BEFORE THE OIL CONSERVATION DIVISION EXAMINER HEARING APRIL 20, 2023

CASE Nos. 23430-23431

REGAL LAGER 31 19 FED COM 31H, 32H AND 33H WELLS REGAL LAGER 31 19 FED COM 34H, 35H AND 36H WELLS

LEA COUNTY, NEW MEXICO



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

APPLICATIONS OF OXY USA INC. FOR COMPULSORY POOLING, EDDY COUNTY, NEW MEXICO.

CASE NOS. 23430-23431

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COMPULSORY POOLING APPLICATION CHECKLIST

ALL INFORMATION IN THE APPLICATION MUST BE SUPPORTED BY SIGNED AFFIDAVITS

Case: 23430	APPLICANT'S RESPONSE
Date	April 20, 2023
Applicant	OXY U.S.A. Inc.
Designated Operator & OGRID (affiliation if applicable)	OGRID No. 16696
Applicant's Counsel:	Holland & Hart LLP
Case Title:	APPLICATION OF OXY USA INC.
	FOR COMPULSORY POOLING, EDDY COUNTY, NEW MEXICO.
	,
Entries of Appearance/Intervenors:	Fasken
Well Family	Regal Lager 31 19 Fed Com
Formation/Pool	
Formation Name(s) or Vertical Extent:	Wolfcamp formation
Primary Product (Oil or Gas):	Oil
Pooling this vertical extent:	Wolfcamp formation
Pool Name and Pool Code:	WC-025 G-09 S213232A; UPR Wolfcamp (98313)
Well Location Setback Rules:	Statewide
Spacing Unit	
Type (Horizontal/Vertical)	Horitzontal
Size (Acres)	1002.32-acre, more or less
Building Blocks:	40-acre
Orientation:	South to North
Description: TRS/County	W/2 of Sections 19, 30, and 31 all in Township 21
	South, Range 32 East (NMPM), Lea County New Mexico.
Standard Horizontal Well Spacing Unit (Y/N), If No, describe	Yes
and is approval of non-standard unit requested in this	
application?	
Other Situations	
Depth Severance: Y/N. If yes, description	No
Proximity Tracts: If yes, description BEFORE THE OIL CONSERVATION DIVISION	Yes; The completed interval of the Regal Lager 31 19
Santa Fe, New Mexico	Fed Com 32H well is expected to remain within 330 feet of the offsetting quarter-quarter sections or
Exhibit No. A Submitted by: OXY USA INC.	equivalent tracts to include them in a standard
Hearing Date: April 20, 2023 Case Nos. 23430-23431	horizontal well spacing unit.
Proximity Defining Well: if yes, description	Regal Lager 31 19 Fed Com 32H
Applicant's Ownership in Each Tract	Exhibit C-2
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Unlocatable Parties to be Pooled	N/A
Ownership Depth Severance (including percentage above & below)	21/2
,	N/A
Joinder	
Sample Copy of Proposal Letter	Exhibit C-3
List of Interest Owners (ie Exhibit A of JOA)	Exhibit C-2
Chronology of Contact with Non-Joined Working Interests	Exhibit C-4
Overhead Rates In Proposal Letter	Exhibit C-3
Cost Estimate to Drill and Complete	Exhibit C-3
Cost Estimate to Equip Well	Exhibit C-3
Cost Estimate for Production Facilities	Exhibit C-3
Geology	
Summary (including special considerations)	Exhibit D
Spacing Unit Schematic	Exhibit D-1
Gunbarrel/Lateral Trajectory Schematic	N/A
Well Orientation (with rationale)	Exhibit D
Target Formation	Exhibit D-3
HSU Cross Section	Exhibit D-3
Depth Severance Discussion	N/A
Forms, Figures and Tables	
C-102	Exhibit C-1
Tracts	Exhibit C-2
Summary of Interests, Unit Recapitulation (Tracts)	Exhibit C-2
General Location Map (including basin)	Exhibit D-1
Well Bore Location Map	Exhibit D-1
Structure Contour Map - Subsea Depth	Exhibit D-2
Cross Section Location Map (including wells)	Exhibit D-3
Cross Section (including Landing Zone)	Exhibit D-3
Additional Information	
Special Provisions/Stipulations	N/A
CERTIFICATION: I hereby certify that the information pro	ovided in this checklist is complete and accurate.
Printed Name (Attorney or Party Representative):	Adam G. Rankin
Signed Name (Attorney or Party Representative):	
Date:	18-Apr-23

COMPULSORY POOLING APPLICATION CHECKLIST

ALL INFORMATION IN THE APPLICATION MUST BE SUPPORTED BY SIGNED AFFIDAVITS

Case: 23431	APPLICANT'S RESPONSE
Date	April 18, 2023
Applicant	OXY U.S.A. Inc.
Designated Operator & OGRID (affiliation if applicable)	OGRID No. 16696
Applicant's Counsel:	Holland & Hart LLP
Case Title:	APPLICATION OF OXY USA INC.
	FOR COMPULSORY POOLING,
	EDDY COUNTY, NEW MEXICO.
Entries of Appearance/Intervenors:	Fasken
Well Family	Regal Lager 31 19 Fed Com
Formation/Pool	
Formation Name(s) or Vertical Extent:	Wolfcamp formation
Primary Product (Oil or Gas):	Oil
Pooling this vertical extent:	Wolfcamp formation
Pool Name and Pool Code:	WC-025 G-09 S213232A; UPR Wolfcamp (98313)
Well Location Setback Rules:	Statewide
Spacing Unit	
Type (Horizontal/Vertical)	Horitzontal
Size (Acres)	960-acre, more or less
Building Blocks:	40-acres
Orientation:	South to North
Description: TRS/County	E/2 of Sections 19, 30, and 31 all in Township 21
	South, Range 32 East (NMPM), Lea County New
Standard Horizontal Well Spacing Unit (Y/N), If No, describe	Mexico. Yes
and is approval of non-standard unit requested in this	163
application?	
Other Situations	
Depth Severance: Y/N. If yes, description	No
Proximity Tracts: If yes, description	Yes; The completed interval of the Regal Lager 31 19
	Fed Com 35H well is expected to remain within 330
	feet of the offsetting quarter-quarter sections or
	equivalent tracts to include them in a standard horizontal well spacing unit.
Proximity Defining Well: if yes, description	Regal Lager 31 19 Fed Com 35H
Applicant's Ownership in Each Tract	Exhibit C-2
Well(s) to Imaging: 4/18/2023 4:25:30 PM	

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Pooled Parties (including ownership type)	Exhibit C-2
Unlocatable Parties to be Pooled	N/A
Ownership Depth Severance (including percentage above &	
below)	N/A
Joinder	
Sample Copy of Proposal Letter	Exhibit C-3
List of Interest Owners (ie Exhibit A of JOA)	Exhibit C-2
Chronology of Contact with Non-Joined Working Interests	Exhibit C-4
Overhead Rates In Proposal Letter	Exhibit C-3
Cost Estimate to Drill and Complete	Exhibit C-3
Cost Estimate to Equip Well	Exhibit C-3
Cost Estimate for Production Facilities	Exhibit C-3
Geology	
Summary (including special considerations)	Exhibit D
Spacing Unit Schematic	Exhibit D-1
Gunbarrel/Lateral Trajectory Schematic	N/A
Well Orientation (with rationale)	Exhibit D
Target Formation	Exhibit D-3
HSU Cross Section	Exhibit D-3
Depth Severance Discussion	N/A
Forms, Figures and Tables	
C-102	Exhibit C-1
Tracts	Exhibit C-2
Summary of Interests, Unit Recapitulation (Tracts)	Exhibit C-2
General Location Map (including basin)	Exhibit D-1
Well Bore Location Map	Exhibit D-1
Structure Contour Map - Subsea Depth	Exhibit D-2
Cross Section Location Map (including wells)	Exhibit D-3
Cross Section (including Landing Zone)	Exhibit D-3
Additional Information	
Special Provisions/Stipulations	N/A
CERTIFICATION: I hereby certify that the information pro	ovided in this checklist is complete and accurate.
Printed Name (Attorney or Party Representative):	Adam G. Rankin
Signed Name (Attorney or Party Representative):	
Date:	18-Apr-23

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

APPLICATION OF OXY USA INC. FOR COMPULSORY POOLING, LEA COUNTY, NEW MEXICO.

CASE NO. 23430

APPLICATION

OXY USA Inc. (OGRID 16696), through its undersigned attorneys, hereby files this

application with the Oil Conservation Division pursuant to the provisions of NMSA 1978, § 70-2-

17, for an order pooling all uncommitted interests in the Wolfcamp formation underlying a

standard 1,002.32-acre, more or less, horizontal well spacing unit comprised of the W/2 of Sections

19, 30, and 31 all in Township 21 South, Range 32 East (NMPM), Lea County New Mexico. In

support of its application, OXY states:

1. Applicant is a working interest owner in the proposed horizontal spacing unit and

has the right to drill thereon.

2. Applicant seeks to initially dedicate the above-referenced horizontal spacing unit

to the proposed Regal Lager 31 19 Fed Com 31H, 32H and 33H wells to be drilled from a surface

location in the SE/4 SW/4 (Unit N) of Section 31, Township 21 South, Range 32 East, to bottom

hole locations in the NW/4 NW/4 (Lot 1) and NE/4 NW/4 (Unit C) of Section 19, Township 21

South, Range 32 East.

3. The completed interval of the Regal Lager 31 19 Fed Com 32H well is expected

to remain within 330 feet of the offsetting quarter-quarter sections or equivalent tracts to include

them in a standard horizontal well spacing unit.

BEFORE THE OIL CONSERVATION DIVISION

Santa Fe, New Mexico Exhibit No. B

Submitted by: OXY USA INC. Hearing Date: April 20, 2023

Case Nos. 23430-23431

- 4. Applicant has sought and been unable to obtain voluntary agreement for the development of these lands from all working interest owners in the subject spacing unit.
- 5. The pooling of interests will avoid the drilling of unnecessary wells, will prevent waste, and will protect correlative rights.
- 6. To allow Applicant to obtain its just and fair share of the oil and gas underlying the subject lands, all uncommitted interests in this horizontal spacing unit should be pooled and Applicant should be designated the operator of the proposed horizontal spacing unit.

WHEREFORE, Applicant requests that this matter be set for hearing on April 6, 2023, before an Examiner of the Oil Conservation Division, and, after notice and hearing as required by law, the Division enter an order:

- A. Pooling all uncommitted interests in the proposed horizontal well spacing unit and approving the initial wells thereon;
- B. Designating Applicant as operator of this spacing unit and the horizontal wells to be drilled thereon;
- C. Authorizing Applicant to recover its costs of drilling, equipping, and completing the well;
- D. Approving the actual operating charges and costs of supervision while drilling and after completion, together with a provision adjusting the rates pursuant to the COPAS accounting procedures; and
- E. Imposing a 200% charge for the risk assumed by Applicant in drilling and completing the well against any working interest owner who does not voluntarily participate in the drilling of the well.

Respectfully submitted,

HOLLAND & HART LLP

By:

Michael H. Feldewert
Adam G. Rankin
Julia Broggi
Paula M. Vance
Post Office Box 2208
Santa Fe, NM 87504
505-998-4421
505-983-6043 Facsimile
mfeldewert@hollandhart.com
agrankin@hollandhart.com
jbroggi@hollandhart.com
pmvance@hollandhart.com

ATTORNEYS FOR OXY USA INC.

Application of OXY USA Inc. for Compulsory Pooling, Lea County, New Mexico. Applicant in the above-styled cause seeks an order pooling all uncommitted interest owners in the Wolfcamp formation underlying a standard 1,002.32-acre, more or less, horizontal well spacing unit comprised of the W/2 of Sections 19, 30, and 31 all in Township 21 South, Range 32 East (NMPM), Lea County New Mexico. The above-referenced unit will be initially dedicated to the proposed Regal Lager 31 19 Fed Com 31H, 32H and 33H wells to be drilled from a surface location in the SE/4 SW/4 (Unit N) of Section 31, Township 21 South, Range 32 East, to bottom hole locations in the NW/4 NW/4 (Lot 1) and NE/4 NW/4 (Unit C) of Section 19, Township 21 South, Range 32 East. The completed interval of the Regal Lager 31 19 Fed Com 32H well is expected to remain with 330 feet of the offsetting quarter-quarter sections or equivalent tracts to include them in a standard horizontal well spacing unit. Also, to be considered will be the cost of drilling and completing the well and the allocation of the costs thereof, operating costs and charges for supervision, the designation of applicant as operator, and a 200% charge for risk involved in drilling and completing the well. Said area is approximately 32 miles west of Eunice, New Mexico.

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

APPLICATION OF OXY USA INC. FOR COMPULSORY POOLING, LEA COUNTY, NEW MEXICO.

CASE NO. 23431

APPLICATION

OXY USA Inc. (OGRID 16696), through its undersigned attorneys, hereby files this application with the Oil Conservation Division pursuant to the provisions of NMSA 1978, § 70-2-17, for an order pooling all uncommitted interests in the Wolfcamp formation underlying a standard 960-acre, more or less, horizontal well spacing unit comprised of the E/2 of Sections 19, 30, and 31 all in Township 21 South, Range 32 East (NMPM), Lea County New Mexico. In support of its application, OXY states:

- 1. Applicant is a working interest owner in the proposed horizontal spacing unit and has the right to drill thereon.
- 2. Applicant seeks to initially dedicate the above-referenced horizontal spacing unit to the proposed **Regal Lager 31 19 Fed Com 34H, 35H and 36H** wells to be drilled from a surface location in the NE/4 NE/4 (Unit A) of Section 6, Township 22 South, Range 32 East, to bottom hole locations in the NW/4 NE/4 (Unit B) and NE/4 NE/4 (Unit A) of Section 19, Township 21 South, Range 32 East.
- 3. The completed interval of the **Regal Lager 31 19 Fed Com 35H well** is expected to remain within 330 feet of the offsetting quarter-quarter sections or equivalent tracts to include them in a standard horizontal well spacing unit.

- 4. Applicant has sought and been unable to obtain voluntary agreement for the development of these lands from all working interest owners in the subject spacing unit.
- 5. The pooling of interests will avoid the drilling of unnecessary wells, will prevent waste, and will protect correlative rights.
- 6. To allow Applicant to obtain its just and fair share of the oil and gas underlying the subject lands, all uncommitted interests in this horizontal spacing unit should be pooled and Applicant should be designated the operator of the proposed horizontal spacing unit.

WHEREFORE, Applicant requests that this matter be set for hearing on April 6, 2023, before an Examiner of the Oil Conservation Division, and, after notice and hearing as required by law, the Division enter an order:

- A. Pooling all uncommitted interests in the proposed horizontal well spacing unit and approving the initial wells thereon;
- B. Designating Applicant as operator of this spacing unit and the horizontal wells to be drilled thereon;
- C. Authorizing Applicant to recover its costs of drilling, equipping, and completing the well;
- D. Approving the actual operating charges and costs of supervision while drilling and after completion, together with a provision adjusting the rates pursuant to the COPAS accounting procedures; and
- E. Imposing a 200% charge for the risk assumed by Applicant in drilling and completing the well against any working interest owner who does not voluntarily participate in the drilling of the well.

Respectfully submitted,

HOLLAND & HART LLP

By:

Michael H. Feldewert
Adam G. Rankin
Julia Broggi
Paula M. Vance
Post Office Box 2208
Santa Fe, NM 87504
505-998-4421
505-983-6043 Facsimile
mfeldewert@hollandhart.com
agrankin@hollandhart.com
jbroggi@hollandhart.com
pmvance@hollandhart.com

ATTORNEYS FOR OXY USA INC.

Application of OXY USA Inc. for Compulsory Pooling, Lea County, New Mexico. Applicant in the above-styled cause seeks an order pooling all uncommitted interest owners in the Wolfcamp formation underlying a standard 960-acre, more or less, horizontal well spacing unit comprised of the E/2 of Sections 19, 30, and 31 all in Township 21 South, Range 32 East (NMPM), Lea County New Mexico. The above-referenced unit will be initially dedicated to the proposed Regal Lager 31 19 Fed Com 34H, 35H and 36H wells to be drilled from a surface location in the NE/4 NE/4 (Unit A) of Section 6, Township 22 South, Range 32 East, to bottom hole locations in the NW/4 NE/4 (Unit B) and NE/4 NE/4 (Unit A) of Section 19, Township 21 South, Range 32 East. The completed interval of the Regal Lager 31 19 Fed Com 35H well is expected to remain within 330 feet of the offsetting quarter-quarter sections or equivalent tracts to include them in a standard horizontal well spacing unit. Also, to be considered will be the cost of drilling and completing the well and the allocation of the costs thereof, operating costs and charges for supervision, the designation of applicant as operator, and a 200% charge for risk involved in drilling and completing the well. Said area is approximately 32 miles west of Eunice, New Mexico.

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

APPLICATIONS OF OXY USA INC. FOR COMPULSORY POOLING, LEA COUNTY, NEW MEXICO.

CASE NOS. 23430-23431

SELF-AFFIRMED STATEMENT OF COURTNEY CARR

- 1. My name is Courtney Carr and I am employed by OXY USA Inc. ("OXY") as a land negotiator.
- 2. I have previously testified before the New Mexico Oil Conservation Division as an expert witness in petroleum land matters. My credentials as a petroleum landman have been accepted by the Division and made a matter of record.
- 3. I am familiar with the applications filed by OXY in these consolidated cases and the status of the lands in the subject area.
- 4. The uncommitted parties have not indicated that they will oppose these pooling cases proceeding by affidavit and, therefore, I do not expect opposition at the hearing.
- 5. In Case No. 23430, OXY seeks an order pooling all uncommitted interests in the Wolfcamp formation underlying a standard 1,002.32-acre, more or less, horizontal well spacing unit comprised of the W/2 of Sections 19, 30, and 31 all in Township 21 South, Range 32 East (NMPM), Lea County New Mexico.
- OXY seeks to initially dedicate the above-referenced horizontal spacing unit to the Regal Lager 31 19 Fed Com 31H, 32H and 33H wells to be drilled from a surface location in the SE/4 SW/4 (Unit N) of Section 31, Township 21 South, Range 32 East, to

BEFORE THE OIL CONSERVATION DIVISION Santa Fe, New Mexico Exhibit No. C Submitted by: OXY USA INC. Hearing Date: April 20, 2023

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bottom hole locations in the NW/4 NW/4 (Lot 1) and NE/4 NW/4 (Unit C) of Section 19, Township 21 South, Range 32 East.

- 7. The completed interval of the **Regal Lager 31 19 Fed Com 32H well** is expected to remain within 330 feet of the offsetting quarter-quarter sections or equivalent tracts to include them in a standard horizontal well spacing unit.
- 8. In Case No. 23431, OXY seeks an order pooling all uncommitted interests in the Wolfcamp formation underlying a standard 960-acre, more or less, horizontal well spacing unit comprised of the E/2 of Sections 19, 30, and 31 all in Township 21 South, Range 32 East (NMPM), Lea County New Mexico.
- 9. OXY seeks to initially dedicate the above-referenced horizontal spacing unit to the proposed **Regal Lager 31 19 Fed Com 34H, 35H and 36H** wells to be drilled from a surface location in the NE/4 NE/4 (Unit A) of Section 6, Township 22 South, Range 32 East, to bottom hole locations in the NW/4 NE/4 (Unit B) and NE/4 NE/4 (Unit A) of Section 19, Township 21 South, Range 32 East.
- 10. The completed interval of the **Regal Lager 31 19 Fed Com 35H well** is expected to remain within 330 feet of the offsetting quarter-quarter sections or equivalent tracts to include them in a standard horizontal well spacing unit.
- 11. **OXY Exhibit C-1** contains Form C-102s for the proposed initial wells in each of these standard spacing units. These forms demonstrate that the completed interval for each well will meet the standard setback requirements for horizontal oil wells.
- 12. The forms also reflect that the wells targeting the Wolfcamp formation in both cases will be assigned to the WC-025 G-09 S213232A; UPR Wolfcamp Pool (Pool Code 98313).

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- 13. No ownership depth severances exist within the Wolfcamp formation underlying this acreage.
- 14. **OXY Exhibit C-2** identifies the tracts of land comprising each of the proposed horizontal spacing units for each case, the working interest ownership in each tract, and the ownership interest across horizontal spacing units. There are no unleased mineral interest owners. The subject acreage is comprised of federal lands.
- 15. **OXY Exhibit C-2** also identifies the record title owners that OXY is seeking to pool in each case highlighted in yellow.
- 16. **OXY Exhibit C-3** contains a sample of the well proposal letters and AFEs sent to owners of a working interest in each case. The costs reflected in these AFEs are consistent with what OXY and other operators have incurred for drilling similar horizontal wells in the area in these formations.
- 17. **OXY Exhibit C-4** contains a general summary of the contacts with each record title owner. In my opinion, OXY has undertaken good-faith, diligent efforts to reach an agreement with each uncommitted owner.
- 18. OXY requests that in any order that issues the overhead and administrative costs for drilling and producing the proposed wells be set at \$8,500 per month while drilling and \$850 per month while producing. These costs are consistent with what other operators are charging in this area for similar wells.
- 19. OXY has provided the law firm of Holland & Hart LLP with the names and addresses of the parties that OXY seeks to pool and instructed that they be notified of this hearing.

- 20. **OXY Exhibits C-1 through C-4** were either prepared by me or compiled under my direction and supervision.
- 21. I affirm under penalty of perjury under the laws of the State of New Mexico that the foregoing statements are true and correct. I understand that this self-affirmed statement will be used as written testimony in this case. This statement is made on the date next to my signature below.

Courtney Carr

Courtney Carr

4/18/2023

Date

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<u>District I</u> 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 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 Revised August 1, 2011 Submit one copy to appropriate District Office

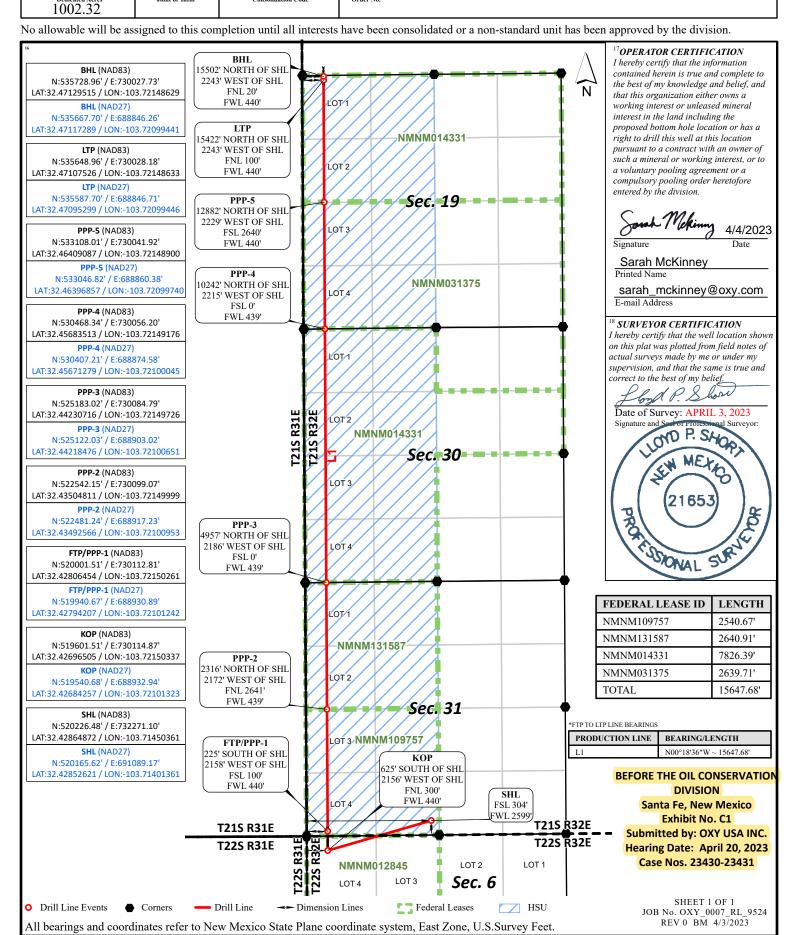
☐ AMENDED REPORT

WELL LOCATION AND ACERAGE DEDICATION PLAT

¹ API Number		² Pool Code 98313	CAMP			
⁴ Property Code			⁵ Property Name REGAL LAGER 31 19 FED COM			
⁷ OGRID No. 16696			Perator Name VUSA INC.	⁹ Elevation 3623'		
		10				

¹⁰ Surface Location

UL or lot no. N	Section 31	Township 21S	32E	Lot Idn	Feet from the 304	North/South line South	Feet from the 2599	East/West line West	LEA
11 Bottom Hole Location If Different From Surface									
UL or lot no.	Section 19	Township 21S	Range 32E	Lot Idn	Feet from the 20	North/South line North	Feet from the 440	East/West line West	County LEA
12 Dedicated Acres	13 Io	int or Infill	14 Cons	olidation Code	15 Order No.				



21S

31

N

32E

<u>District I</u>
1625 N. French Dr., Hobbs, NM 88240
Phone: (575) 393-6161 Fax: (575) 393-0720
<u>District II</u>
811 S. First St., Artesia, NM 88210

Phone: (575) 748-1283 Fax: (575) 748-9720 <u>District III</u> 1000 Rio Brazos Road, Aztec, NM 87410 Phone: (505) 334-6178 Fax: (505) 334-6170

<u>District IV</u> 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 Revised August 1, 2011 Submit one copy to appropriate District Office

■ AMENDED REPORT

LEA

WELL LOCATION AND ACERAGE DEDICATION PLAT

¹ API Number		² Pool Code 98313	WC-025 G-09 S213232A; UPR WOLF	CAMP				
⁴ Property Code			eperty Name ER 31 19 FED COM	⁶ Well Number 32H				
⁷ ogrid no. 16696		OXY	⁹ Elevation 3624'					
	¹⁰ Surface Location							

Surface Location

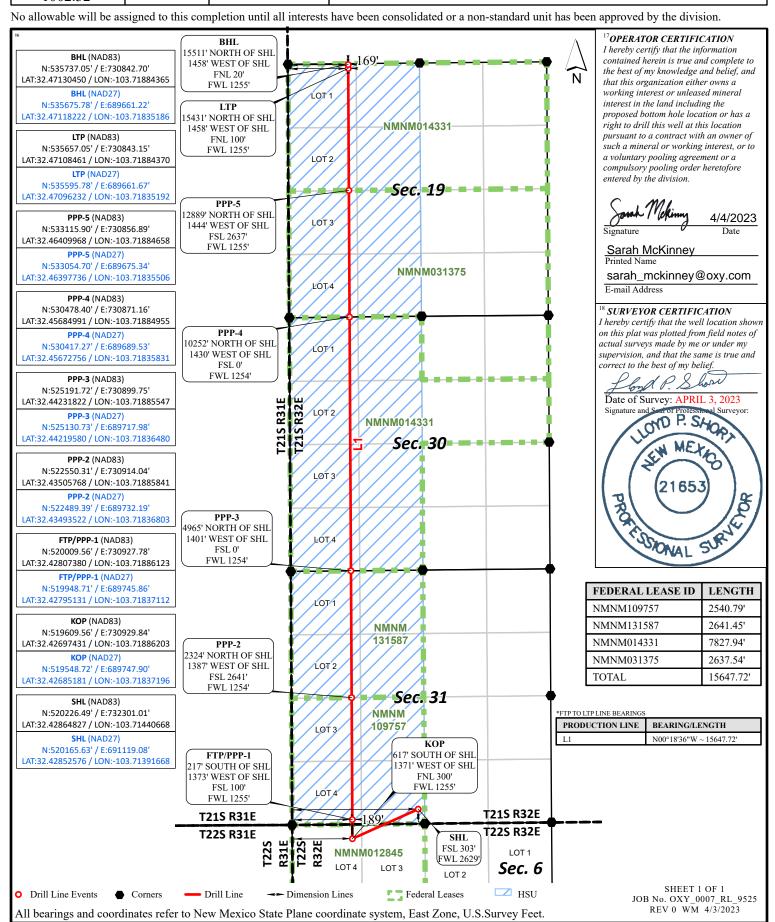
303

	11 Bottom Hole Location If Different From Surface													
UL or lot no. L 1									l iev					
12 Dedicated Acres 1002.32	13 J.	oint or Infill	¹⁴ Cons	solidation Code	15 Order No.									

South

2629

West



<u>District I</u>
1625 N. French Dr., Hobbs, NM 88240
Phone: (575) 393-6161 Fax: (575) 393-0720
<u>District II</u>
811 S. First St., Artesia, NM 88210

Phone: (575) 748-1283 Fax: (575) 748-9720 <u>District III</u> 1000 Rio Brazos Road, Aztec, NM 87410 Phone: (505) 334-6178 Fax: (505) 334-6170

<u>District IV</u> 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

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■ AMENDED REPORT

LEA

WELL LOCATION AND ACERAGE DEDICATION PLAT

	98313	² Pool Code 98313 WC-025 G-09 S213232A; UPR WOLFC			
⁴ Property Code		operty Name ER 31 19 FED COM 33H			
⁷ OGRID No. 16696		perator Name Z USA INC.	⁹ Elevation 3623'		

¹⁰ Surface Location

303

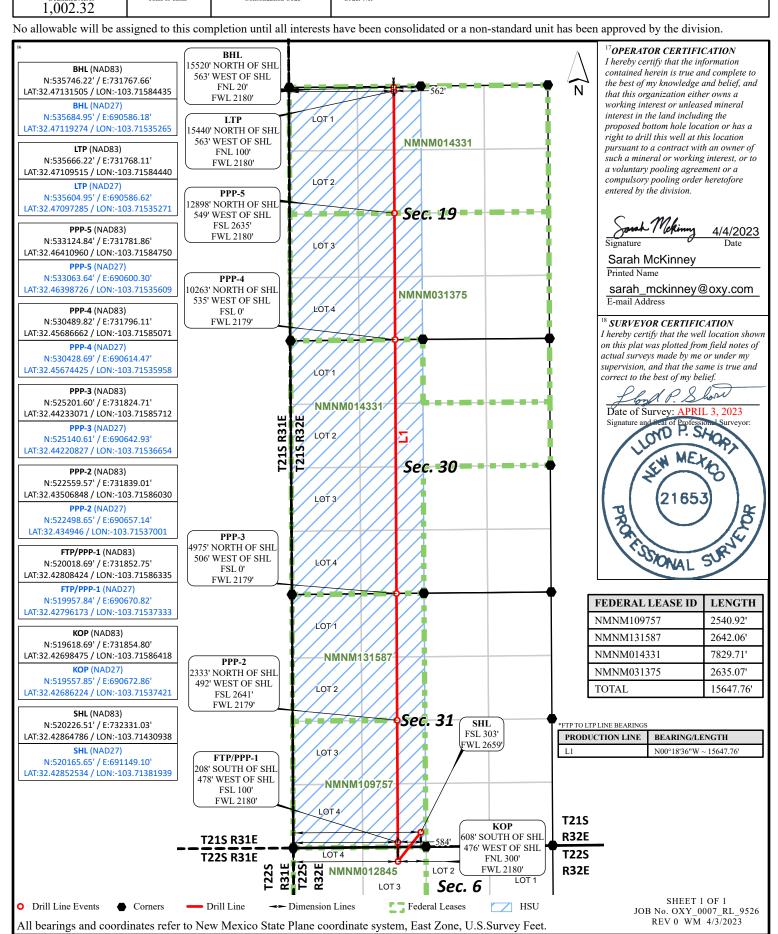
32E

	11 Bottom Hole Location If Different From Surface											
Γ	UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County		
-	C	19	21S	32E		20	North	2180	West	LEA		
г	12 Dedicated Acres	13 Io	int or Infill	14 Cons	olidation Code	15 Order No				•		

South

2659

West



<u>District I</u>
1625 N. French Dr., Hobbs, NM 88240
Phone: (575) 393-6161 Fax: (575) 393-0720
<u>District II</u>
811 S. First St., Artesia, NM 88210

Phone: (575) 748-1283 Fax: (575) 748-9720 <u>District III</u> 1000 Rio Brazos Road, Aztec, NM 87410 Phone: (505) 334-6178 Fax: (505) 334-6170

<u>District IV</u> 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 Revised August 1, 2011 Submit one copy to appropriate District Office

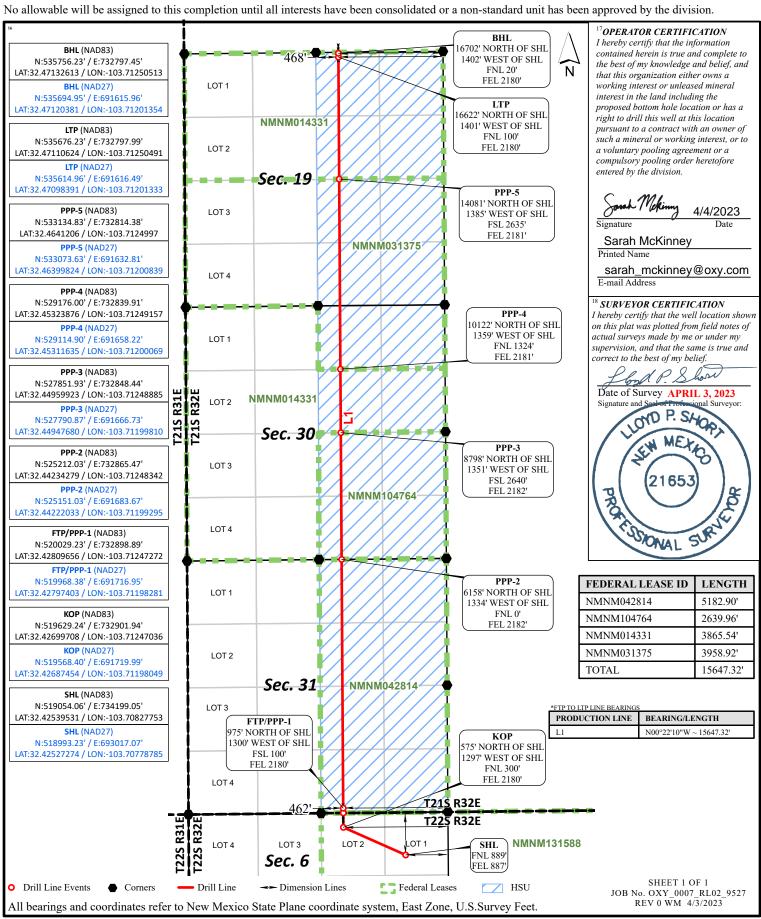
■ AMENDED REPORT

WELL LOCATION AND ACERAGE DEDICATION PLAT

	1 API Number		² Pool Code							
				98313		WC-025 G-09 S	3213232A; UPR	WOLFCAMP		
⁴ Pr	operty Code				⁵ Property				⁶ Well Number	
					AL LAGER	31 19 FED CON	Л		34H	
⁷ OGRID No. 16696			⁸ Operator Name OXY USA INC.						⁹ Elevation 3634'	
				1	¹⁰ Surface L	ocation				
UL or lot no. Section Township 22S				Lot Idn	Feet from the 889	North/South line North	Feet from the 887	East/West line East	County LEA	

¹¹ Bottom Hole Location If Different From Surface

	Bottom Hote Eccution if Bifferent From Surface												
ſ	UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County			
	В	19	21S	32E		20	North	2180	East	LEA			
	12 Dedicated Acres 960.00	¹³ Jo	int or Infill	¹⁴ Cons	olidation Code	¹⁵ Order No.							



Joint or Infill

<u>District I</u> 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 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 Revised August 1, 2011 Submit one copy to appropriate District Office

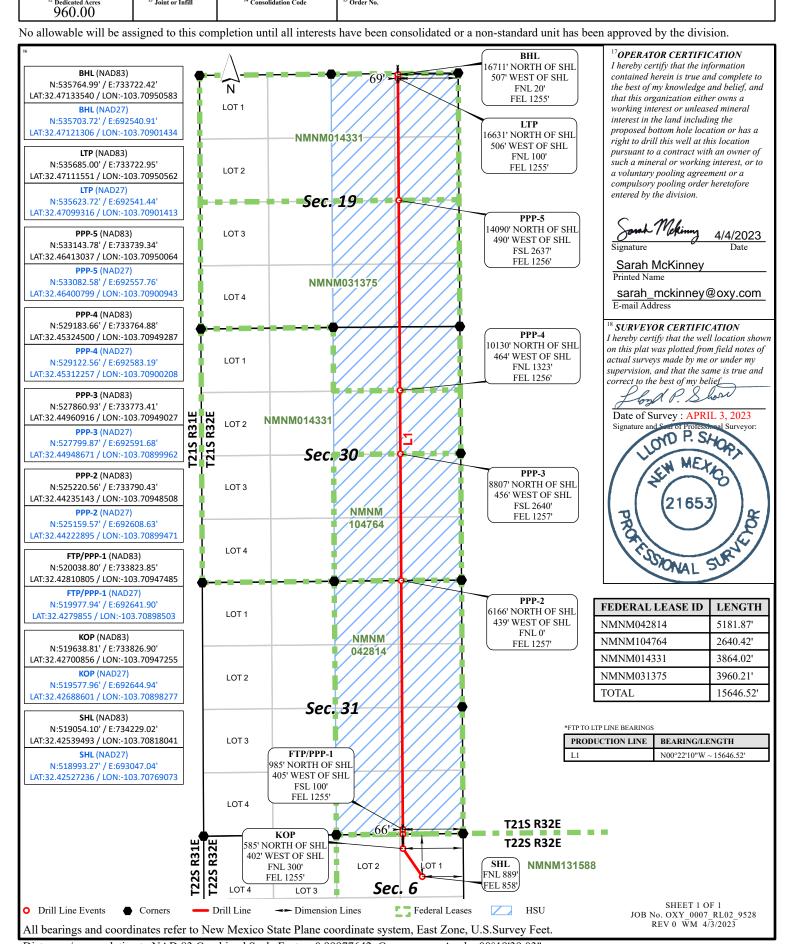
☐ AMENDED REPORT

WELL LOCATION AND ACERAGE DEDICATION PLAT

¹ API Number	² Pool Code 98313						
⁴ Property Code	REGAL LA	^s Property Name GER 31 19 FED COM	⁶ Well Number 35H				
7 OGRID No. 16696	OΣ	⁸ Operator Name YY USA INC.	⁹ Elevation 3635'				

¹⁰ Surface Location

	UL or lot no. L 1	Section 6	Township 22S	Range 32E	Lot Idn	Feet from the 889	North/South line North	Feet from the 858	East/West line East	LEA
¹¹ Bottom Hole Location If Different From Surface										
	UL or lot no. A	Section 19	Township 21S	Range 32E	Lot Idn	Feet from the 20	North/South line North	Feet from the 1255	East/West line East	County LEA



<u>District I</u> 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 Road, Aztec, NM 87410 Phone: (505) 334-6178 Fax: (505) 334-6170

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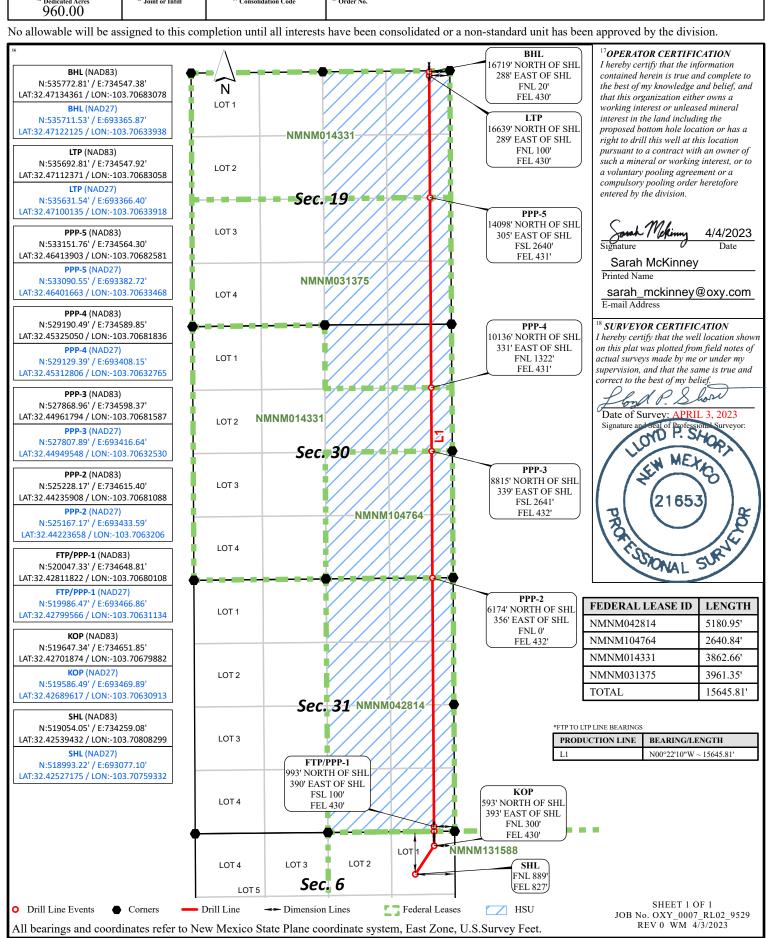
State of New Mexico Energy, Minerals & Natural Resources Department OIL CONSERVATION DIVISION 1220 South St. Francis Dr. Santa Fe, NM 87505

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

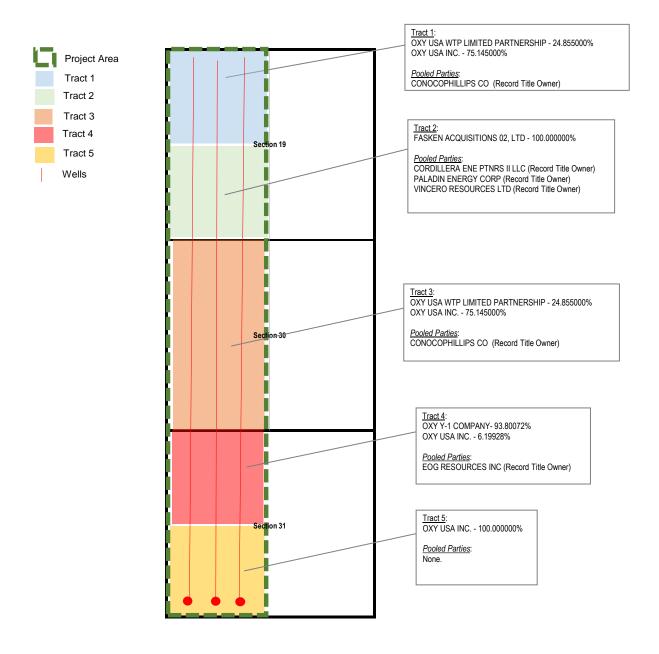
☐ AMENDED REPORT

WELL LOCATION AND ACERAGE DEDICATION PLAT

L				9	8313		WC-025 G-09 S2	13232A; UPR V	VOLFCAMP				
	⁴ Property Coo	le			REG	⁵ Property	Name 31 19 FED CON	Л		⁶ Well Number 36H			
⊢	7 OGRID No.				KLO	8 Operator	_	V1		9 Elevation			
	16696 OXY USA INC. 3635'												
	¹⁰ Surface Location												
	UL or lot no. L 1	Section 6	Township 22S	Range 32E	Lot Idn	Feet from the 889	North/South line North	Feet from the 827	East/West line East	LEA			
				¹¹ E	ottom l	Hole Location	n If Different F	rom Surface					
Г	UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County			
- 1	A	19	21S	32E		20	North	430	East	LEA			



W/2 Sections 19, 30 and 31 Township 21 South, Range 32 East, Lea County, NM, containing 1002.32 acres

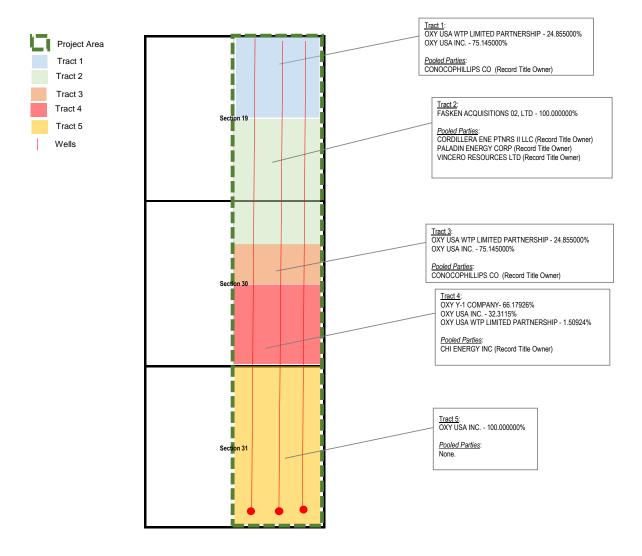


BEFORE THE OIL CONSERVATION DIVISION

Santa Fe, New Mexico
Exhibit No. C2
Submitted by: OXY USA INC.
Hearing Date: April 20, 2023
Case Nos. 23430-23431

		W/2 Sections 19, 30 and 31 Township 21 South, Range 32 East, Lea County, NM	Total Acres in proposed spacing unit:	1002.32
Tract 1		Lots 1, 2, E/2NW/4 of Section 19 OXY USA WTP LIMITED PARTNERSHIP OXY USA INC.	Acres contributed to proposed spacing unit:	166.55
	73.14300070	Total Committed Interest Total Uncommitted Interest		100.000000% 0.000000%
Tract 2	100.000000%	Lots 3, 4, E/2SW/4 of Section 19 FASKEN ACQUISITIONS 02, LTD	Acres contributed to proposed spacing unit:	166.85
		Total Committed Interest Total Uncommitted Interest		100.000000% 0.000000%
Tract 3		Lots 1-4, E/2W/2 of Section 30 OXY USA WTP LIMITED PARTNERSHIP OXY USA INC.	Acres contributed to proposed spacing unit:	334.2
		Total Committed Interest Total Uncommitted Interest		100.000000% 0.000000%
Tract 4		Lots 1 ,2, E/2NW/4 of Section 31 OXY USA INC. OXY Y-1 COMPANY	Acres contributed to proposed spacing unit:	167.28
		Total Committed Interest Total Uncommitted Interest		100.000000% 0.000000%
Tract 5	100.000000%	Lots 3, 4, E/2SW/4 of Section 31 OXY USA INC.	Acres contributed to proposed spacing unit:	167.44
		Total Committed Interest Total Uncommitted Interest		100.000000% 0.000000%
		Working Interest for each party in 1002.32 acre proposed spacing unit:		
		OXY USA INC OXY USA WTP LIMITED PARTNERSHIP OXY Y-1 COMPANY FASKEN ACQUISITIONS 02, LTD	Table	55.28162095% 12.41733304% 15.65466562% 16.64638040%
		Pooled Parties = Yellow Highlighting Record Title Owner CONCOPHILLIPS CO Record Title Owner CORDILLERA ENE PTNRS II LLC Record Title Owner VINCERO RESOURCES LTD Record Title Owner EOG RESOURCES INC Record Title Owner PALADIN ENERGY CORP	Total:	100.0000000%

E/2 Sections 19, 30 and 31 Township 21 South, Range 32 East, Lea County, NM, containing 960 acres



		E/2 Sections 19, 30 and 31 Township 21 South, Range 32 East, Lea County, NM	Total Acres in proposed spacing unit:	960
Tract 1		NE/4 of Section 19		
Trace 1		OXY USA WTP LIMITED PARTNERSHIP OXY USA INC.	Acres contributed to proposed spacing unit:	160
		Total Committed Interest Total Uncommitted Interest		100.000000% 0.000000%
Tract 2		SE/4 of Section 19, N/2NE/4 Section 30	A	240
	100.000000%	FASKEN ACQUISITIONS 02, LTD	Acres contributed to proposed spacing unit:	240
		Total Committed Interest Total Uncommitted Interest		100.000000% 0.000000%
Tract 3		S/2 NE/4 of Section 30	Acres contributed to proposed spacing unit:	80
		OXY USA WTP LIMITED PARTNERSHIP OXY USA INC.		
		Total Committed Interest Total Uncommitted Interest		100.000000% 0.000000%
Tract 4		SE/4 of Section 30	Acres contributed to proposed spacing unit:	160
	32.311500%	OXY USA WTP LIMITED PARTNERSHIP OXY USA INC.	recession induced to proposed opacing anna	100
	66.179260%	OXY Y-1 COMPANY		
		Total Committed Interest Total Uncommitted Interest		100.000000% 0.000000%
Tract 5		E/2 of Section 31		
	100.000000%	OXY USA INC.	Acres contributed to proposed spacing unit:	320
		Total Committed Interest Total Uncommitted Interest		100.000000% 0.000000%
		Working Interest for each party in 960 acre proposed spacing unit:		
		OXY USA INC		57.50483333%
		OXY USA WTP LIMITED PARTNERSHIP OXY Y-1 COMPANY		6.46529000% 11.02987667%
		FASKEN ACQUISITIONS 02, LTD		25.00000000%
			Total:	100.00000000%
		Pooled Parties = Yellow Highlighting		
		Record Title Owner CONOCOPHILLIPS CO Record Title Owner		

CONOCOPHILLIPS CO
Record Title Owner
CORDILLERA ENE PTNRS II LLC
Record Title Owner
VINCERO RESOURCES LTD
Record Title Owner
CHI ENERGY INC
Record Title Owner
PALADIN ENERGY CORP



March 2, 2023

RETURN RECEIPT REQUESTED

Fasken Acquisitions 02, Ltd 303 W. Wall, Suite 1800 Midland, TX 79701

Re:

Six Well Proposals - Regal Lager 31-19 Fed Com wells Sections 19, 30 and 31, Township 21 South, Range 32 East Lea County, New Mexico

Dear WI Owner.

OXY USA Inc. ("Oxy") hereby proposes the drilling of six wells, the Regal Lager 31 19 Fed Com 31H, Regal Lager 31 19 Fed Com 32H, Regal Lager 31 19 Fed Com 33H, Regal Lager 31 19 Fed Com 34H, Regal Lager 31 19 Fed Com 35H and Regal Lager 31 19 Fed Com 36H.

- Regal Lager 31 19 Fed Com 31H Wolfcamp XY
 - SHL: 309' FSL, 2,598' FWL (Section 31-T21S-R32E)
 - BHL: 20' FNL, 440' FWL (Section 19-T21S-R32E)
 - Approximate TVD: 11,840', Approximate MD: 27,227'
 - Spacing Unit: W/2 Sections 19, 30 and 31-T21S-R32E
- Regal Lager 31 19 Fed Com 32H Wolfcamp A
 - SHL: 309' FSL, 2,628' FWL (Section 31-T21S-R32E)
 - BHL: 20' FNL, 1,255' FWL (Section 19-T21S-R32E)
 - Approximate TVD: 11,940', Approximate MD: 27,427
 - Spacing Unit: W/2 Sections 19, 30 and 31-T21S-R32E
- Regal Lager 31 19 Fed Com 33H Wolfcamp XY
 - SHL: 309' FSL, 2,658' FWL (Section 31-T21S-R32E)
 - BHL: 20' FNL, 2,180' FWL (Section 19-T21S-R32E)
 - Approximate TVD: 11,840', Approximate MD: 27,227'
 - Spacing Unit: W/2 Sections 19, 30 and 31-T21S-R32E
- Regal Lager 31 19 Fed Com 34H Wolfcamp A
 - SHL: 885' FNL, 734' FEL (Section 6-T22S-R32E)
 - BHL: 20' FNL, 2,180' FEL (Section 19-T21S-R32E)
 - Approximate TVD: 11,940', Approximate MD: 27,427'
 - Spacing Unit: E/2 Sections 19, 30 and 31-T21S-R32E
- Regal Lager 31 19 Fed Com 35H Wolfcamp XY
 - SHL: 885' FNL, 704' FEL (Section 6-T22S-R32E)
 - BHL: 20' FNL, 1,255' FEL (Section 19-T21S-R32E)
 - Approximate TVD: 11,840', Approximate MD: 27,227'
 - Spacing Unit: E/2 Sections 19, 30 and 31-T21S-R32E
- Regal Lager 31 19 Fed Com 36H Wolfcamp A
 - SHL: 885' FNL, 674' FEL (Section 6-T22S-R32E)
 - BHL: 20' FNL, 430' FEL (Section 19-T21S-R32E)
 - Approximate TVD: 11,940', Approximate MD: 27,427'
 - Spacing Unit: E/2 Sections 19, 30 and 31-T21S-R32E

A detailed description of the total estimated cost to drill and complete the wells is provided in the enclosed AFEs.

Simultaneously with this letter, Oxy is proposing to drill these wells under the terms of a modified 1989 AAPL form of Operating Agreement, enclosed herewith and dated April 1, 2023 with OXY USA Inc., as Operator, covering All of Sections 19, 30 and 31, Township 21 South, Range 32 East, N.M.P.M., Lea County, New Mexico. This proposed Operating Agreement will supersede any and all existing Operating Agreements on all wells drilled after the effective date of the Operating Agreement.

BEFORE THE OIL CONSERVATION DIVISION

Santa Fe, New Mexico Exhibit No. C3 Submitted by: OXY USA INC.

Hearing Date: April 20, 2023 Case Nos. 23430-23431

Released to Imaging: 4/18/2023 4:25:30 PM

Released to Imaging: 4/18/2023 4:25:30 PM

If we do not reach an agreement within 30 days of the date of this letter, Oxy will apply to the New Mexico Oil Conservation Division for compulsory pooling of your interest into a spacing unit for the six proposed wells.

Please indicate your elections to participate in the drilling, completing, and equipping of the proposed wells by executing and returning one copy of this letter and the enclosed AFEs in the self-addressed stamped envelope provided.

In the event you do not wish to participate in this development, OXY is willing to discuss a deal to either trade for, or purchase your interest in Sections 19, 30 and 31, Township 21 South, Range 32 East, N.M.P.M., Lea County, New Mexico.

If you have any questions, or would like to discuss this proposal in greater detail, please don't hesitate to call or email. Very truly yours, OXY USA Inc. Courtney Carr 713.599.4116 Courtney_Carr@oxy.com **Enclosures** WIO elects to: participate in the drilling of the Regal Lager 31 19 Fed Com 31H ___ non-consent the drilling of the Regal Lager 31 19 Fed Com 31H By: ______ Name:_____ Title: _____ Date: WIO elects to: participate in the drilling of the Regal Lager 31 19 Fed Com 32H ___ non-consent the drilling of the Regal Lager 31 19 Fed Com 32H By: _____ Name:_____

Date: _____

Title: _____

WIO elects to:	
	participate in the drilling of the Regal Lager 31 19 Fed Com 33H
	non-consent the drilling of the Regal Lager 31 19 Fed Com 33H
	Ву:
	Name:
	Title:
	Date:
WIO elects to:	
983	participate in the drilling of the Regal Lager 31 19 Fed Com 34H
	non-consent the drilling of the Regal Lager 31 19 Fed Com 34H
	Ву:
	Name:
	Title:
WIO elects to:	Date:
WIO elects to.	
	participate in the drilling of the Regal Lager 31 19 Fed Com 35H
	non-consent the drilling of the Regal Lager 31 19 Fed Com 35H
	Ву:
	Name:
	Title:
	Date:
WIO elects to:	
	participate in the drilling of the Regal Lager 31 19 Fed Com 36H
	non-consent the drilling of the Regal Lager 31 19 Fed Com 36H
	Ву:
	Name:
	Title:
	Date:



Occidental Oil and Gas Corporation REGAL LAGER 31_19 FED COM 31H

RMT:	PERMIAN RESOURCES NEW MEXICO
State & County:	NEW MEXICO, EDDY
Fleid:	Tanks
Well Type:	Salt WCXY 4S 15K
Date:	3/3/2023

Code	Element Name	1 Prep Phase	Lo	2 ocation/Rig Move	3 Drilling		PAA		5 Completion	A	6 rtificial Lift	7 Hookup		8 Facilities
	, Mobilization, Rig Move	Of Winds							Hide 4		-)(111		1000	
3010	Major Mob / Demob	\$ -	\$	00500	\$ -			\$	to the state of	\$	-	\$	\$	
3011	Lecation & Roads + Maintenance	\$ -	5	288,000	\$ -		5	\$	1,000	\$	-	\$	\$	
3021	Rig Move	\$ -	5	271,000	\$ -			\$		\$	-	\$	\$	
Labor, Si	ervices & Equipment Rentals		nden:	Section 11 and 1	State Co.	-17		1000						
1000	Employee Wages	\$ -	1 5	11,000	\$ 74,00	ा		S	120,000	\$		s	1 5	
1050	Location Services	8 -	5		\$.	_		_	120,000	5		\$	5	
2004	Contractor Maintenance/Roustabouts	\$.	3		\$.	+	****	_	18,000	\$		\$	\$	
2017	Contract Supervision	\$.	5		\$ 94,00	-		-	100,000	\$			3	
2019	Contractor HES	\$.	5		\$ 18,00	-		-	100,000	5		\$	\$	-
2034	Labor services	s ·	S		\$ 148,00			_	89,000	5	74,000	\$ 246,000	-	
3001	Services Hot Oiling	s	5		\$			_	65,000	5	14.000	\$	1	
3002	Services MIsc Heavy Equipment	\$	5		S			_	28.000	5		\$.	5	
3003	Fluid Haul	\$	5		-	-		-		_			-	
3005		\$.	-					_	121,000	5		S	\$	
3000	Services Inspection	and the second of the second o	\$		\$ 105,00			_	-	5	•	\$ -	\$	
	Services Wellhead	5 -	S		\$ 21,00	-		_	16,000	5		\$	\$	
3012	Cased/Open Hole Logging	\$	\$		\$	1	-	_	28,000	S		\$	\$	
3013	Services Coiled Tubing	s	S		\$			and the same of	230,000	\$	•	\$	\$	
3014	Directional Drilling & LWD	s -	S		\$ 524,00			_		S		\$	\$	
3015	Fishing	\$ -	3		\$	13		_	-	\$	-	\$ -	\$	
3016	Mud Logging	\$ ·	S		\$ 24,00	-		\rightarrow		\$	-	\$ -	\$	
3016	Services Perforating	\$ -	\$	to the same	\$ -	13		\$	-	\$	-	\$	\$	
3019	Wire line & Slick line	\$ -	5	23	\$		9	\$	460,000	\$	-	\$ -	\$	
3020	Rig Work	\$.	\$		\$ 1,010,00	0 :	-	5		S		\$ -	\$	
3022	Drilling & Completion Fluids	\$ -	\$	15,000	\$ 124,00	0 3		\$		\$		\$.	\$	
3023	Cementing	S -	- \$	59.1	\$ 286,00	0 3	2	S		\$		S	\$	
3024	Services Stimulation	s -	\$		\$ -	1 :		5	3,818,000	\$		\$	\$	
3025	Services Downhole Other	\$.	\$		\$ 56,00	0 3	-	5		\$		\$.	\$	
3026	Formation Testing and Coring	\$	- 5	15-	s -	1 :		\$	7	5		\$.	s	
3029	Camp & Catering	\$	1 5	7,000	\$ 12.00	0 :		5		S		s .	S	
3032	Communications & IT	s -	3		\$ 30.00	+		_	-	S		5 -	S	
3035	Services Disposal	\$.	\$		\$.	1		-		S		\$	s	
3039	Services Fluid Hauling from Site	s	1 5		\$.			-	- 10	s		\$	5	
4005	Rental Downhole Equipment &Tools	s	+ -		\$ 183.00	-		_	-	S	- 7	s	5	
4007	HES & Industrial waste handling	\$.	1 5		\$			-	-	5	- 1	\$	s	
4013	Rental Surface Equipment & Tools	\$	3		\$ 137,00	-		_	806,000	\$	-	5	\$	
-		His and the second	- 4	20,000	4 137,00	,			000,000	3			1 3	
_	Consumables	-		- Buildings - S	1 10 10	-	19000				CONTRACTOR OF THE PARTY OF THE	The same of	_	Charles many
5021	Material Surface Other	\$.	\$		\$ -			_		\$	173.000	\$ 478,000	-	
5023	Welthead & X-mas tree	\$ -	\$		\$ 84,00			_	90,000	\$		\$ -	\$	
5027	Materal Subsurface Lift Equipment Other	\$ -	S		\$	13		_	-	\$		\$ -	\$	
5028	Casing and Casing Accessories	\$ -	\$		\$ 1,944,00			_	-	3		\$ -	\$	
5029	Material Tubing and Accs	5 -	\$		\$ -	13		_		\$	-	\$ -	\$	
5500	Material Consumables	\$ -	\$	11000	\$ 20.00	_			1,378,000	\$	10.0	\$ -	\$	
5502	Drilling Fluids Products	\$ -	\$		\$ 287.00	0 3		- \$	4,000	\$	72	\$ -	\$	
5503	Bits, Reamers, Scrapers, HO's	\$	\$		\$ 87,00	0 3		\$		\$		\$ -	\$	
5505	Fuel & Lubricants	\$	\$	28,000	\$ 185,00	0 3		\$	7.0	\$	78	\$ -	\$	
7004	Utilities: Electricity, Water & Sewers & Trash	S	\$	2.000	\$ 16,00	0 3		\$		\$	12	\$ -	\$	
ogistics	, Insurance & Tax	or should be	5383	A TOTAL	10.000	75	NA DAY	1300	Sweden Local		MARKET NO.	SECOND CO.		WITH THE PARTY OF
8000	Land Transportation	\$	1 \$	5.000	\$ 55,00	0 3		S	18,000	\$		s -	5	
8102	Tax & contingency	5	S	# 11 W W	\$ 606,00	-		\rightarrow		s		s	\$	
8918	Permits/Settlements/Other	5	3		\$.	1		_	72.1	\$	- 12	s	\$	
8921	Waste Handling and Disp	\$	3		\$ 37,00			_		\$	-	\$.	-	
8945	Loss & Loss Expenses Paid	\$	5	The same of the sa	\$ 37,00	1		+		\$	-		\$	
		The second secon				+		$\overline{}$		-			\$	
9999	Other Costs	5	S		\$			5		\$		S .		

Si mature:		_
Company		
Printed Name:		
Title		
Date	Approval	% WI
This AFE is only an estimate. By sign	ning, you agree to pay your proportional shar-	e of the actual costs incurred.

Part of the Part o	Total Drilling (1+2+3):	\$	7,110,000
	Total Completion (5+6):	\$	7,572,000
	Total Facilities (7+8):	\$	724,000
	Total Well Cost (1+2+3+4+5+6+7+8):	S	15,406,000

leremy Magness - Project Manager Courtney Carr - Land Negotiator Released to Imaging: 4/18/2023 4:25:30 PM

Received by OCD: 4/18/2023 4:21:12 PM



Occidental Oil and Gas Corporation REGAL LAGER 31_19 FED COM 32H

	PERMIAN RESOURCES NEW MEXICO
State & County:	NEW MEXICO, EDDY
Fleid:	Tanks
Well Type:	Sall WCA 4S 15K
Date:	3/3/2023

Code	Element Name	1 Prep Phase		2 Location/Rig Move		3 ling		4 6A	c	5 ompletion	Ari	6 lificial Lift		7 Hookup		8 Facilities
Location	, Mobilization, Rig Move		E.	ASS TON						CL DI					Jan J	
3010	Major Mob / Demob	\$		\$.	\$		\$		\$	*	\$		\$	- 00	\$	
3011	Location & Roads + Maintenance	\$		\$ 288,000	\$	- 1	\$	- 1	\$	1,000	\$		\$		\$	
3021	Rig Move	\$	- 1	\$ 271,000	\$		\$		\$	+ 0	S		\$	100	\$	
Labor, Se	ervices & Equipment Rentals	100	noi			ALC: UNK						927 Y.U				
1000	Employee Wages	\$		\$ 11,000	S	75,000	\$		5	120,000	\$		s	-	\$	
1050	Location Services			\$ -	\$		\$		\$	120,000	\$		\$	-	\$	2.7
2004	Contractor Maintenance/Roustabouts			\$ -	5		\$		\$	18,000	s	- :	\$	- 1	s	
2017	Contract Supervision	-		\$ 14,000	5	95.000	\$		\$	100,000	\$	- :	\$		\$	
2019	Contractor HES	+		\$ 3,000	\$	18,000	\$	-	-	100,000	_		\$		\$	
2034	Labor services	t .		\$ 10,000	\$	148,000			\$	00.000	\$		-			
3001	Services Hot Oiling	1		\$	\$	140,000	\$		-	89,000	\$	74,000	5	246.000	\$	
3002					-	-	\$		\$		\$		\$		\$	
3003	Services Misc Heavy Equipment	-		\$.	\$		S	-	\$	28,000	\$		\$		\$	10%
_	Fluid Haul	-	-	\$.	5	192.000	\$	-	\$	121,000	\$		\$	-	\$	
3006	Services Inspection	-		\$ 2.000	\$	105,000	\$		\$		\$		\$	-	\$:
3009	Services Wellhead	-		\$ 4,000	S	21,000	\$		\$	16,000	\$		\$	-	\$	
3012	Cased/Open Hole Logging	-	•	\$.	S		\$		5	28,000	\$		\$	-	\$	
3013	Services Coiled Tubing	-		\$ -	S	-	\$		\$	230.000	\$		\$	-	\$	
3014	Directional Drilling & LWD	-	-	\$ -	\$	562,000	\$		\$		\$	•	\$	120	\$	
3015	Fishing	-		\$.	\$	100	\$	- 6	\$	- 0	\$	-	\$		\$	
3016	Mud Logging	\$		\$ -	\$	24.000	\$		\$		\$	•	\$	9	\$	
3018	Services Perforating	\$	-	s .	\$	-	5	·	\$		\$	3	\$	-	\$	-
3019	Wire line & Slick line	\$		\$ -	5	- 1	5		\$	460,000	\$		\$,	5	
3020	Rig Work	\$		\$.	\$ 1	,028,000	S	- 1	\$	-	\$		\$		\$	
3022	Orilling & Completion Fluids	\$		\$ 15,000	S	126,000	S	- 2	\$	-	\$		5	-	s	
3023	Cementing	\$		\$	S	286,000	S	- 1	\$		\$		5	-	s	
3024	Services Stimulation			\$.	S		S	- 5	\$	3,818,000	\$		s		\$	
3025	Services Downhole Other		. 1	\$	S	56,000	\$	-	\$		S		\$	-	\$	
3026	Formation Testing and Coring	-	-	\$.	s	-	s		5		S		s		\$	
3029	Camp & Catering			\$ 7,000	s	12,000	s		\$		\$		\$	-	\$	
3032	Communications & IT			\$ 5,000	s	31,000	\$		5		S		\$		\$	
3035	Services Disposal			\$ -	s	31,000	s		\$		5	- :	\$		\$	
3039	Services Disposal Services Fluid Hauling from Site			\$	S		\$	-	\$		S	-	\$		\$	
4005	and the second s			-	S	- //			_		-	_	_			
4007	Rental Downhole Equipment &Tools		:		_	186,000	5		S		\$		\$		\$	
_	HES & Industrial waste handling			\$.	\$		\$		\$	****	\$		\$		\$	
4013	Rental Surface Equipment & Tools	\$	- 1	\$ 28,000	\$	139,000	\$		\$	806,000	\$		\$		\$	
-	Consumables	Mark Control	_	And the second second	100			N. Or other		- Silvadi	97/8	CONTRACTOR OF THE PARTY OF THE	6 6		ALC: N	
5021	Material Surface Other	<u> </u>		\$.	\$	· v.	\$	× (\$	(8)	\$	173,000	\$	478,000	\$	7
6023	Wellhead & X-mas free	\$.]	\$.	S	84,000	\$		\$	90,000	\$		\$	- 10	\$	7
5027	Materal Subsurface Lift Equipment Other	\$.]	\$.	\$	7.7	\$	5.00	\$		\$	250	\$		\$	
5028	Casing and Casing Accessories	\$	- [\$ -	\$ 1	,958,000	\$	100	S	300	\$		\$	- 1	\$	
5029	Material Tubing and Accs	\$	-	\$ -	\$	- 0	\$	100	5		S	700 . T	\$		\$	
5500	Material Consumables	5	-	\$ 1,000	. \$	21,000	\$		\$	1,378,000	s		\$	-	\$,
5502	Orilling Fluids Products	\$		\$ -	\$	286,000	\$	- 1	\$	4,000	\$		\$	- 0	\$	
5503	Bits, Reamers, Scrapers, HO's	S	\neg	\$ -	S	99,000	S	-	\$		\$		\$		\$	
5505	Fuel & Lubricants		.	\$ 28,000	S	189,000	\$	- 10	\$		\$		\$		\$	
7004	Utilities: Electricity, Water & Sewers & Trash			\$ 2,000	\$	17,000	\$		\$	77.5	\$		S		\$	
_	Insurance & Tax	William English	173		117-17	1000	TYPE S	Sec. of	REAL PROPERTY.	SACTION OF	10000	THE CHARLES	ON THE	10 SAN 1981	TO BOTH	CONTRACTOR AND DESCRIPTION OF THE PERSON OF
8000	Land Transportation	s		\$ 5,000	-	SE OOC T		Marie Cont.		10.000		The state of	-	a september 199	02725	THE RESERVE OF THE PARTY OF THE
\rightarrow	77 97 90 90 90 90 90		\rightarrow		\$	55.000	\$		\$	18,000	\$	_	\$		\$	
8102	Tax & contingency	-	-	\$ 36,000		616.000	5		\$	-	\$		\$		\$	
8918	Permits/Settlements/Other	-	-	\$ 14	5		5	* 0	\$	-	\$	•	5		\$	
8921	Waste Handling and Disp		.	\$	\$	38,000	\$	200	\$		\$		\$		\$	-
8945	Loss & Loss Expenses Paid	\$.	\$	\$		\$	-	S		\$		S	100	\$	
9999	Other Costs	\$.	5			S	-			\$		S		\$	

Company:	
Printed Name:	
Title:	
Date:	Approval % WI

Total Drilling (1+2+3):	S	7,219,000
Total Completion (5+6):	\$	7,572,000
Total Facilities (7+8):	S	724,000
Total Well Cost (1+2+3+4+5+6+7+8):	S	15,515,000

Jeremy Magness - Project Manager Courtney Carr - Land Negotiator

Occidental Oil and Gas Corporation REGAL LAGER 31_19 FED COM 33H

RMT: PERMIAN RESOURCES NEW MEXICO
State & County: NEW MEXICO, EDDY
Field: Tanks
Well Type: WCXY 3S 15K
Date: 3/3/2023

														_	Guio	33320	
Code	Element Name	1 Prep Pi	1850	Locar	2 tlon/Rig Move		3 Drilling		4 P&A	c	5 Completion	A	6 rtificial Lift		7 Hookup		8 Facilities
Location	Mobilization, Rig Move	III TODAY -	1000	33121			E BOA			200			ACTIVITIES DE	Oll			
3010	Major Mob / Demob	s	-	\$	-	\$		\$		\$	-	5		s	-	\$	
3011	Location & Roads + Maintenance	\$	-	\$	288,000	\$		\$		\$	1,000	S		\$		S	
3021	Rig Move	\$	-	\$	271,000	5		\$		\$	1,000	\$		\$		S	
	rvices & Equipment Rentals	-	-	-	211.000	_		-		-		- 4		9		9	
1000				1 4	10.000	_		_				1 .	800001845	1 7 -		-	
1060	Employee Wages	\$	-	\$	11,000	S	66,000	\$	•	\$	120,000	\$		\$	•	\$	-
2004	Location Services	\$	-	\$	<u> </u>	\$		\$		\$		\$		\$		\$	
2017	Contractor Maintenance/Roustabouts	\$	-	5		\$	-	\$	-	S	18,000	\$		\$		\$	- 200
2017	Contract Supervision	\$	-	\$	14,000	\$	84,000	\$	•	\$	96,000	\$		5		\$	
	Contractor HES	\$	-	\$	3,000	\$	16,000	\$	<u> </u>	\$	11.5	\$		5		\$	*1
2034	Labor services	\$	-	\$	10,000	\$	115,000	\$	•	\$	89,000	\$	74.000	5	246,000	\$	
3001	Services Hot Oiling	\$	•	\$		\$		\$	•	\$	1156	\$	•	5		\$	70
3002	Services Misc Heavy Equipment	\$	•	\$	-	\$		\$		\$	28,000	\$		S	-	\$	
3003	Fluid Haul	\$		\$	-	\$	181,000	\$	-	\$	119,000	\$	•	S		\$	
3005	Services Inspection	\$		\$	2,000	\$	84.000	\$	-	\$	13.43	\$		\$		5	
3009	Services Welthead	\$		\$	4,000	\$	15,000	\$	-	\$	16,000	5		\$	-	\$	
3012	Cased/Open Hole Logging	\$	-	\$	-	\$	•	\$	-	\$	28,000	\$		\$		\$	100
3013	Services Coiled Tubing	\$	-	\$	-	\$		\$		\$	230.000	\$		\$	-	\$	
3014	Directional Drilling & LWD	5	-	\$	-	\$	525,000	\$	-	\$	190	\$	-	\$		\$	200
3015	Fishing	\$	-	\$	٠.	\$		\$	-	\$	1000	s	-	\$		\$	
3016	Mud Logging	\$		\$	-	\$	24,000	\$		\$	36.0	\$	•	\$		\$	0
3018	Services Perforating	\$	-	\$		\$	-	\$	-	\$	100	\$		\$		\$	**
3019	Wire line & Slick line	\$	-	\$		\$	- 1	\$	-	\$	459,000	\$		\$		\$	
3020	Rig Work	\$	•	\$	-	\$	897.000	\$	- 1	\$		\$		\$		5	- 1
3022	Drilling & Completion Fluids	\$		\$	15,000	\$	111,000	\$	- 1	\$	(50)	\$		5		\$	
3023	Cementing	\$		\$	-	\$	268,000	\$		\$	290	\$		\$		\$	100
3024	Services Stimulation	\$	-	\$	-	\$	•	\$		\$	3,316,000	\$	-	\$	-	\$	5-10
3025	Services Downhole Other	\$	-	\$		\$	42,000	\$		\$	7.4	\$		\$	-	\$	
3026	Formation Testing and Coring	\$	-	\$		\$	-	\$		\$		5	-	\$	-	\$	7.5
3029	Camp & Catering	\$	-	\$	7,000	\$	11,000	\$	-	\$		S	-	\$		\$	
3032	Communications & IT	\$	-	\$	5,000	\$	27,000	\$	-	5		\$	-	\$		\$	-
3035	Services Disposal	\$	-	\$		\$	-	\$	-	\$		\$	-	\$		\$	
3039	Services Fluid Hauling from Site	\$	-	\$		\$	-	\$	-	\$	-	\$	-	\$		\$	1
4005	Rental Downhole Equipment & Tools	\$		\$	22,000	\$	165,000	\$		\$		S	12	\$	90	\$	
4007	HES & Industrial waste handling	s		\$		\$	- 1	\$		S	-	s	25	\$		\$	1141
4013	Rental Surface Equipment & Tools	\$	•	S	28,000	\$	124,000	\$		S	775,000	\$	0.5	\$	61	\$	0.40
Consumi	Consumables	E PERMIT PA	190,537	13 E	STATE OF THE PARTY.	ST.		Mi					TRANSPORT	1115		SULV	
5021	Material Surface Other	\$. 1	\$	- 1	\$		\$		\$		5	173.000	s	478,000	s	
5023	Wellhead & X-mas tree	\$	-	\$	-	s	59,000	\$		\$	90,000	\$	7	š	1,0,000	\$	
5027	Materal Subsurface Lift Equipment Other	\$	-	\$	- 1	\$		<u> </u>		\$	-	\$		Š		s	81-18
5028	Casing and Casing Accessories	\$	-	\$	-	s	1,468,000	<u>s</u>		\$		\$	- 2	5	- 20	5	
5029	Material Tubing and Accs	\$		\$		\$		\$	-	\$		\$	19	\$	9.1	\$	
5500	Material Consumables	S	1	\$	1,000	\$	15,000	\$	-	\$	1,148,000	\$		\$	7	s	
5502	Drilling Fluids Products	\$	-	\$.,500	\$	277,000	\$	-	\$	4,000	5	171	\$	- 0	\$	
5503	Bits, Reamers, Scrapers, HO's	\$	-	\$		\$	84,000	s		\$	4.000	\$	4.	\$		\$	
5505	Fuel & Lubricants	S		\$	28,000	\$	166,000	\$		\$		\$		\$	-	\$	
7004	Utilities: Electricity, Water & Sewers & Trash		-	\$	2,000	\$	15,000	\$		\$		\$	-	5		\$	
Logistics	Logistics, Insurance & Tax								41717-1917-1917-1917-1917-1917-1917-1917								
8000	Land Transportation	\$		\$	5 000	\$	47 000		A STATE OF THE PARTY OF THE PAR	-	40.000		THE RESERVE	-	ALC: NO	•	
8102					5,000		47,000	\$	•	_\$	18,000	\$		5	4	\$	
8918	Tax & contingency	\$		\$	36,000	\$	520,000	\$	· ·	S	-	\$	35	S	**	\$	
8921	Permits/Settlements/Other	\$		5		\$	-	\$		\$	-	\$	- 2	S	47	\$	5,40
8945	Waste Handling and Disp	\$	•	5		\$	35,000	\$	·-	\$	-	\$		\$	10	\$	
9999	Loss & Loss Expenses Paid	\$		\$	•	\$	•	\$		\$	•	\$	-	\$	* 1	\$	19
	Other Costs	\$		\$		\$	•	\$		\$		\$	-	\$		\$	
Subtotal		\$	X	\$	762,000	\$	5,441,000	\$	1	\$	6,555,000	\$	247,000	\$	724,000	3	DUGO STATE OF THE

Signature:		
Company:		
	-	
Printed Name:		
Title:		
	•	
Date:	Approval	% WI
1		
This AFE is only an estimate. By signing, y	ou agree to pay your proportional share	of the actual costs incurred

Total Drilling (1+2+3):	\$	6,193,000						
Total Completion (5+6):	\$	6,802,000						
Total Facilities (7+8):	S	724,000						
Total Well Cost (1+2+3+4+5+6+7+8):	S	13,719,000						
Jeremy Magness - Project Manager								
Courtney Carr - Land Negotiator								

Released to Imaging: 4/18/2023 4:25:30 PM

Occidental Oil and Gas Corporation REGAL LAGER 31_19 FED COM 34H

RMT:	PERMIAN RESOURCES NEW MEXICO
State & County:	NEW MEXICO, EDDY
Fleid:	Tanks
Well Type:	WCA 3S 15K
Date	3/3/2023

Code	Element Name	1 Prep Ph	890	2 Location/Rig M	ove	3 Drilling		4 P&A	c	5 Completion	Aı	6 tificial Lift		7 Hookup		8 Facilities
Location	Mobilization, Rig Move	BESTERN TO	Щ. Ж	S WAR		STATE OF		NAME OF THE OWNER.		ST.	31	a. H				
3010	Major Mob / Demob	\$		\$	-	\$ -	\$		\$	10.400	5		\$		5	-
3011	Location & Roads + Maintenance	s		\$ 288	000	\$ -	S		\$	1,000	\$		\$		\$	-
3021	Rig Move	S	-	\$ 271.	000	\$.	S		\$	575	\$		5		\$	
Labor, Se	rvices & Equipment Rentals		976-3			1	1		Ť				-	77 - 15 - 5	-	V
1000	Employee Wages	s		S 11.	000	\$ 67,000	\$		1 4	400.000	1 4					
1050	Location Services	\$		\$ 11.		\$ 67,000	3 S		\$	120,000	\$		\$	-	\$	
2004	Contractor Maintenance/Roustabouts	S		\$	-		-		\$	40.000	1		\$	•	5	•
2017	Contract Supervision		•			\$ -	\$		\$	18,000	\$	-	\$	•	\$	<u> </u>
2017	-	\$	-		000	\$ 85,000	\$		\$	96.000	S	-	\$	-	5	
2019	Contractor HES	\$	-		000	\$ 17,000	\$		\$		5	•	\$		\$	
	Labor services	\$			000	\$ 116,000	\$		\$	89,000	\$	74,000	\$	246.000	\$	<u> </u>
3001	Services Hot Oiling	\$	-	-	٠.	\$ -	\$		\$	0.500	\$		\$	•	S	•
3002	Services Misc Heavy Equipment	S	-	5		\$ -	\$		\$	28,000	\$		\$		\$	•
3003	Fluid Haul	\$	-			\$ 183,000	\$		S	119,000	\$	-	\$	•	\$	
3005	Services Inspection	\$	•		000	\$ 84,000	\$		\$	10°C	\$	-	\$	-	\$	
3009	Services Weithead	\$	-	\$ 4.	000	\$ 15,000	\$		\$	16,000	\$		\$		\$	-
3012	Cased/Open Hole Logging	\$		\$		\$ -	\$		\$	28,000	\$	•	\$	-	\$	
3013	Services Coiled Tubing	\$		S		\$ -	\$		\$	230,000	\$		\$		\$	-
3014	Directional Drilling & LWD	\$		\$		\$ 562,000	\$	-	\$	5%	\$		\$		\$	-
3015	Fishing	\$		\$	- 1	\$.	\$	-	\$	178	\$		\$	-	\$	-
3016	Mud Logging	\$	-	\$		\$ 24,000	\$	-	5		\$		\$		\$	
3018	Services Perforating	s	-	s		\$.	\$	-	5		\$		s		\$	
3019	Wire line & Slick line	S	-		.	\$.	\$	-	\$	459,000	\$		s	-	s	
3020	Rig Work	\$			-	\$ 914,000	5		s	400,000	5		5		s	
3022	Drilling & Completion Fluids	\$			000	\$ 113,000	\$		\$.79	\$		5		S	
3023	Cementing	\$	-	\$ 13.	-		\$			415	-		-		_	<u> </u>
3024	Services Stimulation	\$	· ·				-		\$		\$	· ·	\$		\$	<u>.</u>
3025	Services Downhole Other	\$	•		-		\$		\$	3,316,000	\$	•	\$		\$	-
3025					\rightarrow	\$ 42,000	\$		\$		\$	•	\$		\$	-
3029	Formation Testing and Coring	\$		-		\$.	\$		\$	(c) (3)	\$	•	\$	-	\$	-
	Camp & Catering	\$			000	\$ 11,000	\$		\$	2.5	\$		\$	-	\$	-
3032	Communications & IT	\$	-		000	\$ 28,000	\$	-	\$	114	5		\$	-	\$	<u> </u>
3035	Services Disposal	\$	-	\$	-	\$.	\$	-	\$	115	5		\$	-	\$	
3039	Services Fluid Hauling from Site	\$	-		-	\$.	\$	-	\$	35	5	-	\$	-	\$	<u> </u>
4005	Rental Downhole Equipment & Tools	\$	-	\$ 22.	000	\$ 168,000	\$	-	\$	•	\$	-	\$	-	\$	-
4007	HES & Industrial waste handling	\$	-	\$	<u>. </u>	\$ -	\$		\$	•	\$		\$		\$	-
4013	Rental Surface Equipment & Tools	\$		\$ 28,	000	\$ 126,000	\$	-	\$	775,000	\$		\$		\$	-
Consumi	Consumables							DOMESTIC:				Michely IIV	SHED	1245	esu.	All Indiana and All Indiana
5021	Material Surface Other	\$		\$. j	\$ -	\$		\$		\$	173,000	\$	478.000	\$	
5023	Wellhead & X-mas tree	\$	-		.	\$ 59,000	\$		\$	90,000	\$		\$	-	\$	<u>.</u>
5027	Materal Subsurface Lift Equipment Other	\$.	\$.	\$		\$	-	\$		\$		\$	•
5028	Casing and Casing Accessories	\$.	\$ 1,480,000	\$		\$		s	 	\$	-	\$	•
5029	Material Tubing and Accs	\$.	\$ -	5		s		5		\$	-	\$	· · ·
6500	Material Consumables	\$	-		000	\$ 15.000	\$		\$	1,148,000	\$	·	\$		\$	· · · · · · · · · · · · · · · · · · ·
5502	Drilling Fluids Products	\$	-:-		-	\$ 277,000	\$		\$	4,000	\$.	\$	-	\$	
6503	Bits, Reamers, Scrapers, HO's	\$			-	\$ 96,000	\$		5	4,000	_		_	-		· ·
5505	Fuel & Lubricants	S	-	\$ 28,0	_	\$ 169,000	_	- :	_		\$		\$		\$	-
7004	Utilities: Electricity, Water & Sewers & Trash		-		\rightarrow		\$		\$		\$		\$		\$	•
		9	-	\$ 2.1	000	\$ 15,000	\$		\$		S	•	\$		5	-
	Insurance & Tax	THE PERSON NAMED IN	St. Yell	Service Control			360	The Advanced				Charles of	4	-44		
8000	Land Transportation	\$	-		200	\$ 47,000	\$	-	\$	18,000	\$	-	\$	-	S	-
8102	Tax & contingency	\$	-	\$ 36,0	200	\$ 530,000	\$	- 1	\$	-	\$		\$,	S	
8918	Permits/Settlements/Other	\$	-	\$. [\$ -	\$		S		S		\$		S	-
6921	Waste Handling and Disp	\$	-	\$	-	\$ 35,000	\$	•	\$		\$		\$		\$	-
6945	Loss & Loss Expenses Paid	\$	-	s	.	\$ -	\$	•	\$	-	\$		\$	•	5	-
9999	Other Costs	\$		s	. +	\$ -	\$		S	-	s		\$		5	
8988	Offici COS(5	4				9 -			- 3		- 49	. ,				

Signature;		
Company:		
Printed Name:		
Title:		
Date:	Approval	% W1
This AFE is only an estimate. By signing, you agree to	pay your proportional share	of the actual costs incurred

And the second	Total Drilling (1+2+3):	\$ DATE OF	6,299,000
ETHINGS IN COM	Total Completion (5+8):	\$ 100	6,802,000
VANS USE I WEST	Total Facilities (7+8):	\$	724,000
PERSONAL PROPERTY OF	Total Well Cost (1+2+3+4+5+6+7+8):	S	13,825,000

Jeremy Magness - Project Manager
Courtney Carr - Land Negotiator

Released to Imaging: 4/18/2023 4:25:30 PM



Occidental Oil and Gas Corporation REGAL LAGER 31_19 FED COM 35H

RMT:	PERMIAN RESOURCES NEW MEXICO
State & County:	NEW MEXICO, EDDY
Fleid:	Tanks
Well Type:	WCXY 3S 15K
Date:	3/3/2023

Code	Element Name	1 Prep Ph	200	2 Location/Rig M	love	3 Drilling		4 P&A	C	6 ompletion	Ar	6 tificial Lift	12	7 Hookup		8 Facilities
Location	Mobilization, Rig Move				5		- 0	No.			dive	and the same	88	118	TILL	
3010	Major Mob / Demob	\$	-	\$		\$.	\$		\$		\$		\$	-	\$	-
3011	Location & Roads + Maintenance	\$	-	\$ 288	,000	\$ -	\$	-	\$	1,000	\$		\$	-	\$	-
3021	Rig Move	\$	-	\$ 271	,000	\$ -	\$	-	\$	-	S	-	\$	-	\$	
Labor, Se	rvices & Equipment Rentals				00	-						350 VIII				
1000	Employee Wages	5	-	\$ 11	.000	\$ 66,000	\$		s	120,000	\$		s		5	.
1050	Location Services	5		S		s -	\$		\$		\$		\$		\$	
2004	Contractor Maintenance/Roustabouts	\$		s		s -	\$		5	18,000	\$		\$		S	-
2017	Contract Supervision	\$,000	\$ 84,000	\$		5	96,000	\$		s		\$	
2019	Contractor HES	S			.000	\$ 16,000	\$		S		S		5		S	*
2034	Labor services	\$	-		.000	\$ 115,000	\$		\$	89,000	\$	74,000	\$	246.000	\$	•
. 3001	Services Hot Oiling	S	-	\$		\$ -	\$		S		\$	1-1,000	\$	2.0.00	5	
3002	Services Misc Heavy Equipment	s		s		\$.	\$	-	\$	28,000	\$		\$		\$	
3003	Fluid Haul	s	-	s		\$ 181,000	S	-	\$	119,000	s		S		s	
3005	Services Inspection	s			,000	\$ 84.000	\$		\$	110,000	\$	-	s	-	\$	<u>:</u>
3009	Services Wellhead	s			.000	\$ 15,000	\$		\$	16,000	\$		s		\$	· ·
3012	Cased/Open Hole Logging	\$		\$		\$	\$	-	\$	28,000	\$		\$	-	\$	
3013	Services Coiled Tubing	\$	<u> </u>	\$	÷	\$	\$	-	\$	230,000	5		\$	-	\$	
3014	Directional Drilling & LWD	\$		\$	·	\$ 525,000	\$	-	\$	230,000	\$		\$		\$	
3015	Fishing	\$		\$.	\$ -	\$		\$		\$		s		\$	
3016	Mud Logging	\$		\$	-	\$ 24,000	\$		\$		5		5		5	
3018	Services Perforating	\$		s	-	\$.	S		5		s	-	\$	<u>·</u>	\$	
3019	Wire line & Slick line	\$	•	\$	-	\$ -	\$		\$		<u> </u>	-	<u> </u>		$\overline{}$	•
3020	Rig Work	S	-	\$	-	\$ 897,000	_		_	459,000	\$		\$		\$	
3022		\$	-				\$		\$		\$	•	\$	•	\$	
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5503	Bits, Reamers, Scrapers, HO's	\$	•		•	\$ 84,000	\$		\$		\$	-	\$		\$	1.1
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Signature:		
Company:		
Printed Name:		
Title:		
Date:	Approval	% WI
This AFE is only an estimate. By aigning, yo	ou scree to say your proportional share	a of the actual costs joilured
by again, it	no od. no ca han han han han interest fillers	A his acide costs increased

Total Drilling (1+2+3):	\$	6,193,000
Total Completion (5+6):	S	6,802,000
Total Facilities (7+8):	\$	724,000
Total Well Cost (1+2+3+4+5+8+7+8):	\$	13,719,000

Jeremy Magness - Project Manager Courtney Carr - Land Negotiator Released to Imaging: 4/18/2023 4:25:30 PM



Occidental Oil and Gas Corporation REGAL LAGER 31_19 FED COM 36H

RMT:	PERMIAN RESOURCES NEW MEXICO
State & County	NEW MEXICO, EDDY
Fleid:	Tanks
Well Type:	WCA 3S 15K
Date	3/3/2023

Code	Element Name	1 Prep Phase		2 Location/Rig Move	3 Drilling	,		PAA	c	6 ompletion	Ari	6 tificial Lift		7 Hookup		8 Facilities
Location,	Mobilization, Rig Move		- 6		10000		0.0	EWIL.	133						10	Control of the Control
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3011	Location & Roads + Maintenance	S	•	\$ 288,000	\$. 1	\$		\$	1,000	\$		S	-	\$	- 18
3021	Rig Move	S		\$ 271,000	\$. 1	\$		\$	-	\$	$\overline{}$	\$		\$	
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3001	Services Hot Oiling	s	. 1	\$.	\$		s	1.10	s	00,000	s	14,000	5	240,000	S	
3002	Services Misc Heavy Equipment	s	. 1	s ·	\$	- 1	s	-	\$	28,000	s		5		s	
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3005	Services Inspection	\$		\$ 2,000		4,000	s		\$	113,000	\$		3	-	s	
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3012	Cased/Open Hole Logging			\$.	\$	5,000	5	35.38	\$	28,000	S		5	- 0	\$	
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3026	Formation Testing and Coring		-	\$.	\$	-	5		\$	- 40	\$		\$		5	
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4005	Rental Downhole Equipment &Tools	-	- 1	\$ 22,000		8,000	\$	- 1	\$	·	S		\$		\$	
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8921	Waste Handling and Disp		. 1	\$.		000,	\$	- 1	\$		5	- :	5		\$	
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9999	Other Costs		-	\$	S	1	\$	-	\$	- 1	\$	-	S		S	

Signature		
Company:		
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Title:		
Date:	Approval	% WI
This AFE is only an estimate. By si	igning you agree to pay your proportional shar	re of the actual costs incurred

Total Drillin	ng (1+2+3): \$	6,299,000
Total Comple	etion (5+6): \$	6,802,000
Total Faci	lities (7+8): \$	724,000
Total Well Cost (1+2+3+4	+5+6+7+8): S	13,825,000

Jeremy Magness - Project Manager Courtney Carr - Land Negotiator Released to Imaging: 4/18/2023 4:25:30 PM

Pooled Party	Correspondence Status
Record Title Owner CONOCOPHILLIPS CO	3/15 - CAs received 3/15 - Emailed copy of CAs to shelley.c.klingler@conocophillips.com
Record Title Owner CORDILLERA ENE PTNRS II LLC	3/15, 3/16 - FedEx attempted delivery of CAs and receiver returned package. 3/15 - left voicemail connected with Cordillera Energy Partners II LLC 4/3- called and left another voicemail with Cordillera Energy Partners II LLC
Record Title Owner VINCERO RESOURCES LTD	3/15, 3/16 - FedEx attempted delivery of CAs and receiver returned package. 3/15 - left voicemail connected with Vincero Resources. 4/3 - called and left another voicemail connected with Vincero Resources.
Record Title Owner CHI ENERGY INC	3/15 - CAs received 3/15 - called phone number connected with Chi Energy. 3/15 - emailed copy of CAs to andrewc@chienergyinc.com.
Record Title Owner EOG RESOURCES INC	3/15 - CAs received 3/15 - emailed copy of CA to laci_stretcher@eogresources.com
Record Title Owner PALADIN ENERGY CORP	3/15, 3/16 - FedEx attempted delivery of CAs and receiver returned package. 3/15 - left voicemail with number connected to Paladin Energy Corp. 4/3 - called and left another voicemail with number connected to Paladin Energy Corp.

BEFORE THE OIL CONSERVATION DIVISION
Santa Fe, New Mexico
Exhibit No. C4
Submitted by: OXY USA INC.
Hearing Date: April 20, 2023
Case Nos. 23430-23431

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

APPLICATIONS OF OXY USA INC. FOR COMPULSORY POOLING, LEA COUNTY, NEW MEXICO.

CASE NOS. 23430-23431

SELF-AFFIRMED STATEMENT OF DANIEL BURNETT

1. My name is Daniel Burnett and I am employed by OXY USA Inc. ("OXY") as a geologist.

2. I have previously testified before the New Mexico Oil Conservation Division as an expert witness in petroleum geology. My credentials as a petroleum geologist have been accepted by the Division and made a matter of record.

3. I am familiar with the applications filed by OXY in these consolidated cases and have conducted a geologic study of lands in the subject area.

4. In Case No. 23430 and 23431, OXY is targeting the Wolfcamp formation.

5. **OXY Exhibit D-1** is a locator map depicting OXY's proposed spacing units in each case. Existing producing wells in the Wolfcamp formation are also depicted. The approximate wellbore paths for the proposed initial wells in each case are shown with dashed lines.

6. OXY Exhibit D-2 shows a subsea structure map that I prepared for the top of the Wolfcamp formation. The contour intervals are at 50-foot intervals. The approximate wellbore paths for the proposed initial wells are depicted with dashed lines. This map shows that the Wolfcamp formation dips to the southeast. I do not observe any faulting, pinchouts, or other geologic impediments to developing the targeted intervals with horizontal wells in the area of the proposed spacing units.

BEFORE THE OIL CONSERVATION DIVISION Santa Fe, New Mexico

Santa Fe, New Mexico
Exhibit No. D
Submitted by: OXY USA INC.
Hearing Date: April 20, 2023
Case Nos. 23430-23431

- 7. **OXY Exhibit D-2** also shows cross-section lines consisting of four wells penetrating the Wolfcamp formations that I used to construct structural cross sections and a stratigraphic cross section from A to A'. I chose the logs from these wells to create the cross sections because they penetrate the targeted intervals, are of good quality, and are representative of the geology in the subject area.
- 8. **OXY Exhibit D-3** is a structural cross-section using the representative wells depicted in the previous exhibit for the Wolfcamp formation. The cross sections show the formation top that I used to construct the structure map in Exhibits D-2. Each well in the cross-sections contains gamma ray and resistivity logs. The proposed target intervals within the Wolfcamp formation are labeled on the exhibits. The cross-section demonstrates that the targeted intervals are continuous and consistent in thickness across the proposed spacing units.
- 9. **OXY Exhibit D-4** is a stratigraphic cross-section using the representative wells depicted in the previous exhibit for the Wolfcamp formation. It also identifies the targeted intervals for each well within, demonstrating that the targeted intervals are continuous and consistent in thickness across the proposed spacing units.
- 10. Based on my geologic study of the area, I have not identified any geologic impediments to drilling horizontal wells in the area of the proposed spacing units. Horizontal drilling will be the most efficient method to develop this acreage to prevent the drilling of unnecessary wells and will result in the greatest ultimate recovery.
- 11. In my opinion, the orientation of the proposed wells is the preferred orientation for horizontal well development in the area and is appropriate to efficiently and effectively develop the subject acreage.

- 12. Based on my geologic study, the targeted intervals underlying the subject area is suitable for development by horizontal wells, and the acreage comprising the proposed spacing units will contribute more-or-less equally to production from the wellbores.
- 13. Approving OXY's applications will be in the best interest of conservation, the prevention of waste, and protection of correlative rights.
- 14. **OXY Exhibits D-1** through **D-4** were either prepared by me or compiled under my direction and supervision.
- 15. I affirm under penalty of perjury under the laws of the State of New Mexico that the foregoing statements are true and correct. I understand that this self-affirmed statement will be used as written testimony in this case. This statement is made on the date next to my signature below.

Daniel Burnett

Date

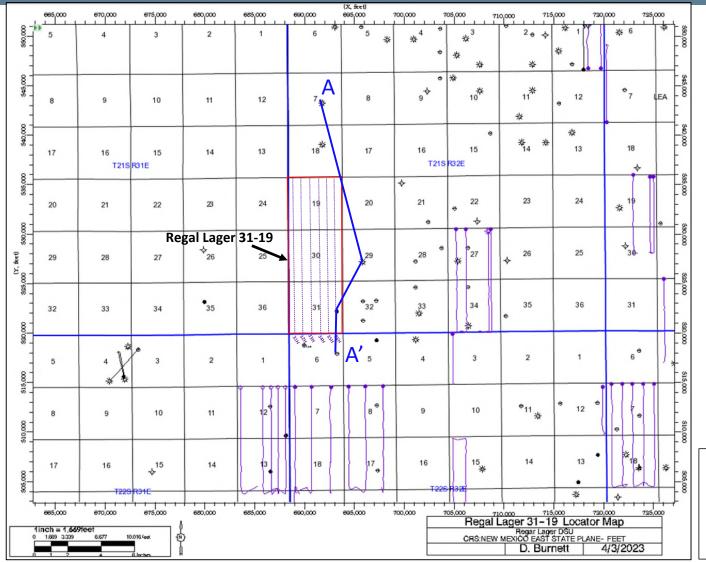
4/4/2023

Locator Map – Regal Lager DSU Exhibit D - 1

Santa Fe, New Mexico Page 44 of 54

Exhibit No. D1
Submitted by: OXY USA INC.

Hearing Date: April 20, 2023 Case Nos. 23430-23431





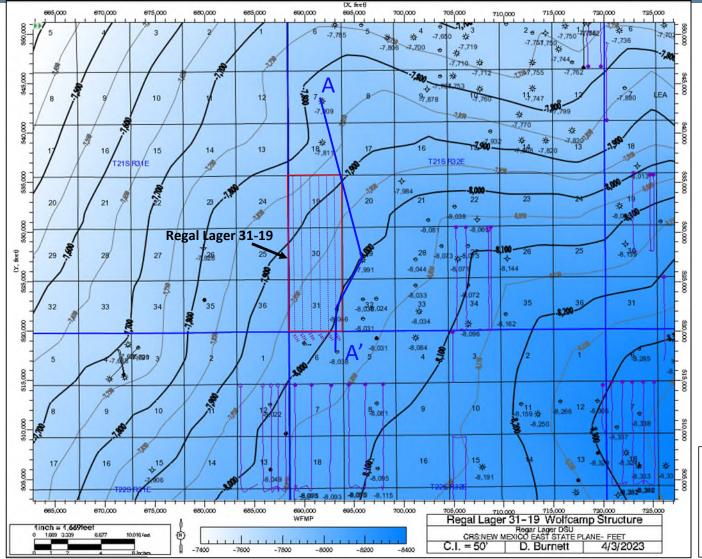


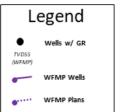
Structure Wap – Wolfcamp Exhibit D – 2

Santa Fe, New Mexico
Exhibit No. D2
Submitted by: OXY USA INC.

Hearing Date: April 20, 2023

Case Nos. 23430-23431

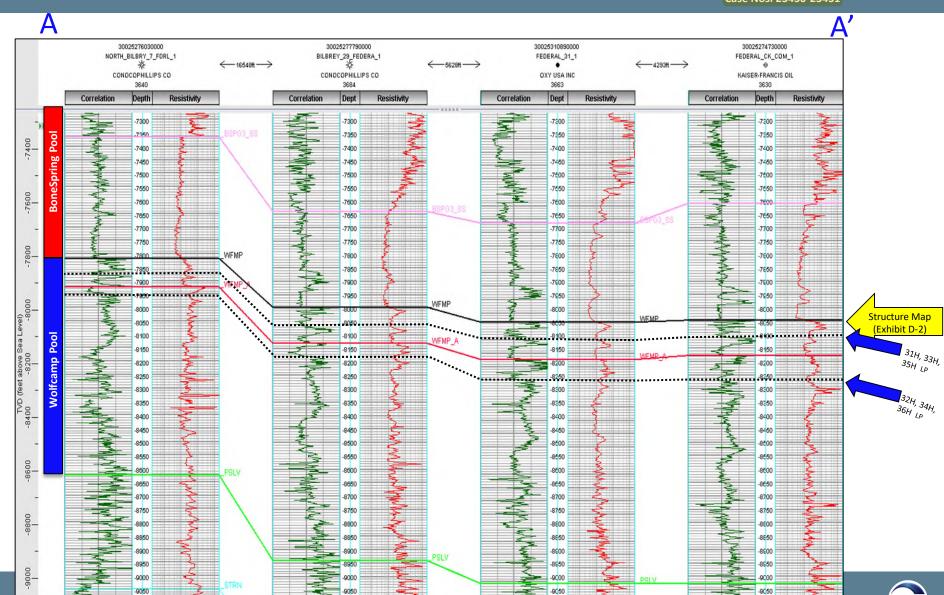




Structural Cross-Section – Wolfcamp Exhibit D – 3

Released to Imaging: 4/18/2023 4:25:30 PM

BEFORE THE OIL CONSERVATION D Page 46 of 54 Santa Fe, New Mexico Exhibit No. D3 Submitted by: OXY USA INC. Hearing Date: April 20, 2023 Case Nos. 23430-23431



-9100

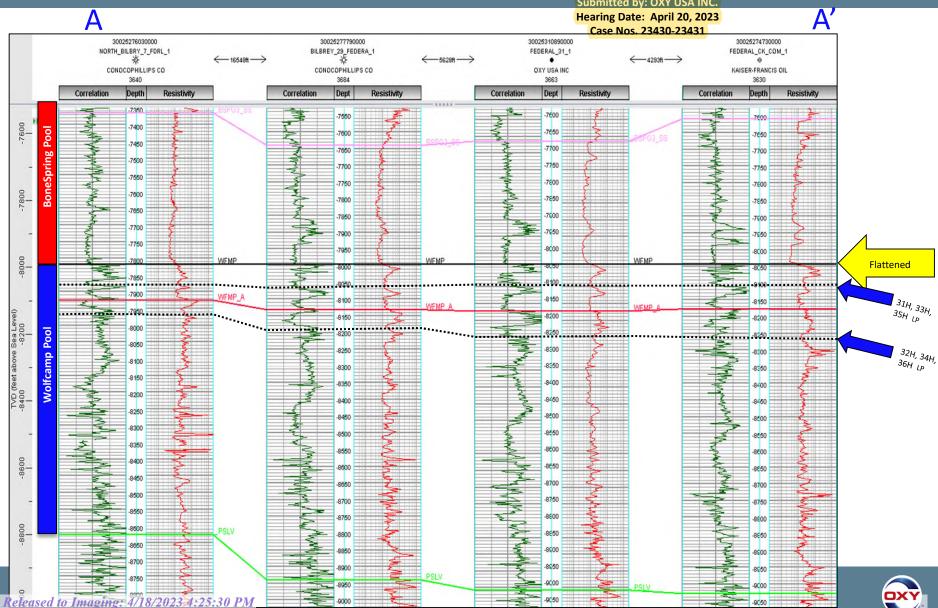


-9100

Stratigraphic Cross-Section – Wolfcamp Flattened Exhibit D – 4

Exhibit No. D4

Submitted by: OXY USA INC.





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

APPLICATIONS OF OXY USA INC. FOR COMPULSORY POOLING, LEA COUNTY, NEW MEXICO.

CASE NOS. 23430-23431

SELF-AFFIRMED STATEMENT OF ADAM G. RANKIN

1. I am attorney in fact and authorized representative of OXY USA Inc.

("OXY"), the Applicant herein. I have personal knowledge of the matters addressed herein and am

competent to provide this self-affirmed statement.

2. The above-referenced applications and notice of the hearing on these applications

were sent by certified mail to the affected parties on the date set forth in the letters attached hereto.

3. The spreadsheet attached hereto contains the names of the parties to whom notice

was provided.

4. The spreadsheet attached hereto contains the information provided by the United

States Postal Service on the status of the delivery of this notice as of April 17, 2023.

5. I caused a notice to be published to all parties subject to these compulsory pooling

proceedings on March 30, 2023. An affidavit of publication from the publication's legal clerk with

a copy of the notice publication is attached as Exhibit F.

6. I affirm under penalty of perjury under the laws of the State of New Mexico that

the foregoing statements are true and correct. I understand that this self-affirmed statement will be

used as written testimony in this case. This statement is made on the date next to my signature

below.

BEFORE THE OIL CONSERVATION DIVISION
Santa Fe, New Mexico

Exhibit No. E

Submitted by: OXY USA INC. Hearing Date: April 20, 2023

Case Nos. 23430-23431

4/18/2023

Adam G. Rankin



Adam G. Rankin Partner Phone 505.988-4421 agrankin@hollandhart.com

March 17, 2023

<u>VIA CERTIFIED MAIL</u> CERTIFIED RECEIPT REQUESTED

TO: ALL INTEREST OWNERS SUBJECT TO POOLING PROCEEDINGS

Re: Application of Oxy USA Inc. for compulsory pooling, Lea County, New

Mexico: Regal Lager 31 19 Fed Com 31H, 32H and 33H wells

Ladies & Gentlemen:

This letter is to advise you that Oxy USA Inc. has filed the enclosed application with the New Mexico Oil Conservation Division. A hearing has been requested before a Division Examiner on April 6, 2023, and the status of the hearing can be monitored through the Division's website at https://www.emnrd.nm.gov/ocd/.

During the COVID-19 Public Health Emergency, state buildings are closed to the public and hearings will be conducted remotely beginning at 8:15 a.m. To participate in the electronic hearing, see the instructions posted on the OCD Hearings website: https://www.emnrd.nm.gov/ocd/hearing-info/.

You are not required to attend this hearing, but as an owner of an interest that may be affected by this application, you may appear and present testimony. Failure to appear at that time and become a party of record will preclude you from challenging the matter at a later date. Parties appearing in cases are required by Division Rule 19.15.4.13.B to file a Pre-hearing Statement four business days in advance of a scheduled hearing. This statement must be filed at the Division, by mail at 1220 S. St. Francis Dr., Santa Fe, New Mexico 87505 or by email at OCD.Hearings@emnrd.nm.gov, and should include: the names of the parties and their attorneys; a concise statement of the case; the names of all witnesses the party will call to testify at the hearing; the approximate time the party will need to present its case; and identification of any procedural matters that are to be resolved prior to the hearing.

If you have any questions about this matter, please contact Courtney Carr at (713) 599-4116 or at Courtney Carr@oxy.com.

Sincerely.

Adam G. Rankin

ATTORNEY FOR OXY USA INC.



Adam G. Rankin Partner Phone 505.988-4421 agrankin@hollandhart.com

March 17, 2023

<u>VIA CERTIFIED MAIL</u> CERTIFIED RECEIPT REQUESTED

TO: ALL INTEREST OWNERS SUBJECT TO POOLING PROCEEDINGS

Re: Application of Oxy USA Inc. for compulsory pooling, Lea County, New

Mexico: Regal Lager 31 19 Fed Com 34H, 35H and 36H wells

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If you have any questions about this matter, please contact Courtney Carr at (713) 599-4116 or at Courtney Carr@oxy.com.

Sincerely.

Adam G. Rankin

ATTORNEY FOR OXY USA INC.

Received by OCD: 4/18/2023 4:21:12 PM

OXY_Regal Lager Cases 23430-23431 Postal Delivery Report

TrackingNo	ToName	DeliveryAddress	City	State	Zip	USPS_Status
						Your item has been delivered to the original
						sender at 11:55 am on March 30, 2023 in
9414811898765831799943	Fasken Acquisitions 02, Ltd	303 W Wall St Ste 1800	Midland	TX	79701-5106	SANTA FE, NM 87501.
						Your package will arrive later than
						expected, but is still on its way. It is
9414811898765831799981	Conocophillips Co	600 N Dairy Ashford Rd	Houston	TX	77079-1100	currently in transit to the next facility.
						Your item was picked up at the post office
						at 11:55 am on March 30, 2023 in SANTA
9414811898765831799936	Cordillera Ene Ptnrs II LLC	8450 E Crescent Pkwy Ste 400	Greenwood Village	CO	80111-2855	FE, NM 87501.
						Your package will arrive later than
						expected, but is still on its way. It is
9414811898765831799974	Fasken Acquisitions 02 Ltd	6101 Holiday Hill Rd	Midland	TX	79707-1631	currently in transit to the next facility.
						Your item was picked up at the post office
						at 3:28 pm on April 6, 2023 in SANTA FE,
9414811898765831799615	Vincero Resources Ltd	2100 Ross Ave Ste 860 Lb52	Dallas	TX	75201-7941	NM 87501.
						Your item was delivered to an individual at
						the address at 11:07 am on March 20, 2023
9414811898765831799653	Chi Energy Inc	212 N Main St	Midland	TX	79701-5221	in MIDLAND, TX 79701.
						Your item was picked up at a postal facility
						at 8:10 am on March 22, 2023 in MIDLAND,
9414811898765831799660	Eog Resources Inc	5509 Champions Dr	Midland	TX	79706-2843	TX 79702.
						Your item was delivered to an individual at
						the address at 10:05 am on March 23, 2023
9414811898765831799622	Paladin Energy Corp	10290 Monroe Dr	Dallas	TX	75229-5726	in DALLAS, TX 75229.

Affidavit of Publication

STATE OF NEW MEXICO COUNTY OF LEA

I, Daniel Russell, Publisher of the Hobbs News-Sun, a newspaper published at Hobbs, New Mexico, solemnly swear that the clipping attached hereto was published in the regular and entire issue of said newspaper, and not a supplement thereof for a period of 1 issue(s).

> Beginning with the issue dated March 21, 2023 and ending with the issue dated March 21, 2023.

Publisher

Sworn and subscribed to before me this 21st day of March 2023.

Business Manager

My commission expires

January 29, 2027

(Seal) STATE OF NEW MEXICO
NOTARY PUBLIC
GUSSIE RUTH BLACK
COMMISSION # 1087526
COMMISSION EXPIRES 01/29/2027

This newspaper is duly qualified to publish legal notices or advertisements within the meaning of Section 3, Chapter 167, Laws of 1937 and payment of fees for said

LEGAL NOTICE March 21, 2023

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

The State of New Mexico, Energy Minerals and Natural Resources Department, Oil Conservation Division ("Division") hereby gives notice that the Division will hold public hearings before a hearing examiner on the following case. The hearing will be conducted remotely on Thursday, April 6, 2023, beginning at 8:15 a.m. To participate in the electronic hearing, see the instructions posted below. The docket may be viewed at https://www.emnrd.nm.gov/ocd/hearing-info/or obtained from Marlene Salvidrez, at Marlene. Salvidrez@emnrd.nm.gov. Documents filed in the case may be viewed at https://ocdimage.emnrd.nm.gov/lmaging/Default.aspx. If you are an individual with a disability who needs a reader, amplifier, qualified sign language interpreter, or other form of auxiliary aid or service to attend or participate in a hearing, contact Marlene Salvidrez at Marlene. Salvidrez@emnrd.nm.gov, or the New Mexico Relay Network at 1-800-659-1779, no later than March 26, 2023.

Persons may view and participate in the hearings through the following link:

https://nmemnrd.webex.com/nmemnrd/j.php?MTID=m649446d197c12fc21c1cc1 3fb9d6afa3

Webinar number: 2491 510 1304

Join by video system: 24915101304@nmemnrd.webex.com You can also dial 173.243.2.68 and enter your webinar number

Join by phone: 1-844-992-4726 United States Toll Free +1-408-418-9388 United States Toll Access code: 2491 510 1304

Panelist password: SVm35WY9Z6G (78635999 from phones and video systems)

STATE OF NEW MEXICO TO:
All named parties and persons having any right, title, interest or claim in the following case and notice to the public.

(NOTE: All land descriptions herein refer to the New Mexico Principal Meridian whether or not so stated.)

To: All interest owners subject to pooling proceedings, including: Fasken Acquisitions 02, Ltd; ConocoPhillips Co; Cordillera Energy Partners II LLC; Fasken Acquisitions 02 Ltd; Vincero Resources Ltd; Chi Energy Inc; EOG Resources Inc; and Paladin Energy Corp.

Case No. 23430: Application of OXY USA Inc. for Compulsory Pooling, Lea County, New Mexico. Applicant in the above-styled cause seeks an order pooling all uncommitted interest owners in the Wolfcamp formation underlying a standard 1,002.32-acre, more or less, horizontal well spacing unit comprised of the W/2 of Sections 19, 30, and 31 all in Township 21 South, Range 32 East (NMPM), Lea County New Mexico. The above-referenced unit will be initially dedicated to the proposed Regal Lager 31 19 Fed Com 31H, 32H and 33H wells to be drilled from a surface location in the SE/4 SW/4 (Unit N) of Section 31, Township 21 South, Range 32 East, to bottom hole locations in the NW/4 NW/4 (Lot 1) and NE/4 NW/4 (Unit C) of Section 19, Township 21 South, Range 32 East. The completed interval of the Regal Lager 31 19 Fed Com 32H well is expected to remain within 330 feet of the offsetting quarter-quarter sections or equivalent tracts to include them in a standard horizontal well spacing unit. Also, to be considered will be the cost of drilling and completing the well and the allocation of the costs thereof, operating costs and charges for supervision, the designation of applicant as operator, and a 200% charge for risk involved in drilling and completing the well. Said area is approximately 32 miles west of Eunice, New Mexico.

67100754

HOLLAND & HART LLC PO BOX 2208 SANTA FE, NM 87504-2208 00276858

BEFORE THE OIL CONSERVATION DIVISION
Santa Fe, New Mexico
Exhibit No. F
Submitted by: OXY USA INC.
Hearing Date: April 20, 2023

Case Nos. 23430-23431

Affidavit of Publication

STATE OF NEW MEXICO COUNTY OF LEA

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lussell

Business Manager

My commission expires

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To: All interest owners subject to pooling proceedings, including: Fasken Acquisitions 02, Ltd; ConocoPhillips Co; Cordillera Energy Partners II LLC; Fasken Acquisitions 02 Ltd; Vincero Resources Ltd; Chi Energy Inc; EOG Resources Inc; and Paladin Energy Corp.

Case No. 23431: Application of OXY USA Inc. for Compulsory Pooling, Lea County, New Mexico. Applicant in the above-styled cause seeks an order pooling all uncommitted interest owners in the Wolfcamp formation underlying a pooling all uncommitted interest owners in the Wolfcamp formation underlying a standard 960-acre, more or less, horizontal well spacing unit comprised of the E/2 of Sections 19, 30, and 31 all in Township 21 South, Range 32 East (NMPM), Lea County New Mexico. The above-referenced unit will be initially dedicated to the proposed Regal Lager 31 19 Fed Com 34H, 35H and 36H wells to be drilled from a surface location in the NE/4 NE/4 (Unit A) of Section 6, Township 22 South, Range 32 East, to bottom hole locations in the NW/4 NE/4 (Unit B) and NE/4 NE/4 (Unit A) of Section 19, Township 21 South, Range 32 East. The completed interval of the Regal Lager 31 19 Fed Com 35H well is expected to remain within 330 feet of the offsetting quarter-quarter sections or equivalent tracts to include them in a standard horizontal well specing unit. Also equivalent tracts to include them in a standard horizontal well spacing unit. Also, to be considered will be the cost of drilling and completing the well and the allocation of the costs thereof, operating and completing the well and the allocation of the costs thereof, operating costs and charges for supervision, the designation of applicant as operator, and a 200% charge for risk involved in drilling and completing the well. Said area is approximately 32 miles west of Eunice, New Mexico. #00276857

67100754

00276857

HOLLAND & HART LLC PO BOX 2208 SANTA FE. NM 87504-2208