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. 24063

PRE-HEARING STATEMENT

Applicant STRATA PRODUCTION COMPANY ("Strata") provides this Pre-Hearing

Statement as required by the rules of the Division.

APPEARANCES

APPLICANT

STRATA PRODUCTION COMPANY

APPLICANT'S ATTORNEY:

Sharon T. Shaheen Samantha H. Catalano Montgomery & Andrews, P.A. P.O. Box 2307 Santa Fe, New Mexico 87504-2307 Telephone: (505) 986-2678 <u>sshaheen@montand.com</u> <u>scatalano@montand.com</u>

OTHER PARTY

None at this time.

STATEMENT OF THE CASE

Applicant in the above-styled cause seeks to amend Order No. 22417, previously issued in Case No. 23004, 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.

The application in this matter was filed on November 30, 2023, prior to expiration of the time to drill specified in Order No. 22417.

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. Strata anticipates drilling the well in mid-2024.

PROPOSED EVIDENCE

APPLICANT:

WITNESSES	EXHIBITS
Landman Mitch Krakauskas	4-5

PROCEDURAL MATTERS

This case is currently on the January 18, 2024 docket and will be presented by affidavit, assuming no opposition at the time of hearing.

Respectfully submitted,

MONTGOMERY & ANDREWS, PA.

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QUESTIONS

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Action 302630

QUESTIONS

Operator:	OGRID:
STRATA PRODUCTION CO	21712
P.O. Box 1030	Action Number:
Roswell, NM 882021030	302630
	Action Type:
	[HEAR] Prehearing Statement (PREHEARING)

QUESTIONS

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