

**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. 22435

**APPLICATION OF STRATA PRODUCTION CO.
FOR COMPULSORY POOLING,
EDDY COUNTY, NEW MEXICO**

Case No. 22436

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:

Sharon T. Shaheen
Ricardo S. Gonzales
Montgomery & Andrews, P.A.
P.O. Box 2307
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OTHER PARTIES

No other party has entered an appearance at this time.

STATEMENT OF THE CASE

In Case No. **22435**, Applicant seeks an order from the Division pooling all uncommitted mineral interests in the Delaware formation (Forty Niner Ridge; Delaware [24750]) in a standard 160-acre, more or less, horizontal spacing and proration unit ("HSU") comprised of the N/2 S/2

of Section 23, Township 23 South, Range 30 East in Eddy County, New Mexico. Applicant proposes to dedicate the HSU to the Roadrunner Fed Com 23 ILL 5H well, to be horizontally drilled from an approximate surface hole location 1980' FSL and 330' FEL of Section 23, T23S-R30E, to an approximate bottom hole location 2310' FSL and 100' FWL of Section 23, T23S-R30E ("Roadrunner 23 ILL 5H"). 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 Roadrunner 23 ILL 5H will comply with the standard setback.

In Case No. **22436**, Applicant seeks an order from the Division pooling all uncommitted mineral interests in the Delaware formation (Forty Niner Ridge; Delaware [24750]) in a standard 160-acre, more or less, horizontal spacing and proration unit ("HSU") comprised of the S/2 S/2 of Section 23, Township 23 South, Range 30 East in Eddy County, New Mexico. Applicant proposes to dedicate the HSU to the Roadrunner Fed Com 23 PML 6H well, to be horizontally drilled from an approximate surface hole location 860' FSL and 530' FEL of Section 23, T23S-R30E, to an approximate bottom hole location 990' FSL and 100' FWL of Section 23, T23S-R30E ("Roadrunner 23 PML 6H"). 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 Roadrunner 23 PML 6H will comply with the standard setback.

Also to be considered in each of the above-referenced cases will be the cost of drilling and completing the wells 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 wells and lands are located approximately 14 miles East of Loving, New Mexico.

The only party sought to be pooled in this proceeding is OXY USA Inc.

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 1625 N. French Dr., Hobbs, NM 88240
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State of New Mexico
Energy, Minerals and Natural Resources
Oil Conservation Division
1220 S. St Francis Dr.
Santa Fe, NM 87505

QUESTIONS

Action 69493

QUESTIONS

Operator: STRATA PRODUCTION CO P.O. Box 1030 Roswell, NM 882021030	OGRID: 21712
	Action Number: 69493
	Action Type: [HEAR] Prehearing Statement (PREHEARING)

QUESTIONS

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