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

APPLICATION OF STEWARD ENERGY II, LLC TO POOL ADDITIONAL INTERESTS UNDER ORDER NO. R-22192, LEA COUNTY, NEW MEXICO.

CASE NO.	
ORDER NO. R-22192	

<u>APPLICATION</u>

Pursuant to NMSA § 70-2-17, Steward Energy II, LLC ("Applicant") (OGRID No. 371682) files this application with the Oil Conservation Division ("Division") for the limited purpose of pooling additional uncommitted interests under the terms of Division Order No. R-22192. Applicant states the following in support of its application.

- 1. On July 25, 2022, the Division entered Order No. R-22192 ("Order") in Case No. 22734, which pooled all uncommitted interests in the San Andres formation underlying a standard horizontal spacing unit comprised of the W/2 E/2 and Lots 1, 2, 3, and 4 (E/2 equivalent) of irregular Section 14, Township 13 South, Range 28 East, Lea County, New Mexico ("Unit"). The Order further dedicated the Unit to the Fring Fed #2H well ("Well") and designated Applicant as operator of the Unit and Well.
- 2. Since the Order was entered, Applicant has identified additional interests in the Unit that have not been pooled under the terms of the Order.
- 3. Applicant has undertaken diligent, good-faith efforts to obtain voluntary agreements from the additional interest owners but has been unable to obtain voluntary agreements from the owners.
- 4. In order to permit Applicant to obtain its just and fair share of the oil and gas underlying the subject lands, the additional interests should be pooled into the Unit pursuant to the terms of the Order.

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WHEREFORE, Applicant requests this application be set for hearing before an Examiner of the Division on November 3, 2022, and, after notice and hearing, the Division pool the additional uncommitted interests into the Unit pursuant to the terms of Division Order No. R-22192.

Respectfully submitted,

HINKLE SHANOR LLP

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