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

APPLICATION OF TASCOSA ENERGY PARTNERS, LLC, TO EXTEND TIME TO COMMENCE DRILLING OPERATIONS, EDDY COUNTY, NEW MEXICO.

Case No. _____ Order No. R-22741

APPLICATION

Tascosa Energy Partners, LLC ("Tascosa" or "Applicant") (OGRID No. 329748) files this application with the Oil Conservation Division ("Division") requesting a one-year extension of time to commence drilling the wells authorized by Order No. R-22741. In support of its application, Tascosa states the following.

- 1. The Division issued Order No. R-22741 ("Order") in Case No. 23435 on June 7, 2023, approving a 640-acre, more or less, standard horizontal spacing unit in the N/2 of Sections 32 and 33, Township 20 South, Range 27 East, Eddy County, New Mexico ("Unit"), and designating Tascosa as operator of the Unit.
- 2. The Order further pooled all uncommitted interests within the Bone Spring formation in the Avalon; Bone Spring Pool (Code 96381) underlying the Unit and dedicated the Unit to the Ventura 3233 Fed Com #301H, Ventura 3233 Fed Com #201H, Ventura 3233 Fed Com #602H, Ventura 3233 Fed Com #202H, and Ventura 3233 Fed Com #303H (collectively "Wells").
- 3. The Order requires Tascosa to commence drilling the Wells within one (1) year of the date of the Order unless Tascosa obtains a time extension from the Division Director for good cause shown.
- 6. Tascosa's ability to commence drilling the Wells has been delayed because Tascosa needs to simultaneously frac the Wells in the Unit to avoid reservoir damage, and the drilling rig

is not available prior to the expiration of the Order due to the need to complete other lease-holding obligations.

- 7. Good cause exists for the requested extension.
- 8. Accordingly, Applicant requests that the Division extend the deadline to commence drilling the Wells to June 7, 2025.

WHEREFORE, Tascosa requests that this application be set for hearing on April 4, 2024, and after notice and hearing, the Division extend the deadline for Tascosa to commence drilling the Wells until June 7, 2025.

Respectfully submitted,

HINKLE SHANOR LLP

/s/ Dana S. Hardy

Dana S. Hardy Jaclyn M. McLean P.O. Box 2068

Santa Fe, NM 87504-2068

Phone: (505) 982-4554 Facsimile: (505) 982-8623 <u>dhardy@hinklelawfirm.com</u> <u>jmclean@hinklelawfirm.com</u>

Counsel for Tascosa Energy Partners, LLC