ID NO. 170684		NSL - 8522	Revised March 23, 201
RECEIVED:	REVIEWER:	TYPE:	APP NO: pLEL2236331793
	- Geologi	ABOVE THIS TABLE FOR OCD DIVISION CO OIL CONSERVATION ical & Engineering Bu rancis Drive, Santa Fe	DN DIVISION
THIS CF		RATIVE APPLICATION	CHECKLIST S FOR EXCEPTIONS TO DIVISION RULES AND
		REQUIRE PROCESSING AT THE DIVIS	
plicant: <u>OXY USA</u>			OGRID Number: 16696
	CC 9 4 FEDERAL COM #44H		API: <u>30-015-47589</u>
DI: <u>PURPLE SAGE WO</u>	OLFCAMP (GAS)		Pool Code: <u>98220</u>
	CATION: Check those - Spacing Unit – Simul SL INSP@		
A. Location - N B. Check on [1] Comn	- Spacing Unit – Simul SL INSP ₍ P e only for [1] or [11] hingling – Storage – M DHC ICTB IF	e which apply for [A] Itaneous Dedication PROJECT AREA) NSP(PRO Measurement PLC PC OLS	
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STEPHEN JANACEK

Print or Type Name

Stephen Janaceke

Signature

12/20/2022 Date

713-493-1986

Phone Number

STEPHEN_JANACEK@OXY.COM e-mail Address

Released to Imaging: 1/23/2023 9:23:22 AM





5 Greenway Plaza, Suite 110 Houston, TX 77046-0521

December 20, 2022

New Mexico Oil Conservation Division 1220 South St. Francis Dr. Santa Fe, NM 87505

Attention: Leonard Lowe

Re: Application for Administrative Approval of Non-Standard Location: Heads CC 9 4 Federal Com #44H– Purple Sage Wolfcamp Eddy County, New Mexico

Dear Mr. Lowe:

OXY USA Inc. respectfully requests administrative approval of a non-standard location for the Heads CC 9 4 Federal Com #44H well, API Number 30-015-47589, Property Code 328290.

The gas well is proposed to be completed in the Purple Sage Wolfcamp pool, Pool Code 98220, which has special pool rules specifying the completed interval must be located 330 feet from the exterior boundary of the applicable spacing unit. The proposed completed interval is projected as follows:

 Surface
 949 FNL, 1805 FEL, B, SEC 16, T24S, R29E

 First Take Point
 100 FSL, 380 FEL, P, SEC 9, T24S, R29E

 Last Take Point
 100 FNL, 380 FEL, LOT 1, SEC 4, T24S, R29E

 Bottom Hole
 20 FNL, 380 FEL, LOT 1, SEC 4, T24S, R29E

This well is developing gas resources. This unorthodox location has been requested because a longer completed interval will allow for efficient spacing of horizontal wells and thereby prevent waste.

The Horizontal Spacing Unit will be 1280-acres including all of section 9 and section 4, T24S R29E.

- To the North, the adjoining units which the unorthodox location encroaches are in T23S R29E, Section 33- Units I, J, K, L, M, N, O and P, and the Operator is Tap Rock Operating, LLC.
- To the South, the adjoining units which the unorthodox location encroaches are in T24S R29E, Section 16- Units A, B, C, D, E, F, G and H, which are 100% OXY USA INC working interest or OXY USA INC is the Lessee.

This well is an infill well. The defining well is Heads CC 9 4 Federal Com #312H (30-015-47340).

To support this request, the following documents are included for review:

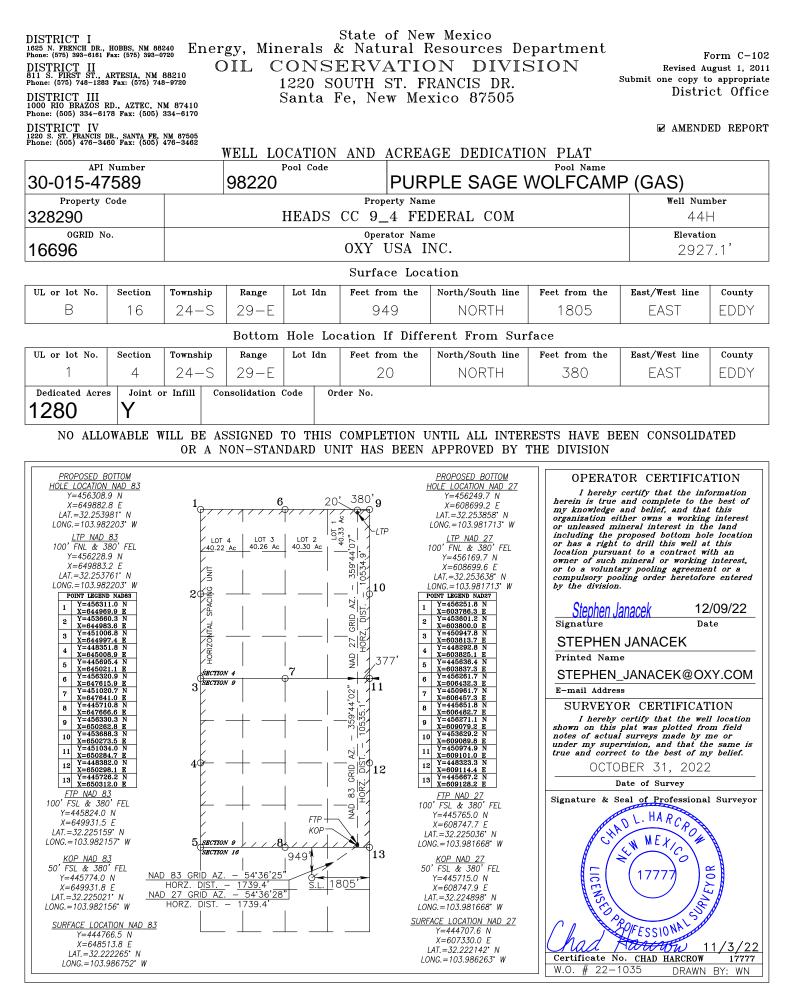
- 1. NSL Request Cover Letter (this document)
- 2. Administrative Application Checklist
- 3. Form C-102
- 4. Supplemental Information
- 5. HSU and offset party map
- 6. List of affected persons
- 7. Tap Rock waiver documents
- 8. Statement from Oxy Reservoir Engineer

If you need any additional information, please call me at 713-493-1986.

Sincerely,

Stephen Janacek

Stephen Janacek Regulatory Engineer Stephen_Janacek@oxy.com



Intent	х	As Drilled	
ΔDI #			

30-015-47589		
Operator Name:	Property Name:	Well Number
OXY USA INC.	HEADS CC 9_4 FEDERAL COM	44H

Kick Off Point (KOP)

UL P	Section 9	Township 24S	Range 29E	Lot	Feet 50	From N/S	Feet 380	From E/W	County EDDY
Latitu 32.	^{de} 22502	21			Longitude 103.982	2156			NAD NAD 83

First Take Point (FTP)

UL P	Section 9	Township 24S	Range 29E	Lot	Feet 100	From N/S	Feet 380	From E/W	County EDDY
Latitu 32.	^{de} 22515	59			Longitude 103.982	2157			NAD NAD 83

Last Take Point (LTP)

UL	Section 4	Township 24S	Range 29E	Lot 1	Feet 100	From N/S	Feet 380	From E/W	County EDDY
Latitu 32 .2	_{مہ} 25376	61			Longitud 103.9	e 982203			NAD 83

Is this well the defining well for the Horizontal Spacing Unit? NO

Is this well an infill well?

YES

If infill is yes please provide API if available, Operator Name and well number for Defining well for Horizontal Spacing Unit.

API # 30-015-47340		
Operator Name:	Property Name:	Well Number
OXY USA INC.	HEADS CC 9 4 FEDERAL COM	#312H

KZ 06/29/2018

NSL HSU

C OFFSET PARTY

HSU AND OFFSET PARTY MAP: PURPLE SAGE WOLFCAMP POOL OXY USA INC. HEADS CC 9 4 FEDERAL COM #44H 30-015-47589

			L			n/	Ser	5	F. CH	4	2	hand -
	NWSW (L) 	32 NESW (K)	NWSE (J)	NESE (1)		RATOR-	TAP R		NWSW (L)	3 NESW (K)	4 NWSE (J)	NESE (1)
	swsw (M)	SESW (N)	SWSE (O)	SESE (P)	SWSW (M)	RATING sesw (N)	, LLC: 26 ft SWSE (0)	SESE (P)	SWSW (M)	SESW (N)	SWSE (0)	SESE (P)
	L4	L3	L2	L 1 .3033 ft	L4	L3	L2	LTP	L4	J-L3	L2	JL1
	SWNW (E)	SENW (F)	SWNE (G)	SENE (H)	SWNW (E)	SENW (F) .3089 ft	SWNE (G)	SENE (H)	SWNW (E)	SENW (F)	SWNE (G)	SENE (H)
:	NWSW (L)	NESW (K)	NWSE (J)	NESE (1)	NWSW (L)	NESW (K)	4 NWSE (J)	NESE (1)	NWSW (L)	NESW (K)	NWSE (J)	NESE (1)
C	swsw (M)	SESW (N)	SWSE (0)	SESE (P)	swsw (M)	SESW (N)	SWSE (0)	SESE (P)	swsw (M)	SESW (N)	swse (0)	SESE (P)
	NWNW (D)	NENW (C)	NWNE (B)	NENE (A)	NWNW (D)	NENW (C) ³⁰⁰⁰ A	NWNE (B)	NENE (A)	NWNW (D)	NENW (C)	NWNE (B)	NENE (A)
	SWNW (E)	3053.ft 	SWNE (G)	SENE (H)	SWNW (E)	SENW (F)	SWNE (G)	SENE (H)	SWNW (E)	SENW (F)	SWNE (G)	SENE (H)
	NWSW (L)	NESW (K)	NWSE (J)	NESE (1)	NWSW (L)	24S 29I NESW (К)	P NWSE (J)	NESE (1)	NWSW (L)	NESW (K)	NWSE (J)	NESE (1)
01	SWSW (M)009 TOWN	SESW (N)	SWSE (0)	SESE (P)	swsw (M)	SESW (N)	SWSE (0)	FTP	SWSW (M)	SESW (N)	SWSE (0)	SESE (P)
	NWNW (D)	NENW (C)	NWNE (B)	NENE (A)	NWNW (D)	NENW (C)	SHL ^{NWNE} ^B	NENE %A) 00	NWNW (D)	NENW (C)	NWNE (B)	NENE (A)
R	SWNW (E)	SENW (F)	7 SWNE (G)	SENE (H)	OXY U	Harroun Car SA INC. (F)	WIG WIG	NEWE (A) NIO MIO MIO	SWNW (E)	SENW (F)	15 SWNE (G)	SENE (H)

Affected Persons

Name	Street	City	State	Zip Code	Merged	USPS Tracking
OXY USA Inc.						
			Working I	nterest Owners		
None- 100% OXY USA Inc.						
			Lessees	and Operators		
OXY USA Inc.						
					Tap Rock Operating, LLC.	
Tap Rock Operating, LLC.	523 Park Point Drive	Golden	CO	80401	523 Park Point Drive	
					Golden, CO 80401	_9414811898765832547109
			Fe	d Tracts		
Bureau of Land					Bureau of Land Management	
Management	620 E. Greene Street	Carlsbad	NM	88220-6292	620 E. Greene Street	
Wallagement					Carlsbad, NM 88220-6292	_9414811898765832547192
			Sta	te Tracts		
					State Land Office	
State Land Office	PO Box 1148	Santa Fe	NM	87504	PO Box 1148	
					Santa Fe, NM 87504	_9414811898765832547147



5 Greenway Plaza, Suite 110 Houston, TX 77046-0521

December 28, 2022

CERTIFIED MAIL - RETURN RECEIPT REQUESTED

Re: Application for Administrative Approval of Non-Standard Location: Heads CC 9 4 Federal Com #44H– Purple Sage Wolfcamp Eddy County, New Mexico

To Whom it May Concern:

Enclosed is a copy of an application, filed with the New Mexico Oil Conservation Division by OXY USA Inc., requesting administrative approval for a non-standard location.

As an Affected Person, notice is provided to you pursuant to Rule 19.15.4.12(A)(2)(a), 19.15.15.9(A) and 19.15.16.15(B). The well is located as follows:

 Surface
 949 FNL, 1805 FEL, B, SEC 16, T24S, R29E

 First Take Point
 100 FSL, 380 FEL, P, SEC 9, T24S, R29E

 Last Take Point
 100 FNL, 380 FEL, LOT 1, SEC 4, T24S, R29E

 Bottom Hole
 20 FNL, 380 FEL, LOT 1, SEC 4, T24S, R29E

If you object to the well's location, you must notify the Division in writing no later than 20 days from the date the application is received by the NMOCD (1220 South St. Francis Drive, Santa Fe, NM 87505; Attention: Leonard Lowe).

If you need any additional information, you can contact Clayton Carroll at 713-366-5281 or myself at 713-493-1986.

Thank you,

Stephen Janaceke

Stephen Janacek Regulatory Engineer OXY USA Inc.



5 Greenway Plaza, Suite 110 Houston, TX 77046-0521

May 23, 2022

Re: Protest Waiver for NSLs: Heads CC 9 4 Development– Purple Sage Wolfcamp Eddy County, New Mexico

To Whom it May Concern:

Per the email sent by Matt Phillips (<u>mphillips@taprk.com</u>) to Peter Van Liew (<u>peter_vanliew@oxy.com</u>) on 10/29/2021 at 1:10 PM, Tap Rock Operating, LLC. agreed to waive any right to protest NSLs for the Heads development in Section 4 and Section 9 T24S, R29E Eddy County, New Mexico. The email is attached.

If you need any additional information, you can contact Clayton Carroll at 713-366-5281 or myself at 713-493-1986.

Thank you,

Stephen Janaceke

Stephen Janacek Regulatory Engineer OXY USA Inc.

Janacek, Stephen C

From:	Matt Phillips <mphillips@taprk.com></mphillips@taprk.com>
Sent:	Friday, October 29, 2021 1:10 PM
То:	Van Liew, Peter R
Subject:	RE: [EXTERNAL] RE: Tap Rock Cypress 33 Wells - NSL Waiver

WARNING - This message is from an EXTERNAL SENDER - be CAUTIOUS, particularly with links and attachments.

Peter,

Thank you for the quick response. Tap Rock agrees to waive any right to protest NSLs on Heads. I will place a copy of these emails in the file to memorialize the terms on my end.

Thank you, Matt

From: Van Liew, Peter R <Peter_VanLiew@oxy.com>
Sent: Friday, October 29, 2021 12:05 PM
To: Matt Phillips <mphillips@taprk.com>
Subject: [EXTERNAL] RE: Tap Rock Cypress 33 Wells - NSL Waiver

[EXTERNAL] This email originated from outside your organization. Do not trust links or attachments.

Matt,

Oxy is amenable to granting to waive any right to protest these NSLs so long as we receive a reciprocal waiver for our Heads development in Section 4. Feel free to confirm via email and let me know if you need anything else related to this request.

Sincerely,

Peter R. Van Liew, RPL Senior Land Negotiator Occidental Petroleum Corporation 5 Greenway Plaza, Suite 110 Houston, Texas 77046 713.985.6972 (o) 832.627.6880 (c)

CONFIDENTIALITY NOTICE

The information in this e-mail may be confidential and/or privileged. This e-mail is intended for review only by the individual or organization named above. If you are not the intended recipient, you are hereby notified that any review, dissemination or copying of this e-mail or the information contained herein and in its attachments, if any, is prohibited. If you have received this e-mail in error, please immediately notify the sender by return e-mail and delete this e-mail from your system.

From: Matt Phillips <<u>mphillips@taprk.com</u>> Sent: Friday, October 29, 2021 12:00 PM To: Van Liew, Peter R <<u>Peter_VanLiew@oxy.com</u>> Subject: [EXTERNAL] Tap Rock Cypress 33 Wells - NSL Waiver

WARNING - This message is from an EXTERNAL SENDER - be CAUTIOUS, particularly with links and attachments.

Peter,

Pursuant to our conversation this morning, please allow this email to serve as notice that Tap Rock Operating, LLC intends to drill the following wells at non-standard locations (100' setbacks for FTP and LTP) encroaching on the SW/4 & W/2SE/4 Section 28, T23S, R29E and N/2 Section 4, T24S, R29E:

- E/2 Section 33 (Northern and Southern encroachment): Cypress 33 Fed Com #206H, #246H, #233H, #243H, #213H
- E/2 Section 33 (Southern encroachment): Cypress 33 Fed Com #208H, #214H, #234H, #244H
- W/2 Section 33 (Northern and Southern encroachment): Cypress 33 Fed Com #205H, #207H, #211H, #212H, #231H, #232H, #235H, #241H, #245H, #242H

We plan to spud the E/2 wells starting in December of 2021 and the W/2 wells in April of 2022. If OXY is amenable to granting Tap Rock waivers for the above, we are willing to grant same for any upcoming OXY Heads development and will confirm via email upon request.

Thank you,

Matthew C. Phillips

Land Manager Direct: (720) 459-3724 Cell: (432) 553-3272 mphillips@taprk.com





Occidental Oil and Gas Corporation ATTN: Pablo Cabal 5 Greenway Plaza, Suite 110 Houston, TX 77046 713-215-7433 Pablo_Cabal@oxy.com

December 27, 2022

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

RE: Application for Nonstandard Location—Engineer Justification Letter Oxy USA Inc. Heads CC 9-4 Federal Com # 34, 35, 37, 42, 43, 44, 52, and 311H T24S R29E, Sections 4 & 9, Eddy County

Dear Mr. Lowe:

Oxy USA Inc. respectfully seeks approval for a non-standard location, decreasing the first and last take point for the following wells:

- Heads CC 9-4 Federal Com #34H
- Heads CC 9-4 Federal Com #35H
- Heads CC 9-4 Federal Com #37H
- Heads CC 9-4 Federal Com #42H
- Heads CC 9-4 Federal Com #43H
- Heads CC 9-4 Federal Com #44H
- Heads CC 9-4 Federal Com #52H
- Heads CC 9-4 Federal Com #311H

These wells will be completed in the Purple Sage Wolfcamp Pool (Gas). The FTP and LTP offset distance will be reduced from 330 feet to 100 feet.

It is Oxy's responsibility as a prudent operator to maximize lateral length and minimize reserves left in the ground. Decreasing the first and last take point will increase this well's effective lateral length by 460 feet and increase the estimated ultimate recovery of the well by approximately 5%. Any increase in first or last take point would result in untapped reserves left in the reservoir, and waste of a resource that would otherwise go undeveloped.

Sincerely,

Pablo Cabal Reservoir Engineer

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

District IV 1220 S. St Francis Dr., Santa Fe, NM 87505 Phone: (505) 476-3470 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

Operator:	OGRID:
OXY USA INC	16696
P.O. Box 4294	Action Number:
Houston, TX 772104294	170684
	Action Type:
	[UF-NSL] Non-Standard Location (NSL)

CONDITIONS

Created By		Condition Date
llowe	None	1/23/2023

Page 12 of 12

Action 170684