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

APPLICATION OF V-F PETROLEUM, INC. TO EXTEND TIME TO COMMENCE DRILLING OPERATIONS, EDDY COUNTY, NEW MEXICO.

CASE NO. ____ORDER NO. R-22452

APPLICATION

V-F Petroleum, Inc. ("Applicant") (OGRID No. 24010) 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-22452 ("Order"). In support of its application, Applicant states the following.

- 1. The Division entered the Order in Case No. 23041 on December 23, 2022.
- 2. The Order pooled all uncommitted interests in the Bone Spring formation underlying a 160-acre, more or less, standard horizontal spacing unit comprised of the N/2 NE/4 of Section 34 and the N/2 NW/4 of Section 35, Township 18 South, Range 28 East, Eddy County, New Mexico ("Unit") and dedicated the Unit to the Burns 34/35 State Com #222H and Burns 34/35 State Com #232H wells ("Wells").
 - 3. The Order designated Applicant as operator of the Unit and Wells.
- 4. Paragraph 19 of the Order requires Applicant to commence drilling the Wells within one (1) year of the date of the Order unless Applicant obtains a time extension from the Division Director for good cause shown.
- 5. Applicant's ability to commence drilling the Wells has been delayed by limited rig availability, which has necessitated changes in Applicant's drilling schedule. Accordingly, good cause exists for the requested extension.

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6. For the foregoing reasons, Applicant requests that the Division extend the deadline to commence drilling the Wells until December 23, 2024.

WHEREFORE, Applicant requests this application be set for hearing on December 7, 2023, and after notice and hearing, the Division extend the deadline to commence drilling the Wells under the Order until December 23, 2024.

Respectfully submitted,

HINKLE SHANOR LLP

<u>/s/ Dana S. Hardy</u>

Dana S. Hardy
Jaclyn M. McLean
P.O. Box 2068
Santa Fe, NM 87504-2068
Phone: (505) 982-4554
dhardy@hinklelawfirm.com
jmclean@hinklelawfirm.com
Attorneys for V-F Petroleum, Inc.