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

APPLICATIONS OF V-F PETROLEUM, INC. FOR COMPULSORY POOLING, LEA COUNTY, NEW MEXICO

CASE NO. 23102 - 23104

CONSOLIDATED PRE-HEARING STATEMENT

V-F Petroleum, Inc. ("Applicant") submits its Consolidated Pre-Hearing Statement pursuant to the rules of the Oil Conservation Division.

A DDI ICANT	ATTODNEVO
APPLICANT	ATTORNEYS

V-F Petroleum, Inc. Dana S. Hardy

Jaclyn McLean Yarithza Peña Hinkle Shanor LLP P.O. Box 2068

Santa Fe, NM 87504-2068 Phone: (505) 982-4554 dhardy@hinklelawfirm.com jmclean@hinklelawfirm.com ypena@hinklelawfirm.com

INTERESTED PARTY ATTORNEYS

ConocoPhillips Company Ocean Munds-Dry COG Operating LLC Elizabeth A. Ryan

Joby Rittenhouse

ocean.munds-dry@conocophillips.com

beth.ryan@conocophillips.com

joby.rittenhouse@conocophillips.com

STATEMENT OF THE CASE

In Case No 23102, Applicant applies for an order pooling all uncommitted interests within the Bone Spring formation underlying a 240-acre, more or less, standard horizontal spacing unit

comprised of the E/2 SE/4 of Section 29 and the E/2 E/2 of Section 32, Township 21 South, Range 35 East, Lea County, New Mexico. The spacing unit will be dedicated to the following wells:

- Cache River 29 32 State Com #104H well, to be drilled from a surface hole location in the NE/4 SE/4 (Unit I) of Section 29, Township 21 South, Range 35 East, to a bottom hole location in the SE/4 SE/4 (Unit P) of Section 32, Township 21 South, Range 35 East;
- Cache River 29 32 State Com #204H well, to be drilled from a surface hole location in the NE/4 SE/4 (Unit I) of Section 29, Township 21 South, Range 35 East, to a bottom hole location in the SE/4 SE/4 (Unit P) of Section 32, Township 21 South, Range 35 East; and
- Cache River 29 32 State Com #304H well, to be drilled from a surface hole location in the NE/4 SE/4 (Unit I) of Section 29, Township 21 South, Range 35 East, to a bottom hole location in the SE/4 SE/4 (Unit P) of Section 32, Township 21 South, Range 35 East.

In Case No. 23103, Applicant applies for an order pooling all uncommitted interests within the Bone Spring formation underlying a 240-acre, more or less, standard horizontal spacing unit comprised of the E/2 SW/4 of Section 29 and the E/2 W/2 of Section 32, Township 21 South, Range 35 East, Lea County, New Mexico. The spacing unit will be dedicated to the following wells:

• Cache River 29 32 State Com #102H well, to be drilled from a surface hole location in the NE/4 SW/4 (Unit K) of Section 29, Township 21 South, Range 35 East, to a bottom hole location in the SE/4 SW/4 (Unit N) of Section 32, Township 21 South, Range 35 East;

- Cache River 29 32 State Com #202H well, to be drilled from a surface hole location in the NE/4 SW/4 (Unit K) of Section 29, Township 21 South, Range 35 East, to a bottom hole location in the SE/4 SW/4 (Unit N) of Section 32, Township 21 South, Range 35 East; and
- Cache River 29 32 State Com #302H well, to be drilled from a surface hole location in the NE/4 SW/4 (Unit K) of Section 29, Township 21 South, Range 35 East, to a bottom hole location in the SE/4 SW/4 (Unit N) of Section 32, Township 21 South, Range 35 East.

In Case No. 23104, Applicant applies for an order pooling all uncommitted interests within the Bone Spring formation underlying a 240-acre, more or less, standard horizontal spacing unit comprised of the W/2 SW/4 of Section 29 and the W/2 W/2 of Section 32, Township 21 South, Range 35 East, Lea County, New Mexico. The spacing unit will be dedicated to the following wells:

- Cache River 29 32 State Com #101H well, to be drilled from a surface hole location in the NW/4 SW/4 (Unit L) of Section 29, Township 21 South, Range 35 East, to a bottom hole location in the SW/4 SW/4 (Unit M) of Section 32, Township 21 South, Range 35 East;
- Cache River 29 32 State Com #201H well, to be drilled from a surface hole location in the NW/4 SW/4 (Unit L) of Section 29, Township 21 South, Range 35 East, to a bottom hole location in the SW/4 SW/4 (Unit M) of Section 32, Township 21 South, Range 35 East; and
- Cache River 29 32 State Com #301H well, to be drilled from a surface hole location in the NW/4 SW/4 (Unit L) of Section 29, Township 21 South, Range 35

East, to a bottom hole location in the SW/4 SW/4 (Unit M) of Section 32, Township 21 South, Range 35 East.

The completed intervals of the wells will be orthodox. Also to be considered in each case will be the cost of drilling and completing the Wells and the allocation of the costs, the designation of Applicant as the operator of the Wells, and a 200% charge for the risk involved in drilling and completing the Wells.

The wells are located approximately 13 miles West of Eunice, New Mexico.

PROPOSED EVIDENCE

Witness	Occupation	Estimated Time	Exhibits
Ryan Curry	Landman	Affidavit	Approx. 5
Michael Burke	Geologist	Affidavit	Approx. 7

PROCEDURAL MATTERS

Applicant intends to consolidate these cases for hearing and will present this matter by affidavit if there is no opposition.

Respectfully submitted,

HINKLE SHANOR, LLP

/s/ Dana S. Hardy

Dana S. Hardy

Jaclyn McLean

Yarithza Peña

P.O. Box 2068

Santa Fe, NM 87504-2068

Phone: (505) 982-4554

Facsimile: (505) 982-8623

dhardy@hinklelawfirm.com

jmclean@hinklelawfirm.com

ypena@hinklelawfirm.com

Counsel for V-F Petroleum Inc.

CERTIFICATE OF SERVICE

I certify that on October 27, 2022, I caused to be served a copy of the foregoing

Consolidated Pre-Hearing Statement on the following:

Ocean Munds-Dry
Elizabeth A. Ryan
Joby Rittenhouse
ocean.munds-dry@conocophillips.com
beth.ryan@conocophillips.com
joby.rittenhouse@conocophillips.com
Attorneys for COG Operating LLC and
ConocoPhillips Company

District I
1625 N. French Dr., Hobbs, NM 88240
Phone: (575) 393-6161 Fax: (575) 393-0720 District II

811 S. First St., Artesia, NM 88210 Phone:(575) 748-1283 Fax:(575) 748-9720 District III

1000 Rio Brazos Rd., Aztec, NM 87410 Phone:(505) 334-6178 Fax:(505) 334-6170

1220 S. St Francis Dr., Santa Fe, NM 87505 Phone:(505) 476-3470 Fax:(505) 476-3462

State of New Mexico Energy, Minerals and Natural Resources Oil Conservation Division 1220 S. St Francis Dr. **Santa Fe, NM 87505**

QUESTIONS

Action 154315

QUESTIONS

Operator:	OGRID:
V-F PETROLEUM INC	24010
P.O. Box 1889	Action Number:
Midland, TX 79702	154315
	Action Type:
	[HEAR] Prehearing Statement (PREHEARING)

QUESTIONS

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