

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

**APPLICATION OF V-F PETROLEUM INC.
LLC FOR COMPULSORY POOLING,
EDDY COUNTY, NEW MEXICO.**

CASE NOS. 22287-22289

CONSOLIDATED PRE-HEARING STATEMENT

V-F Petroleum Inc. (“Applicant”) submits its consolidated Pre-Hearing Statement pursuant to the rules of the Oil Conservation Division.

APPEARANCES

APPLICANT

V-F Petroleum Inc.

ATTORNEYS

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INTERESTED PARTIES

Tap Rock Resources, LLC

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STATEMENT OF THE CASE

In Case No. 22287, Applicant applies for an order pooling all uncommitted mineral interests in the Bone Spring formation underlying a 480-acre, more or less, standard horizontal spacing unit comprised of the S/2 of Section 19, Township 19 South, Range 28 East, and the SE/4 of Section 24, Township 19 South, Range 27 East in Eddy County, New Mexico (“Unit”). The

Unit will be dedicated to the Lightfoot 19 State Com 222H and Lightfoot 19 State Com 232H to be horizontally drilled from a surface location in the NE/4SE/4 (Unit I) of Section 19 to a bottom hole location in the NW/4SE/4 (Unit J) of Section 24, and the Lightfoot 19 State Com 221H and Lightfoot 19 State Com 231H to be horizontally drilled from a surface location in the SE/4SE/4 (Unit P) of Section 19 to a bottom hole location in the SW/4SE/4 (Unit O) of Section 24. The completed intervals of the Wells will be orthodox. The completed interval for the Lightfoot 19 State Com 231H will be within 330' of the line separating the S/2S/2 and N/2S/2 of Section 19 allowing for the creation of a 480-acre standard horizontal spacing unit. Also to be considered 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 18 miles Southeast of Artesia, New Mexico.

In Case No. 22288, Applicant applies for an order pooling all uncommitted mineral interests in the Bone Spring formation underlying a 240-acre, more or less, standard horizontal spacing unit comprised of the S/2N/2 of Section 19, Township 19 South, Range 28 East, and the S/2NE/4 of Section 24, Township 19 South, Range 27 East in Eddy County, New Mexico ("Unit"). The Unit will be dedicated to the Lightfoot 19 State Com 223H and Lightfoot 19 State Com 233H wells which will be horizontally drilled from a surface location in the SE/4NE/4 (Unit H) of Section 19 to a bottom hole location in the SW/4NE/4 (Unit G) of Section 24 ("Wells"). The completed intervals of the Wells will be orthodox. Also to be considered 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 18 miles Southeast of Artesia, New Mexico.

In Case No. 22289, Applicant applies for an order pooling all uncommitted mineral interests in the Bone Spring formation underlying a 240-acre, more or less, standard horizontal spacing unit comprised of the N/2N/2 of Section 19, Township 19 South, Range 28 East, and the N/2NE/4 of Section 24, Township 19 South, Range 27 East in Eddy County, New Mexico (“Unit”). The Unit will be dedicated to the Lightfoot 19 State Com 224H and Lightfoot 19 State Com 234H wells which will be horizontally drilled from a surface location in the NE/4NE/4 (Unit A) of Section 19 to a bottom hole location in the NW/4NE/4 (Unit B) of Section 24 (“Wells”). The completed intervals of the Wells will be orthodox. Also to be considered 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 18 miles Southeast of Artesia, New Mexico.

PROPOSED EVIDENCE

<u>Witness</u>	<u>Occupation</u>	<u>Estimated Time</u>	<u>Exhibits</u>
John Lodge	Landman	Affidavit	Approx. 7
Jason Lodge	Geologist	Affidavit	Approx. 5

PROCEDURAL MATTERS

Applicant requests Case Nos. 22287, 22288 and 22289 be consolidated for the purpose of hearing. Applicant will present these cases by affidavit if there is no opposition to its applications.

Respectfully submitted,

HINKLE SHANOR, LLP

/s/ Dana S. Hardy

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Certificate of Service

I hereby certify that I caused a true and correct copy of the foregoing document to be electronically served on December 9, 2021 to the following:

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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 66103

QUESTIONS

Operator: V-F PETROLEUM INC P.O. Box 1889 Midland, TX 79702	OGRID: 24010
	Action Number: 66103
	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.