

PROPOSED ADVERTISEMENT

Case No. 14746: (continued and readvertised)

Application of Strata Production Company for approval of a non-standard oil spacing and proration unit and compulsory pooling, Eddy County, New Mexico. Strata Production Company seeks an order approving a 320-acre non-standard oil spacing and proration unit (project area) in the Delaware formation comprised of the SE/4 of Section 14, E/2NE/4 of Section 23, and W/2NW/4 of Section 24, Township 23 South, Range 30 East, NMPM. Applicant further seeks the pooling of all mineral interests in the Delaware formation underlying the SE/4 of Section 14, E/2NE/4 of Section 23, and W/2NE/4 of Section 24 to form a non-standard 320 acre oil spacing and proration unit (project area), for all pools or formations developed on 40 acre spacing within that vertical extent. The units are to be dedicated to the Sandy Fed. Well No. 2, a horizontal well with a surface location in the SW/4NW/4 of Section 24, and a terminus in the NW/4SE/4 of Section 14. Also to be considered will be the cost of drilling and completing the well and the allocation of the cost thereof, as well as actual operating costs and charges for supervision, designation of applicant as operator of the well, and a 200% charge for the risk involved in drilling and completing the well. The units are located approximately 15 miles east of Loving, New Mexico.

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