



For the Pursuit of Energy

ABADIE | SCHILL PC

Colorado	New Mexico
Louisiana	Texas
Kansas	Utah
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Oklahoma	North Dakota

November 20, 2023

Dylan M. Fuge, Director
 Oil Conservation Division
 New Mexico Department of Energy
 Minerals and Natural Resources
 1220 South Saint Francis Drive
 Santa Fe, New Mexico 87505

Copy to: Leonard Lowe, Division Technical Examiner

Re: Application of V-F Petroleum, Inc., for administrative approval of nonstandard spacing and proration unit for its Buchanan 33-32 State Com 231H Well and 232H Well located in the S/2 of Sections 33 and 32, Township 18 South, Range 28 East, NMPM, Eddy County, New Mexico.

Dear Director Fuge:

V-F Petroleum, Inc., (“V-F”), OGRID No. 24010, is seeking administrative approval of a nonstandard spacing and proration unit (“NSP”) for the Buchanan 33-32 State Com 231H Well and 232H Well (API Nos. Pending) to be completed within the Travis; Bone Spring (Oil) Pool (Pool Code 97257) underlying the S/2 of Sections 33 and 32, Township 18 South, Range 28 East, NMPM, Eddy County, New Mexico. C-102s for the Wells are attached as Exhibit A. These are horizontal wells that will be drilled as follows:

Buchanan 33-32 State Com 231H Well:

- Surface Location (SL): 630’ from the South line and 225’ from the East line of Section 33, Township 18 South, Range 28 East;
- Bottom Hole Location (BHL): 760’ from the South line and 100’ from the West line of Section 32, Township 18 South, Range 28 East;
- First Take Point (FTP): 760’ from the South line and 100’ from the East line of Section 33, Township 18 South, Range 28 East;
- Last Take Point (LTP): 760’ from the South line and 100’ from the West line of Section 32, Township 18 South, Range 28 East.

abadieschill.com

214 McKenzie Street, Santa Fe, New Mexico, 87501

O : 970.385.4401 • F : 970.385.4901

Buchanan 33-32 State Com 232H Well:

- Surface Location (SL): 1994' from the South line and 200' from the East line of Section 33, Township 18 South, Range 28 East;
- Bottom Hole Location (BHL): 2158' from the South line and 100' from the West line of Section 32, Township 18 South, Range 28 East;
- First Take Point (FTP): 2158' from the South line and 100' from the East line of Section 33, Township 18 South, Range 28 East;
- Last Take Point (LTP): 2158' from the South line and 100' from the West line of Section 32, Township 18 South, Range 28 East.

V-F has included as Exhibit B, a letter explaining why this application is needed. These wells will produce from the Travis; Bone Spring Pool (Pool Code 97257). The unit is nonstandard because it expands the size of a standard Bone Spring unit to include the whole S/2 of Sections 33 and 32 without locating a proximity well pursuant to the requirement of 19.15.16.15B(1)(b).

The nonstandard spacing unit will be comprised of the S/2 of Sections 33 and 32, Township 18 South, Range 28 East, NMPM, Eddy County, New Mexico, and therefore notice was provided to affected persons in all tracts adjoining the nonstandard horizontal spacing unit, pursuant to 19.15.16.15B(5)(b)(ii) NMAC.

V-F attests that, on or before submission of this application, it provided notice to the affected persons adjoining the S/2 of Sections 33 and 32, Township 18 South, Range 28 East; said notice as described satisfies the provisions of NMAC 19.15.16.15B(5)(b)(ii) and 19.15.15.11B(4); copies of the application and required plat maps are furnished herein. V-F also provided notice to the New Mexico State Land Office to the extent that they own interest with respect to areas included in the proposed nonstandard unit. V-F provides herein a sectional map of this area showing the proposed nonstandard unit and the standard unit, attached as Exhibit C. Proof of mailing, along with a copy of the notice letter sent to listed affected persons and parties, is attached hereto as Exhibit D. V-F recently received Order No. R-22947 from Case No. 23781 approving compulsory pooling in the proposed unit.

Your consideration in this matter is appreciated.

Sincerely,



Darin C. Savage
Attorney for Applicant

SUBMITTED TO THE OIL CONSERVATION DIVISION:

Application of V-F Petroleum, Inc., for administrative approval of nonstandard spacing and proration unit for its Buchanan 33-32 State Com 231H Well and 232H Well located in the S/2 of Sections 33 and 32, Township 18 South, Range 28 East, NMPM, Eddy County, New Mexico.

TABLE OF CONTENTS

Administrative Checklist for NSP

Exhibit A: C-102 Forms, specifically identifying the NSP (19.15.15.13C)

Exhibit B: A statement discussing the reasons for the unorthodox location (19.15.15.13C)

Exhibit C: Tract map outlining the proposed nonstandard unit (19.15.15.13C)

Exhibit D: A list of affected persons, with addresses, entitled to notice of the application (19.15.15.13C)

Exhibit E: A copy of the notice letter sent to affected persons, entitled to notice of the application (19.15.15.13C)

V-F Petroleum, Inc.

RECEIVED:	REVIEWER:	TYPE:	APP NO:
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ABOVE THIS TABLE FOR OCD DIVISION USE ONLY

NEW MEXICO OIL CONSERVATION DIVISION
 - Geological & Engineering Bureau -
 1220 South St. Francis Drive, Santa Fe, NM 87505



ADMINISTRATIVE APPLICATION CHECKLIST

THIS CHECKLIST IS MANDATORY FOR ALL ADMINISTRATIVE APPLICATIONS FOR EXCEPTIONS TO DIVISION RULES AND REGULATIONS WHICH REQUIRE PROCESSING AT THE DIVISION LEVEL IN SANTA FE

Applicant: V-F Petroleum, Inc **OGRID Number:** 24010
Well Name: Buchanan 33-32 State Com 231H and 232H Wells **API:** 30-015-Pending
Pool: Travis; Bone Spring **Pool Code:** 97257

SUBMIT ACCURATE AND COMPLETE INFORMATION REQUIRED TO PROCESS THE TYPE OF APPLICATION INDICATED BELOW

- 1) **TYPE OF APPLICATION:** Check those which apply for [A]
 A. Location – Spacing Unit – Simultaneous Dedication
 NSL NSP (PROJECT AREA) NSP (PRORATION UNIT) SD
- B. Check one only for [I] or [II]
 [I] Commingling – Storage – Measurement
 DHC CTB PLC PC OLS OLM
 [II] Injection – Disposal – Pressure Increase – Enhanced Oil Recovery
 WFX PMX SWD IPI EOR PPR

- 2) **NOTIFICATION REQUIRED TO:** Check those which apply.
 A. Offset operators or lease holders
 B. Royalty, overriding royalty owners, revenue owners
 C. Application requires published notice
 D. Notification and/or concurrent approval by SLO
 E. Notification and/or concurrent approval by BLM
 F. Surface owner
 G. For all of the above, proof of notification or publication is attached, and/or,
 H. No notice required

<u>FOR OCD ONLY</u>	
<input type="checkbox"/>	Notice Complete
<input type="checkbox"/>	Application Content Complete

3) **CERTIFICATION:** I hereby certify that the information submitted with this application for administrative approval is **accurate** and **complete** to the best of my knowledge. I also understand that **no action** will be taken on this application until the required information and notifications are submitted to the Division.

Note: Statement must be completed by an individual with managerial and/or supervisory capacity.

Darin Savage
 Print or Type Name

/s/ Darin Savage
 Signature

November 13, 2023
 Date

970-385-4401
 Phone Number

darin@abadieschill.com
 e-mail Address

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 Road, Aztec, NM 87410
Phone: (505) 334-6178 Fax: (505) 334-6170

DISTRICT IV
1220 S. St. Francis Dr., Santa Fe, NM 87505
Phone: (505) 476-3460 Fax: (505) 476-3462

State of New Mexico
Energy, Minerals & Natural Resources Department
OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, New Mexico 87505

Form C-102
Revised August 1, 2011
Submit one copy to appropriate
District Office

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number		Pool Code 97257	Pool Name TRAVIS; BONE SPRING
Property Code	Property Name BUCHANAN 33 32 STATE COM		Well Number 231H
OGRID No. 24010	Operator Name V-F PETROLEUM INC		Elevation 3563'

Surface Location

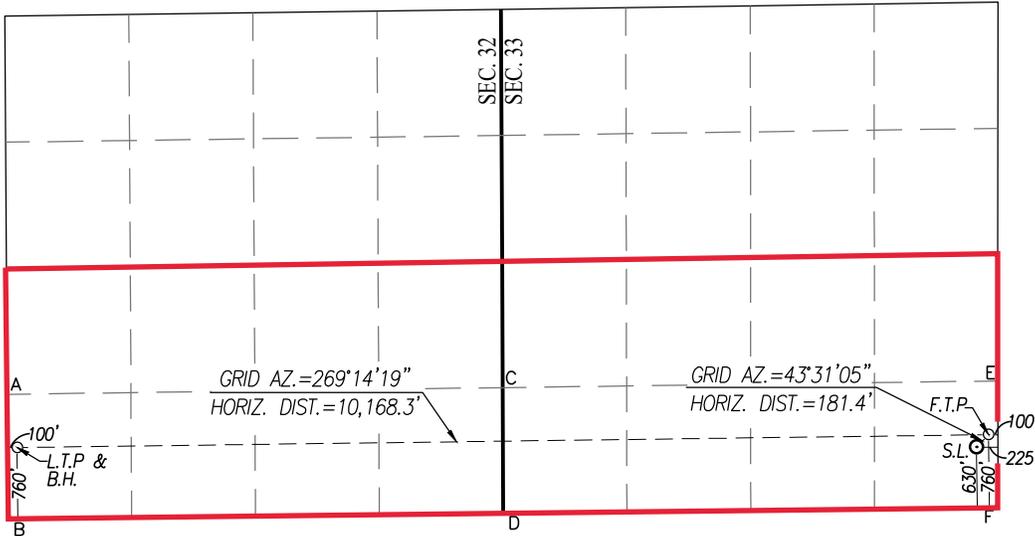
UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
P	33	18-S	28-E		630	SOUTH	225	EAST	EDDY

Bottom Hole Location If Different From Surface

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
M	32	18-S	28-E		760	SOUTH	100	WEST	EDDY

Dedicated Acres 640	Joint or Infill	Consolidation Code	Order No.
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NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION



OPERATOR CERTIFICATION

I hereby certify that the information herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.

Jason J. Lodge 9/20/23
Signature Date

Jason J. Lodge

Printed Name

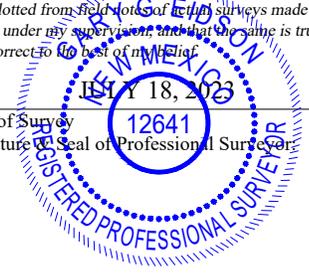
Jason@vfpetroleum.com

E-mail Address

SURVEYOR CERTIFICATION

I hereby certify that the well location shown on this plat was plotted from field notes of legal surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.

Date of Survey
Signature & Seal of Professional Surveyor



Gary G. Eidson 08/17/2023
Certificate Number Gary G. Eidson 12641

ACK

EXHIBIT A

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 Road, Aztec, NM 87410
Phone: (505) 334-6178 Fax: (505) 334-6170

DISTRICT IV
1220 S. St. Francis Dr., Santa Fe, NM 87505
Phone: (505) 476-3460 Fax: (505) 476-3462

State of New Mexico
Energy, Minerals & Natural Resources Department
OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, New Mexico 87505

Form C-102
Revised August 1, 2011
Submit one copy to appropriate
District Office

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number		Pool Code 97257	Pool Name TRAVIS; BONE SPRING
Property Code	Property Name BUCHANAN 33 32 STATE COM		Well Number 232H
OGRID No. 24010	Operator Name V-F PETROLEUM INC		Elevation 3553'

Surface Location

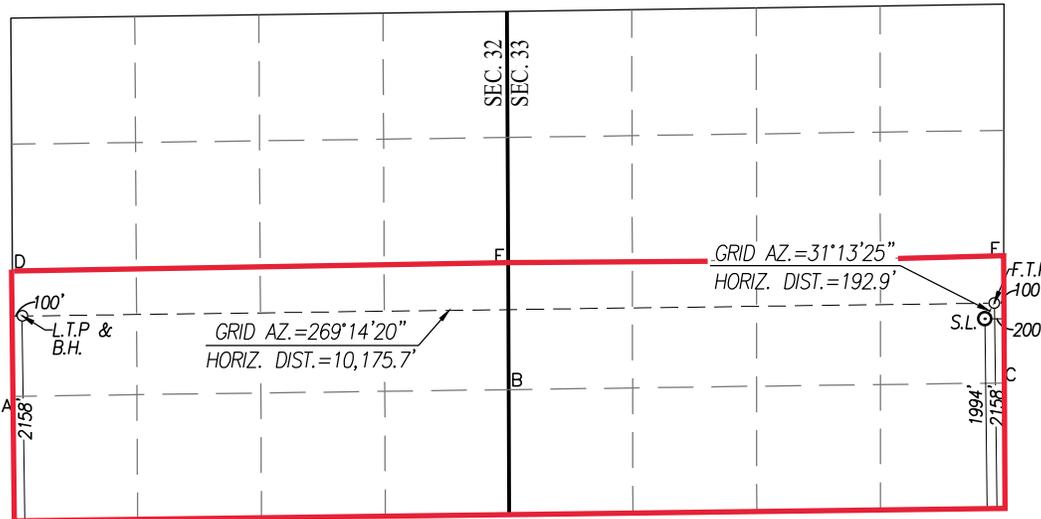
UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
I	33	18-S	28-E		1994	SOUTH	200	EAST	EDDY

Bottom Hole Location If Different From Surface

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
L	32	18-S	28-E		2158	SOUTH	100	WEST	EDDY

Dedicated Acres 640	Joint or Infill	Consolidation Code	Order No.
-------------------------------	-----------------	--------------------	-----------

NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION



OPERATOR CERTIFICATION

I hereby certify that the information herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.

Jason J. Lodge 9/20/23
Signature Date

Jason J. Lodge
Printed Name

Jason@vfpetroleum.com
E-mail Address

SCALE: 1=2000'

LAST TAKE POINT & BOTTOM HOLE LOCATION
NAD 27 NME
Y= 619275.5 N
X= 539393.8 E
LAT.=32.702421° N
LONG.=104.205269° W

CORNER COORDINATES TABLE
NAD 27 NME

A - Y= 618435.7 N, X= 539298.9 E
B - Y= 618505.6 N, X= 544483.6 E
C - Y= 618575.9 N, X= 549666.6 E
D - Y= 619754.5 N, X= 539290.9 E
E - Y= 619825.5 N, X= 544478.2 E
F - Y= 619897.4 N, X= 549665.5 E

FIRST TAKE POINT
NAD 27 NME
Y= 619410.6 N
X= 549565.9 E
LAT.=32.702754° N
LONG.=104.172199° W

GEODETIC COORDINATES
NAD 27 NME

SURFACE LOCATION
Y= 619245.7 N
X= 549466.0 E
LAT.=32.702301° N
LONG.=104.172525° W

LAST TAKE POINT & BOTTOM HOLE LOCATION
NAD 83 NME
Y= 619337.9 N
X= 580573.2 E
LAT.=32.702537° N
LONG.=104.205779° W

CORNER COORDINATES TABLE
NAD 83 NME

A - Y= 618498.0 N, X= 580478.4 E
B - Y= 618568.0 N, X= 585663.1 E
C - Y= 618638.3 N, X= 590846.1 E
D - Y= 619816.9 N, X= 580470.4 E
E - Y= 619887.9 N, X= 585657.7 E
F - Y= 619959.8 N, X= 590845.0 E

FIRST TAKE POINT
NAD 83 NME
Y= 619473.0 N
X= 590745.4 E
LAT.=32.702870° N
LONG.=104.172709° W

GEODETIC COORDINATES
NAD 83 NME

SURFACE LOCATION
Y= 619308.2 N
X= 590645.5 E
LAT.=32.702418° N
LONG.=104.173035° W

SURVEYOR CERTIFICATION

I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my ability.

Date of Survey
Signature and Seal of Professional Surveyor



Gary G. Eidson 08/21/2023
Certificate Number Gary G. Eidson 12641

ACK JWSC W.O.: 23.11.0220

V-F Petroleum Inc.

Physical Address: 500 W. Texas, Suite 350, Midland, Texas, 79701; Phone 432-683-3344;
Mailing Address: P.O. Box 1889, Midland, Texas, 79702; e-mail: sean@vfpetroleum.com

November 9, 2023

Mr. Leonard Lowe
New Mexico Oil Conservation Division
1220 South Francis Drive
Santa Fe, New Mexico 87505

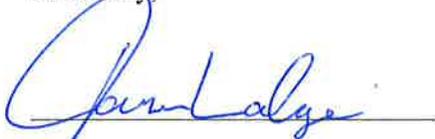
Re: Application for Non-Standard Spacing and Proration (NSP) Unit
Statement Providing Reasons for NSP Unit (19.15.15.11 NMAC)
V-F Petroleum Inc.
Buchanan 32-33 State Com #231H and #232H Wells
S/2 of Sections 32 and 33, Township 18, Range 28 East, NMPM
Eddy County, New Mexico

Dear Mr. Lowe:

V-F Petroleum Inc. ("V-F Petroleum") respectfully requests administrative approval of a non-standard spacing unit for the Buchanan Wells referenced above. The Buchanan wells are in the Travis Bone Spring formation (Pool Code 97257), from a stratographic equivalent of 7,062 feet (that being the top of the 3rd Bone Spring formation), to a stratographic equivalent of 8,340 feet (that being the base of the 3rd Bone Spring Sand formation), depths as defined on the log for the Man State #001H (API No. 30-015-35282), designated as an oil pool.

It is V-F Petroleum's responsibility as a prudent operator to minimize reserves left in the ground. By not having to utilize a proximity well or proximity tracts, V-F Petroleum will be able achieve optimal spacing in the unit for better recovery, which will also allow for the consolidation of surface facilities and consequently will prevent surface, environmental, and economic waste. Thus, approval of the nonstandard spacing unit will prevent waste and protect correlative rights.

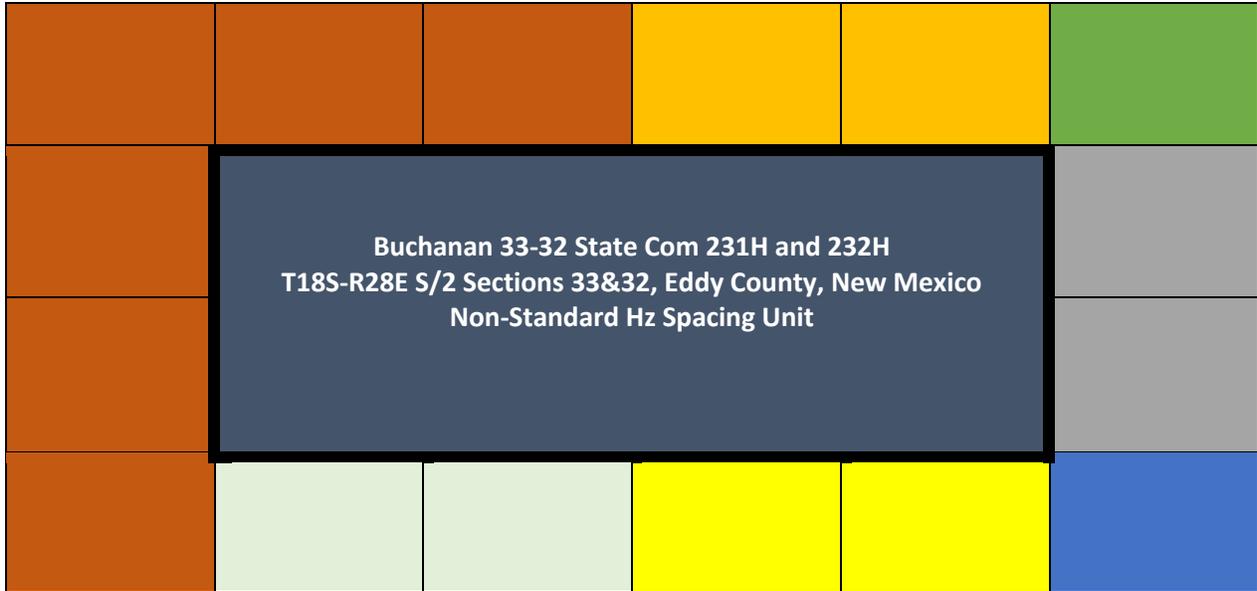
Sincerely,



Jason Lodge
Geologist

EXHIBIT
B

Buchanan 33-32 State Com 231H and 232 Non-Standard Hz Spacing Unit



T18S-R28E Section 33- S/2N/2

V-F Petroleum Inc.
 Slash Exploration Limited Partnership
 ZPZ Delaware I, LLC
 Read & Stevens, Inc. (Permian Resources Operating, LLC)
 Harvard Petroleum Company, LLC

T18S-R28E Section 34- SWNW

V-F Petroleum Inc.
 Chevron U.S.A. Inc.

T18S-R28E Section 34- W2SW

V-F Petroleum Inc.
 Chevron U.S.A. Inc.
 Read & Stevens, Inc. (Permian Resources Operating, LLC)

Continued Next Page



Buchanan 33-32 State Com 231H and 232 Non-Standard Hz Spacing Unit

T19S-R28E Section 3- NWNW

Apache Corporation

T19S-R28E Section- N2N2

V-F Petroleum Inc.
EOG Resources Inc.
Read & Stevens, Inc. (Permian Resources Operating, LLC)
Slash Exploration Limited Partnership

T19S-R28E Section 5- N2N2

V-F Petroleum Inc.
EOG Resources Inc.

T19S-R28E Section 6-NENE

T18S-R28E Section 31- E2SE, SENE; Section 32- S2N2

EOG Resources Inc.

***Minerals as to all "affected tracts" ***

New Mexico State Land Office, Commissioner of Public Lands

ReferenceNumber	Date Mailed	Name1	Name2	Address1	Address2	Address3	City	State	Zip	ReturnReceiptType
4217.5	11/17/23	Read & Stevens, Inc.	(Permian Resources Operating, LLC)	300 N. Marienfeld Street	Suite 1000		Midland	TX	79701	RRE
4217.5	11/17/23	Chevron U.S.A. Inc.		1400 Smith Street			Houston	TX	77002	RRE
4217.5	11/17/23	Slash Exploration Limited Partnership		P.O. Box 1973			Roswell	NM	88202	RRE
4217.5	11/17/23	ZpZ Delaware I LLC		2000 Post Oak Blvd	Suite 100		Houston	TX	77056	RRE
4217.5	11/17/23	Harvard Petroleum Company, LLC		P.O. Box 936			Roswell	NM	88202	RRE
4217.5	11/17/23	Apache Corporation		2000 Post Oak Blvd	Suite 100		Houston	TX	77056	RRE
4217.5	11/17/23	EOG Resources Inc.		5509 Champions Drive			Midland	TX	79706	RRE
4217.5	11/17/23	State of New Mexico State Land Office		310 Old Santa Fe Trail			Santa Fe	NM	87501	RRE





For the Pursuit of Energy

Colorado New Mexico
Louisiana Texas
Nebraska Kansas
Montana Wyoming
Oklahoma California
North Dakota

November 20, 2023

**VIA CERTIFIED MAIL
RETURN RECEIPT REQUESTED**

**NOTICE TO AFFECTED PERSONS/PARTIES
RE: APPLICATIONS FOR ADMINISTRATIVE APPROVAL OF NONSTANDARD
SPACING AND PRORATION UNIT**

Re: Application of V-F Petroleum, Inc., for administrative approval of nonstandard spacing and proration unit for its Buchanan 33-32 State Com 231H Well and 232H Well located in the S/2 of Sections 33 and 32, Township 18 South, Range 28 East, NMPM, Eddy County, New Mexico.

To the Parties/Persons this may concern:

Enclosed in this notice is a copy of the above referenced application filed with the New Mexico Conservation Division on the date referenced above. You are being notified in your capacity as an affected person or party in an adjoining tract or unit pursuant to our request for approval of a nonstandard spacing and proration unit. Any objections that you have to this application must be filed in writing with the New Mexico Oil Conservation Division, 1220 South St. Francis Drive, Santa Fe, New Mexico 87505, within twenty (20) days from the date the Division receives the applications filed for administrative approval by the Division. Email correspondence for this matter can be sent to the Division at OCD.Engineer@emnrd.nm.gov.

If you have any questions concerning this application, please contact:

Sean Johnson, CPL
Landman
V-F Petroleum, Inc.
(432) 683-3344
sean@vfpetroleum.com

abadieschill.com

214 McKenzie Street, Santa Fe, New Mexico, 87501

O : 970.385.4401 • F : 970.385.4901

If you have no objections to this application, please sign the waiver as indicated below and return the original to the address listed on this letterhead. Your assistance and cooperation in this matter are appreciated.

Sincerely,

A handwritten signature in black ink, appearing to read 'Darin C. Savage', written over a horizontal line.

Darin C. Savage

Attorney for V-F Petroleum, Inc.

Waiver

_____ hereby waives objection to the above referenced Application of V-F Petroleum, Inc., for administrative approval of nonstandard spacing and proration unit for its Buchanan 33-32 State Com 231H Well and 232H Well located in the S/2 of Sections 33 and 32, Township 18 South, Range 28 East, NMPM, Eddy County, New Mexico.

Dated: _____

Signature: _____

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
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District IV
 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

CONDITIONS

Action 287524

CONDITIONS

Operator: V-F PETROLEUM INC P.O. Box 1889 Midland, TX 79702	OGRID: 24010
	Action Number: 287524
	Action Type: [UF-NSP] Non-Standard Proration (NSP)

CONDITIONS

Created By	Condition	Condition Date
llowe	None	11/21/2023