State of New Mexico Energy, Minerals and Natural Resources Department

Michelle Lujan Grisham Governor

Sarah Cottrell Propst Cabinet Secretary

Todd E. Leahy, JD, Ph.D Deputy Cabinet Secretary

Ms. Roni Mathew roni_mathew@oxy.com **Dylan M. Fuge, Acting Director** Oil Conservation Division



Administrative Order NSP - 2155

ADMINISTRATIVE NON-STANDARD HORIZONTAL SPACING UNIT

OXY USA INC. [OGRID 16696]

Nimitz MDP1 13 1 Federal Com Well No. 312H [API No. 30-015-48590] Nimitz MDP1 13 1 Federal Com Well No. 172H [API No. 30-015-48613] Nimitz MDP1 13 1 Federal Com Well No. 001H [API No. 30-015-48588] Nimitz MDP1 13 1 Federal Com Well No. 173H [API No. 30-015-48589] Located in Section 13, Section 12, & Section 01, T24 South, R30 East, Eddy County, New Mexico

Reference is made to your application received on April 11th, 2023.

You have requested approval of a non-standard horizontal gas spacing unit to be included in your proposed horizontal spacing unit, as follows:

Proposed Horizontal Spacing Unit:

Description	Acres	Pool	Pool Code
$\overline{W/2}$ E/2 of Section 13,	959.90	Purple Sage; Wolfcamp	98220
Section 12, Section 01 &			
E/2 W/2 of Section 13,			
Section 12, Section 01			

Area of Exclusion:

Description	Acres
E/2 E/2 of Section 13, Section 12, Section 01 &	959.90
W/2 W/2 of Section 13, Section 12, Section 01	

You have requested an exception pursuant to Rule 19.15.16.15(A)(3) NMAC, to approve a nonstandard horizontal spacing unit comprising of 959.90 acres, consisting of the entire area described above as the horizontal spacing unit. The proposed horizontal spacing unit does not consist of a quarter section or equivalent in both sections, as required by Rule 19.15.16.15(B)(3)NMAC. NSP - 2155 OXY USA INC. Page 2 of 2

We understand that you are seeking this exception for an allowance to create a non-standard horizontal spacing unit, comprised of the Proposed Horizontal Spacing Unit referenced above within Eddy County, New Mexico.

The Division understands you have given notice of this application to all operators or owners who are "affected persons," as defined in Paragraph (8) Subsection A of 19.15.2.7 NMAC, in all adjoining units which are being excluded.

You have requested this non-standard horizontal spacing unit to allow for efficient spacing of horizontal wells within the Wolfcamp formation underlying the W/2 E/2 of Section 13, Section 12, Section 01 & E/2 W/2 of Section 13, Section 12, Section 01. Therefore, reducing waste while protecting the correlative rights within the referenced Horizontal Spacing Unit.

Pursuant to the authority conferred by Division Rule 19.15.16.15(B)(5) NMAC, the abovedescribed **non-standard horizontal spacing unit is hereby approved**. Further, the Applicant may add additional wells to the horizontal spacing unit. The additional well(s) shall be designated to the same horizontal spacing unit and pool/formation. Submit a Change of Plans to the OCD's permitting website. Once submitted, email the Action ID number to the following email address: <u>ocd.engineer@emnrd.nm.gov</u> of notice for additional wells.

General Provisions

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.

DYLAN/M. F/4GE DIRECTOR (ACTING) DMF/lrl

Date: 5/04/2023

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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	214822	
	Action Type:	
	[IM-SD] Admin Order Support Doc (ENG) (IM-AAO)	

CONDITIONS

Created By		Condition Date
llowe	None	5/8/2023

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