

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

**IN THE MATTER OF THE HEARING CALLED BY  
THE OIL CONSERVATION DIVISION FOR THE  
PURPOSE OF CONSIDERING:**

**APPLICATION OF FORTY ACRES ENERGY, LLC  
FOR STATUTORY UNITIZATION, LEA COUNTY,  
NEW MEXICO.**

**APPLICATION OF FORTY ACRES ENERGY LLC  
FOR APPROVAL OF A SECONDARY RECOVERY  
PROJECT AND TO QUALIFY THE PROJECT FOR  
THE RECOVERED OIL TAX RATE, LEA  
COUNTY, NEW MEXICO**

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**CASE NOS . 15792 and 15793**

**MOTION TO CONTINUE**

OXY USA, Inc. ("Oxy") and ConocoPhillips Company ("COP"), parties subject to these applications for statutory unitization and approval of a secondary recovery project, move the Division to continue these matters, currently scheduled for the August 17, 2017, Examiner Hearing Docket, to the August 31, 2017, docket. In support of this motion, Oxy and COP state:

1. Oxy and COP are working interest owners subject to applicant's request under Case Nos. 15792 and 15793 for involuntary unitization and approval of secondary recovery operations.
2. The applicant has not met or discussed with Oxy the proposed statutory unit, the unusual proposed participation formula,<sup>1</sup> or other aspects of the forced unitization and proposed secondary recovery project.

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<sup>1</sup> As Oxy understands it, applicant is proposing to use last year's production rather than any analysis of the oil in place to allocate production under the participation formula.

3. COP has had limited conversations with the applicant and needs more time to evaluate the effects of the proposed applications on its acreage.

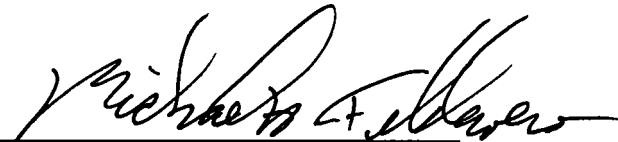
4. A two week continuance of these matters to the August 31, 2017, Examiner Hearing will allow the parties time to discuss and evaluate the development plans, participation formula, and other issues.

5. Counsel for the applicant has been contacted about this motion and opposes it.

WHEREFORE, Oxy and COP respectfully request that the Division continue the hearing in these matters until the August 31, 2017, Examiner Hearing Docket.

Respectfully submitted,

HOLLAND & HART, LLP

By: 

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**ATTORNEYS FOR OXY USA, INC. AND  
CONOCOPHILLIPS COMPANY**

**CERTIFICATE OF SERVICE**

The hereby certify that on August 14, 2017, I served a copy of the foregoing **Motion to Continue** to the following counsel of record via electronic mail to:

James Bruce  
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J. Scott Hall  
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Michael H. Feldewert