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

APPLICATION OF ONEENERGY PARTNERS OPERATING, LLC	
FOR A NON-STANDARD SPACING AND	
PRORATION UNIT AND COMPULSORY POOLING,	
LEA COUNTY, NEW MEXICO.	
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LEA COUNTY, NEW MEXICO.	23
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### CASE NOS. 15758 and 15759

## **MOTION TO STAY**

OneEnergy Partners Operating, LLC ("OEP" or Applicant") moves for an order staying two Applications for Permits to Drill (APDs) that were filed by V-F Petroleum, Inc. and approved by the Oil Conservation Division's District Office. OEP and V-F Petroleum, Inc. have competing development plans for the W/2 of Section 1, as set forth below. OEP requests that the Division stay V-F Petroleum's APDs covering the W/2 of Section 1 pending the Division's ruling on Case Nos. 15758 and 15759. In support of this motion, OEP states as follows:

- 1. On June 20, 2017, OneEnergy Partners Operating, LLC filed two applications for hearing with the Oil Conservation Division:
  - Case No. 15758: Requesting formation of a non-standard spacing and proration unit comprised of the W/2 W/2 of Section 1 and the W/2 W/2 of Section 12, Township 22 South, Range 34 East, NMPM, Lea County, New Mexico, to be dedicated to the Lobo Rojo B3 State Com No. 1H Well, and seeking approval to compulsory pool the Bone Spring formation; and

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 Case No. 15759: Requesting formation of a non-standard spacing and proration unit comprised of the E/2 W/2 of Section 1 and the E/2 W/2 of Section, Township 22 South, Range 34 East, NMPM, Lea County, New Mexico, to be dedicated to the Lobo Rojo B3 State Com No. 2H Well.

These cases were originally to be heard by the Oil Conservation Division on the July 20, 2017 Examiner hearing docket.

2. V-F Petroleum, Inc., along with Fuel Products, Inc., Gahr Energy Company, Ameristate Partners LLC, Ameristate Energy LLC, HFLP E&P LLC, Thomas M. Beall, Jerry M. Gahr, Marcus Wayne Luna, Sandra K. Lawlis, Clifford N. Hair, and Mark K. Nearburg, requested a continuance on July 11, 2017. OEP agreed to a continuance and the hearing was moved to August 17, 2017.

3. On July 12, 2017, <u>after OEP's pooling application was filed</u>, the Oil Conservation Division's District Office approved APDs filed by V-F Petroleum, Inc. for the Getty 1 State No. 2H (API No. 30-025-43896), covering the W/2 W/2 of Section 1, Township 22 South, Range 34 East, NMPM, Lea County, New Mexico, and the Getty 1 State No. 3H (API No. 30-025-43987), covering the E/2 W/2 of Section 1, Township 22 South, Range 34 East, NMPM, Lea County, New Mexico. *See* <u>Attachment A.</u>

4. OEP and V-F Petroleum have competing development plans for the operation of the Bone Spring formation in W/2 of Section 1.

5. At hearing on August 17, 2017, OEP will present evidence that development of Section 1 with two-mile laterals is the most effective plan to prevent waste.

6. OEP will also present evidence that drilling of V-F Petroleum's proposed Getty 1 State No. 2H and Getty 1 State No. 3H wells, if allowed, will directly interfere with OEP's proposed wells.

7. If V-F Petroleum is allowed to drill its proposed wells before this matter is resolved, the wells will cause waste and permanently violate OEP's correlative rights.

8. For these reasons, OEP respectfully requests that the Division stay the two APDs approved by the Division's District Office for the Getty 1 State No. 2H (API No. 30-025-43896) and the Getty 1 State No. 3H (API No. 30-025-43987) pending a final decision for Case Nos. 15758 and 15759.

Respectfully submitted,

## HOLLAND & HART LLP

Michael H. Feldewert Jordan L. Kessler Post Office Box 2208 Santa Fe, New Mexico 87504-2208 (505) 988-4421 (505) 983-6043 Facsimile mfeldewert@hollandhart.com jlkessler@hollandhart.com

ATTORNEYS FOR ONEENERGY PARTNERS OPERATING, LLC

# **CERTIFICATE OF SERVICE**

I hereby certify that a copy of the foregoing Motion to Stay was delivered electronically on this 14th day of August, 2017 to the following:

James Bruce, Esq. PO Box 1056 Santa Fe, NM 87504 (505) 982-2043 jamesbruc@aol.com

ordan L. Kessler

DISTRICTI 1625 N French Ur., Hobbs, NM 88240 Phone (575) 393-6161 Fax (575) 393-0720 DISTRICT II BII S First St. Artesia, NM 88210 Phone: (\$75) 748 1283 Fax (\$75) 748-9720 DISTRICT III T000 Rio Brazus 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

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42.49 AC.

GRID AZ. = 359 40 03"

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### 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

DAMENDED REPORT

#### WELL LOCATION AND ACREAGE DEDICATION PLAT

A ^	Pi Number		Pool Code			Pool Name				
10-026-43896				8435			Spring, NE			
	Property Code Property Name							We	Well Number	
400	181	GETTY 1 STATE 2H								
ÓGRID I	ŃO	Operator Name						È	cvation	
24010 V-F Petro						roleum Inc.	3	3573'		
					Surface Lo	ocation				
UL or lot No	Section	Township	Range	Lot idn	Feet from th	e North/South line	Feet from the Eas	st/West line	County	
М	1	22-S	34-E		330	SOUTH	330	WEST	LEA	
				Bottom Hol	e Location If [	Different From Surface				
UI. or lot No	Section.	Township	Range	Lot Idn	Feet from th	e North/South line	Feet from the Eas	t/West line	County	
4	1	22-5	34-E		330	NORTH	330	WEST	LEA	
Dedicated Acres	Joint or	Infill C	onso idation C	ode Orde	er No.				·	
162.42		1								
		I								
O ALLOWABLE W	ILL BE ASSIG	NED TO THIS CO	MPLETION UN	ITIL ALL INTER	RESTS HAVE BEF	EN CONSOLIDATED OR A N	ON-STANDARD UNIT HAS E	EEN APPROVEI	BY THE DIVISIO	
B.H.	81	LOT	<del>,                                     </del>	LO	1 2	L07 I	—			
в.н.	1		ł					R CERTIFIC		
530 <sup>°</sup> Q	1		GFODETIC COORDINAT NAD 27 NME BOTTOM HOLE LOCAT			CEODETIC COORDINATES NAD 83 NME BOTTOM HOLE LOCATION Y=520357.8 N		of my knowledge (	ad belief, and	

Y=520296.8 N X=778564.0 E

CORNER COORDINATES TABLE NAD 27 NME A - Y=520623.4 N, X=778232.2 E

B - Y=520636.7 N, X=779551.9 E - Y=515264.2 N. X=778263.1 E

D - Y=515276.1 N. X=779583.2 E

CORNER COORDINATES TABLE

NAD 83 NME A - Y=520684.4 N, X=819415.3 E

C - Y=515325.1 N, X=819446.3 E D - Y=515337.0 N, X=820766.5 E

- Y=520697.8 N, X=820735.0 E

GEODETIC COORDINATES | GEODETIC COORDINATES

NAD 83 NHE SURFACE LOCATION Y=515658.1 N

X=819774.4 E

LAT. = 32.414380" N

LONG. = 103.431050' W

LAT. = 32.427174" N

LONG. = 103.430530° W

42.57 AC.

B

NAD 27 NME SURFACE LOCATION

Y=515597.2 N

x=778591.2 E

LAT.= 32.414256" N

LONG. = 103.430570' W

X=819747.1 E

LAT,= 32,427298" N

LONG.=103.431009" W

\_\_\_\_ 42.64\_AC.\_

unlessed mineral interest in the land including the proposed bottom bale location or has a right to drill this well at this location pursuant to a contract with an owne of such mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order baretafore catared by the division

Signature Eric Spr 7/10/17 Date Sprinkle

Printed Name

eric@vfpetroleum.com E-mail Address

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

101-X-C-3017 Date of Survey DJ ELON Signature Charles of Photesson of 3239 Onald Condition Office 1012017 12641 Certificate No Ronald J. Eidson 3239 ACK JWSC W.O 17,11 0707

DISTRICT 1 1625 N. French Dr., Hobbs, NM 88240 Plane (373) 393-6161 Fax (573) 193-0720 DISTRICT () 811 S. First St., Artesia, NM 88210 Phone (\$75) 748-1283 Fax (\$75) 745 9720 Phote (175) res-(285) res (275) res 720 DISTRICT III 1000 Rio Brazon Road, Azec, NM 87410 Phote (505) 334-6178 fex (505) 134-6170 DISTRICT IV 1220 S Si Francis Dr., Santa Fe, NM 87505 Phone (505) 476 3460 fax (505) 476-1462

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

CAMENDED REPORT

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### WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number		Pool Code 28435			Pool Name						
30-026-43987					Grama Ridge; Bone			Spring, NE			
Property C	lode			(	Property Narr GETTY 1 S	•				Well Number 3H	
OGRID	No.			·	Operator Nam	or Name			Elevation		
24010		V-F Petroleum Inc. 355							3554'		
					Surface Locat	ion					
UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	Eas	t/West line	County	
N	t	22-S	34-E		330	SOUTH	2310	WEST LE		LEA	
		•	*	Bottom Hol	e Location If Diff	erent From Surface	·····		· · · · · · · · · ·		
UL or lot No.	Section	fownship	Range	Lot Idn	Feet from the	North/South line	Feet from the	Eas	t/West line	County	
3	l	22-S	34-E		330	NORTH	2310	\	VEST	LEA	
Dedicated Acres	Joint or	Infill C	unsolidation C	lode Ord	ei No.	4I	·····	_L			

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

	1. B	107 2	107.1	
		42.57 AC	42.64 AC.	OPERATOR CERTIFICATION
B.F	<u></u>	1	i	
2310'	Ý	GEODETIC COORDINATES	GEODETIC COORDINATES	I hareby certify that the enformation herein is true and complete to the best of my knowledge and belief, and
	1	NAD 27 NME	NAD 83 NME	that this organization either owns a working interest or
1		BOTTON HOLE LOCATION	BOTTOM HOLE LOCATION	unlessed mineral interest in the land including the
	1	Y=520316.7 N	Y=520377.8 N	proposed bottom bule location or has a right to drill this
1	1	X=780543.5 E	X=821726.6 E	well at this location pursuant to a contract with an owner
1	E	LAT = 32.427183" N	LAT.= 32,42/307 N LONG.= 103.424594" W	of such mineral or working interest, or to a voluntary
LOI 4 LOT 3	1	LCNG = 103.424114" W	1000103.424394 #	pooling agreement or a compulsory pooling order barrenfore entered by the division.
42 42 AC 42.49 AC.				
	i.	l i i i i i i i i i i i i i i i i i i i		
	i	CORNER COOR	durates table	Ein 1/10/17
	i i	NAD 2		
	i	A - Y=520636.7		Signature Date
	1	B - Y=520650.0		Eric Sprinkle
1	1	C - Y=515276 1		Printed Name
	-	D - Y=515288.0	N, X=780903.3 E	
COID 47 750 40 00"	1	1		eric@vfpetroleum.com
<u>GRID AZ. = 359°40'02"</u> HORIZ. DIST. = 4702 9	!			E-mail Address
HURIZ. DISI.=47029	<u> </u>			
	i			SURVEYOR CERTIFICATION
		CORNER COORI	DINATES TABLE	I hareby certify that the well location shown on this plat
	1	NAD 8.	3 NME	was plotted from field actes of actual nevers made by
		A - Y=520697.8		me or under my supervision, and that the same is true
		8 - Y=520711.1		and correct to the best of my belief.
		C - Y = 515337.0		
1	[	D - Y=515348.9	N, X=822086.6 E	JUL X.6, 2017
1	1	1	1	Date of Survey ND J. Elo'
	1	i		Signature & Scal of Prolesshoph Surveyor.
		<u></u>		& WMEXO 2
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	1	I	1	<b>a</b> (3239) <b>a</b>
,	1	GEODETIC COORDINATES	GEODETIC COORDINATES	
1 <u>1</u>	i	NAD 27 NME	NAD 83 NME	
	i	1 SURFACE LOCATION	SURFACE LOCATION	
1	1	Y=515E15.0 N	i Y=515675.9 N	Mana Anna Anna ShillADA
		x=780570.7 E	X=821753.9 E	VIN INTERNET VIIIVILVI
2310'+	Q	LAT. = 32.414259" N	LAT.= 32.414385 N	Certificate Nambermun Gan O Eidson 12641
S.L	3	LONG = 103.424156' W	LONG. = 103.424635" W	Ronald J. Eidson 3239
; <b>C</b>	17 0	L	1	ACK JWSC W O 17 11 0706