

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

**APPLICATION OF STEWARD ENERGY II, LLC
TO EXTEND TIME TO COMMENCE
DRILLING OPERATIONS,
LEA COUNTY, NEW MEXICO**

**Case No. _____
Order No. R-23160**

APPLICATION

Steward Energy II, LLC (OGRID No. 371682) (“Steward” or “Applicant”) files this application with the Oil Conservation Division (“Division”) requesting a one-year extension of time to commence drilling the well authorized by Order No. R-23160 (“Order”). In support of its application, Applicant states the following.

1. The Division issued the Order in Case No. 24172 on April 17, 2024, pooling all uncommitted interests in the San Andres formation underlying a 320 acre, more or less, standard, horizontal spacing unit comprised of the E/2 W/2 of Sections 10 and 15, Township 13 South, Range 38 East, Lea County, New Mexico (“Unit”), dedicating the Unit to the **Blue Sky Fee 4H** well (“Well”), and designating Applicant as operator of the Unit and the Well.
2. The Order requires Applicant to commence drilling the Well within one (1) year of the date of the Order unless Applicant obtains a time extension from the Division Director for good cause shown.
3. Steward requests a one-year extension of time to commence drilling the Well to allow time for Steward to evaluate drilling results from offset acreage to determine optimal well spacing in this area.
4. Good cause exists for the requested extension.

5. Accordingly, Applicant requests that the Division extend the deadline to commence drilling the Well to April 17, 2026.

WHEREFORE, Steward requests that this application be set for hearing on March 13, 2025, and after notice and hearing, the Division extend the deadline for Steward to commence drilling the Well until April 17, 2026.

Respectfully submitted,

HINKLE SHANOR LLP

/s/ Dana S. Hardy

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