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

## IN THE MATTER OF APPLICATION FOR COMPULSORY POOLING SUBMITTED BY EARTHSTONE OPERATING, LLC

CASE NO. 23715 ORDER NO. R-22272-A

#### **ORDER**

The Director of the New Mexico Oil Conservation Division ("OCD"), having heard this matter through a Hearing Examiner on September 7, 2023, and after considering the testimony, evidence, and recommendation of the Hearing Examiner, issues the following Order.

#### FINDINGS OF FACT

- 1. Earthstone Operating, LLC ("Operator") submitted an application ("Application") requesting an extension to drill the well(s) as required by Order R- 22272 as amended ("Order").
- 2. Operator identified the owners of uncommitted interests in oil and gas minerals in the Unit and provided evidence that notice of the Application was given.
- 3. Operator has demonstrated good cause to extend the deadlines in the Order.
- 4. The Application was heard by the Hearing Examiner, during which Operator presented evidence through affidavits in support of the Application. No other party presented evidence at the hearing.

#### **CONCLUSIONS OF LAW**

- 5. OCD has jurisdiction to issue this Order pursuant to NMSA 1978, Section 70-2-17.
- 6. Operator satisfied the notice requirements for the Application and the hearing as required by 19.15.4.12 NMAC.
- 7. OCD satisfied the notice requirements for the hearing as required by 19.15.4.9 NMAC.

#### <u>ORDER</u>

- 8. The period to drill the well(s) is extended until September 2, 2023.
- 9. This Order shall terminate automatically if Operator fails to comply with Paragraph 7 unless prior to termination Operator applies, and OCD grants, to amend the Order for good cause shown.

- 10. OCD retains jurisdiction of this matter for the entry of such orders as may be deemed necessary.
- 11. The remaining provisions of the Order remain in force or effect.

# STATE OF NEW MEXICO OIL CONSERVATION DIVISION

Date: <u>9/20/2023</u>

DYLAN MAUGE DIRECTOR DMF/hat