

**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. 23006

PRE-HEARING STATEMENT

STRATA PRODUCTION COMPANY provides this Pre-Hearing Statement as required by the rules of the Division.

APPEARANCES

APPLICANT

STRATA PRODUCTION COMPANY

APPLICANT'S ATTORNEY:

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OTHER PARTIES

CONOCOPHILLIPS

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STATEMENT OF THE CASE

In Case No. **23006**, 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, horizontal spacing and proration unit (“HSU”) comprised of the S/2 S/2 of Sections 27 and 28, Township 23 South, Range 30 East in Eddy County, New Mexico. The HSU will be dedicated to the Eeyore Fed Com 27 28 PML 4H well, to be horizontally drilled from an approximate surface hole location 400’ FSL and 330’ FEL of Section 27, T23S-R30E, to an approximate bottom hole location 400’ FSL and 100’ FWL of Section 28, T23S-R30E (“Eeyore 27 28 PML”). The first and last take points will meet the setback requirements set forth in the statewide rules for horizontal oil wells. The completed lateral for the Eeyore 27 28 PML will comply with the standard setback.

Also to be considered in the above-referenced case will be the cost of drilling and completing the well and 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 only parties sought to be pooled in this proceeding are Aquila Energy Resources and WPX Energy Permian LLC.

PROPOSED EVIDENCE

APPLICANT:

WITNESSES	EST. TIME	EXHIBITS
Mitch Krakauskas, Landman	By affidavit	7-8
Scott Kelley, Geologist	By affidavit	6-7

PROCEDURAL MATTERS

Assuming no opposition at the time of hearing, this case will be presented by affidavit.

Respectfully submitted,

MONTGOMERY & ANDREWS, PA.

By: /s/Sharon T. Shaheen

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Attorneys for Strata Production Company

CERTIFICATE OF SERVICE

I hereby certify that on September 29, 2022, the foregoing was served by email upon the following:

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State of New Mexico
Energy, Minerals and Natural Resources
Oil Conservation Division
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QUESTIONS

Action 147401

QUESTIONS

Operator: STRATA PRODUCTION CO P.O. Box 1030 Roswell, NM 882021030	OGRID: 21712
	Action Number: 147401
	Action Type: [HEAR] Prehearing Statement (PREHEARING)

QUESTIONS

Testimony	
<i>Please assist us by provide the following information about your testimony.</i>	
Number of witnesses	<i>Not answered.</i>
Testimony time (in minutes)	<i>Not answered.</i>