAL FACILITY at LUBBOCK TX DISTRIBUTION CENTER
USPS® Certified Mail	07-18-2025 02:05 PM	[USPS] - CERTIFIED MAIL DELIVERED FRONT DESKRECEPTIONMAIL ROOM at
USPS® Return Receipt	07-21-2025 08:45 AM	CARLSBAD, NM [USPS] - PROCESSED THROUGH USPS FACILITY at LUBBOCK TX DISTRIBUTION CENTER
USPS® Return Receipt	07-21-2025 08:58 AM	[USPS] - PROCESSED THROUGH USPS FACILITY at LUBBOCK TX DISTRIBUTION CENTER

Return Receipt (Form 3811) Barcode		COMPLETE THIS SECTION ON DELIVERY	
 9590 9699 0430 0137 3581 58		A. Signature: <u>J. Shaheen</u> <input type="checkbox"/> Agent <input checked="" type="checkbox"/> Addressee	
		B. Received by (Printed Name) _____ C. Date of Delivery _____	
1. Article Addressed to: Bureau of Land Management 620 East Greene Street Carlsbad, NM 88220		D. Is delivery address different from item 1? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No If YES, enter delivery address below: _____	
		3. Service Type: <input checked="" type="checkbox"/> Certified Mail <input type="checkbox"/> Certified Mail Restricted Delivery	
2. Certified Mail (Form 3800) Article Number 9314 7699 0430 0137 3581 56		Reference Information	
PS Form 3811, Facsimile, July 2015		Domestic Return Receipt	

AFFIDAVIT OF PUBLICATION

CARLSBAD CURRENT-ARGUS
PO BOX 507
HUTCHINSON, KS 67504-0507

STATE OF NEW MEXICO } SS
COUNTY OF EDDY }

Account Number: 1006
Ad Number: 55550
Description: Case 25487 Eeyore Well
Ad Cost: \$134.03

Sherry Groves, being first duly sworn, says:

That she is the Agent of the the Carlsbad Current-Argus, a Weekly newspaper of general circulation, printed and published in Carlsbad, Eddy County, New Mexico; that the publication, a copy of which is attached hereto, was published in said newspaper on the following dates:

July 19, 2025

That said newspaper was regularly issued and circulated on those dates.

SIGNED:

Sherry Groves

Agent

Subscribed to and sworn to me this 19th day of July 2025.

Leanne Kaufenberg

Leanne Kaufenberg, Notary Public, Redwood County
Minnesota

NOTICE

To the following entities, individuals, their heirs, personal representatives, trustees, successors or assigns, and any other uncommitted mineral owners:

WPX Energy Permian LLC, ConocoPhillips, XTO Holdings, LLC, and Bureau of Land Management.

Strata Production Company has filed the following application with the New Mexico Oil Conservation Division:

Case No. 25487, Application of Strata Production Co. for Compulsory Pooling, Eddy County, New Mexico. Applicant in the above-styled cause seeks an order from the Division pooling all uncommitted 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 N/2 N/2 of Sections 27 and 28, Township 23 South, Range 30 East in Eddy County, New Mexico. Applicant proposes to drill the following well: **Eeyore 27 28 ADL Fed Com #1H** well, to be horizontally drilled from an approximate surface hole location 920' FNL & 450' FEL of Section 27, T23S-R30E, to an approximate bottom hole location 920' FNL & 100' FWL of Section 28, T23S-R30E. The first and last take points and completed interval meet the setback requirements set forth in the statewide rules for horizontal oil wells. Also to be considered will be the cost of drilling and completing the well and the allocation of the costs, the designation of Applicant as Operator of the well, and a 200% charge for the risk involved in drilling and completing the well. The well and lands are located approximately 13 miles East of Loving, New Mexico.

These applications will be set for hearing before a Division Examiner at the New Mexico Oil Conservation Division on **August 7, 2025**, beginning at 9:00 a.m. Hearings are currently conducted in a hybrid fashion, both in-person at the Energy, Minerals, Natural Resources Department, Wendell Chino Building, Pecos Hall, 1220 South St. Francis Drive, 1st Floor, Santa Fe NM 87505 and via a virtual meeting platform. To participate in the electronic hearing, see the instructions posted on the docket for the hearing date: <https://www.emnrd.nm.gov/ocd/hearing-info/>. You are not required to attend this hearing, but as an owner of an interest that may be affected, you may appear and present testimony. Failure to appear at that time and become a party of record will preclude you from challenging these applications at a later time. If you intend to present testimony or evidence at the hearing, you must enter your appearance by **July 30, 2025**, eight (8) days before the hearing, and serve the Division, counsel for the Applicant, and other parties with a pre-hearing statement by **July 31, 2025**, seven days before the hearing in accordance with Division Rule 19.15.4.13 NMAC. For further information, contact the applicant's attorney, Sharon T. Shaheen, Spencer Fane, LLC, 325 Paseo de Peralta, Santa Fe, New Mexico 87501, (505) 986-2678.

Published in the Carlsbad Current-Argus July 19, 2025.
#55550

DAVID ORTIZ
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