

District I  
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District II  
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Phone: (575) 748-1183 Fax: (575) 748-9720  
District III  
1000 Rio Blanco 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, NM 87505

Form C-102  
August 1, 2011  
The copy to appropriate  
District Office  
MAR 14 2018  
AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

RECEIVED

API Number 30-015-44476	Pool Code 13367	Pool Name COTTON DRAW; BONE SPRING
Property Code 318942	Property Name SUNRISE MDP1 "8-5" FEDERAL COM	Well Number 5H
OGRID No. 16696	Operator Name OXY USA INC.	Elevation 3542.8'

Surface Location

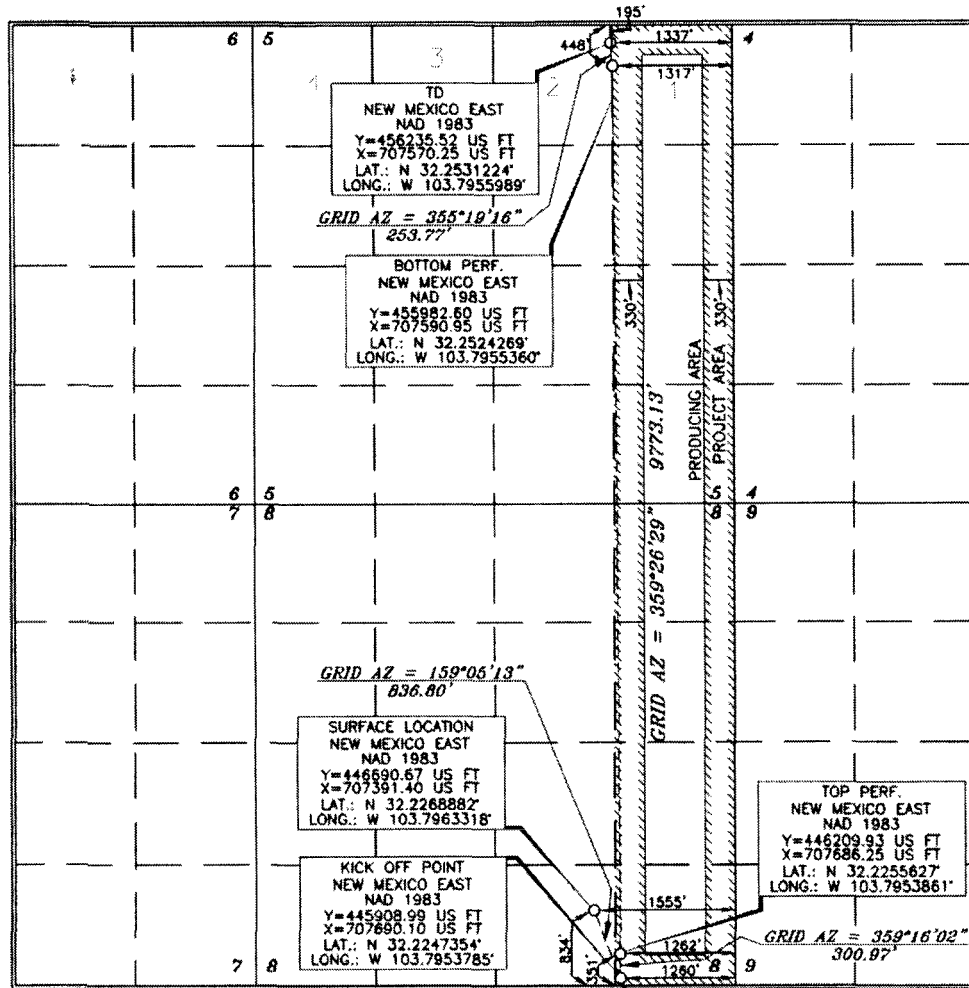
UL or lot no.	Section	Township	Range	Lot Ida	Feet from the	North/South line	Feet from the	East/West line	County
0	8	24 SOUTH	31 EAST, N.M.P.M.		834'	SOUTH	1555'	EAST	EDDY

Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Ida	Feet from the	North/South line	Feet from the	East/West line	County
2	5	24 SOUTH	31 EAST, N.M.P.M.		195'	NORTH	1337'	EAST	EDDY

Dedicated Acres 320	Joint or Infill Y	Consolidation Code	Order No. NSL-7557, TP: 351 FSL 1262 FEL BP: 448 FNL 1317 FEL
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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 contained 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 a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.

Signature: Sarah Mitchell Date: 3/9/2018

Printed Name: Sarah Mitchell  
E-mail Address: sarah\_mitchell@oxy.com

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 belief.

Date of Survey: SEPTEMBER 29, 2016

Signature and Seal: [Signature] Professional Surveyor

Certificate Number: 15079

State of New Mexico  
Energy, Minerals and Natural Resources Department

**Susana Martinez**  
Governor

**Ken McQueen**  
Cabinet Secretary

**Matthias Sayer**  
Deputy Cabinet Secretary

**David R. Catanach, Division Director**  
Oil Conservation Division



July 21, 2017

Oxy USA Inc.  
Attn: Ms. Sarah Mitchell

**NM OIL CONSERVATION**  
**ARTESIA DISTRICT**

**MAR 14 2018**

ADMINISTRATIVE NON-STANDARD LOCATION

**RECEIVED**

**Administrative Order NSL-7557**

**Oxy USA Inc.**  
**OGRID 16696**  
**Sunrise MDP1 8-5 Federal Well No. 5H**  
**API No. 30-015-Pending**

**Non-Standard Location**

**Proposed Location:**

	<u>Footages</u>	<u>Unit/Lot</u>	<u>Sec.</u>	<u>Tsp</u>	<u>Rge</u>	<u>County</u>
Surface	834' FSL & 1555' FEL	O	8	24S	31E	Eddy
Penetration Point	340' FSL & 1260' FEL	P	8	24S	31E	Eddy
Final perforation	340' FNL & 1260' FEL	A/1	5	24S	31E	Eddy
Terminus	180' FNL & 1260' FEL	A/1	5	24S	31E	Eddy

**Proposed Project Area:**

<u>Description</u>	<u>Acres</u>	<u>Pool</u>	<u>Pool Code</u>
E/2 E/2 of Section 8	320.29	Cotton Draw; Bone Spring	13367
E/2 E/2 of Section 5			

Reference is made to your application received on June 30, 2017.

You have requested to drill this horizontal well at an unorthodox oil well location described above in the referenced pool or formation. This location is governed by statewide Rule 19.15.15.9.A NMAC, which provides for 40-acre units, with wells located at least 330 feet from a unit outer boundary, and Rule 19.15.16.14.B(2) NMAC concerning directional wells in designated project areas. This surface location is outside the project area, and is permitted by Rule 19.15.16.15.B (4) NMAC which allows for surface locations outside project area. This location is unorthodox because portions of the proposed completed interval are closer to outside boundaries

Administrative Order NSL-7557  
Oxy USA Inc.  
July 21, 2017  
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of the proposed project area than any location that would be a standard location under the applicable pool rules.

Your application has been duly filed under the provisions of Division Rules 19.15.15.13 NMAC and 19.15.4.12.A (2) NMAC.

It is our understanding that the Applicant is seeking this location because they intend to increase their horizontal well spacing from four wells per section to six wells per section to effectively develop the Bone Spring and Wolfcamp formations. Next, increasing well density will optimize recoverable.

It is also understood that you have given due notice of this application to all operators or owners who are "affected persons," as defined in Rule 19.15.4.12 A (2) NMAC, in all adjoining units towards which the proposed location encroaches.

Pursuant to the authority conferred by Division Rule 19.15.15.13 (B) NMAC, the above-described unorthodox location is hereby approved.

The above approvals are subject to your being in compliance with all other applicable Division rules, including, but not limited to Division Rule 19.15.5.9 NMAC.

Jurisdiction of this case is retained for the entry of such further orders as the Division may deem necessary.



**DAVID R. CATANACH**  
Director

DRC/lrl

cc: Oil Conservation Division – Artesia District Office  
Bureau of Land Management – Carlsbad Field Office