

**BEFORE THE OIL CONSERVATION DIVISION
EXAMINER HEARING APRIL 5, 2018**

CASE No. 16057

*CEDAR CANYON "20" FED COM 24H WELL
CEDAR CANYON "20" FED COM 25H WELL*

EDDY COUNTY, NEW MEXICO



4/5/18

NATURAL CONSERVATION
ARTESIA DISTRICT
 NOV 07 2017
 RECEIVED

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 ACREAGE DEDICATION PLAT

API Number 30-015-44545	Pool Code 50371	Pool Name Pierce Crossing Bone Springs
Property Code 319804	Property Name CEDAR CANYON "20" FEDERAL COM	Well Number 24H
OGRID No. 16696	Operator Name OXY USA INC.	Elevation 2954.8'

Surface Location

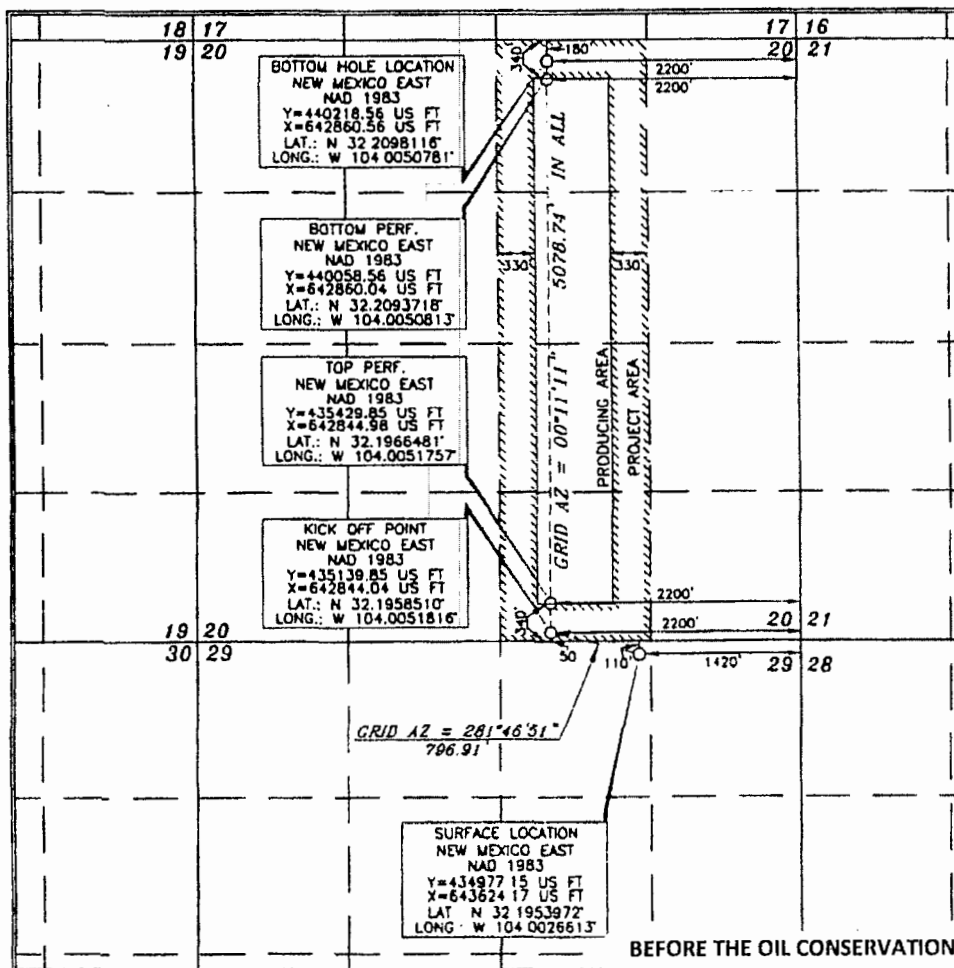
UL or lot no	Section	Township	Range	Lot 1st	Feet from the	North/South line	Feet from the	East/West line	County
B	29	24 SOUTH	29 EAST, N.M.P.M		110'	NORTH	1420'	EAST	EDDY

Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot 1st	Feet from the	North/South line	Feet from the	East/West line	County
B	20	24 SOUTH	29 EAST, N.M.P.M		180'	NORTH	2200'	EAST	EDDY

Dedicated Acres	Joint or Infill	Consolidation Code	Order No
160	Y		

No allowable will be assigned to this completion until all interests have been consolidated or a non-standard unit has been approved by the division.



OPERATOR CERTIFICATION

I hereby certify that the information contained herein is true and
 complete to the best of my knowledge and belief, and that this
 organization either owns a working interest or undivided mineral
 interest in the land including the proposed bottom hole location or
 has a right to drill this well at this location pursuant to a contract
 with an owner of such a mineral or working interest, or to a
 voluntary pooling agreement or a compulsory pooling order

hereby entered by the division

David Stewart 5/8/17
 Signature Date

David Stewart Sr. Reg. Ad.

Printed Name
david_stewart@oxy.com
 E-mail Address

SURVEYOR CERTIFICATION

I hereby certify that the information shown on this
 plat was plotted from the most recent of actual surveys
 made by me or under my supervision and that the
 same is true and correct to the best of my belief

15079
FEBRUARY 14, 2018

Date of Survey
 Signature and Seal
 Professional Surveyor

Terry J. Asch 3/30/2017
 Certificate Number 15079

BEFORE THE OIL CONSERVATION DIVISION
 Santa Fe, New Mexico

WO# 160920WL-a (Rev. A) (KA)

Exhibit No. 1
 Submitted by: OXY USA INC
 Hearing Date: April 5, 2018
 Case No. 16057

NM OIL CONSERVATION
ARTESIA DISTRICT
NM OIL CONSERVATION
ARTESIA DISTRICT

RECEIVED
OCT 30 2017
NM OIL CONSERVATION
ARTESIA DISTRICT
OCT 30 2017

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 ACREAGE DEDICATION PLAT

API Number 30-05-44519	Pool Code 50371	Pool Name Pierce Crossing Bone Spring
Property Code 319809	Property Name CEDAR CANYON "20" FEDERAL COM	Well Number 25H
OGRID No. 16694	Operator Name OXY USA INC.	Elevation 2954.4'

Surface Location

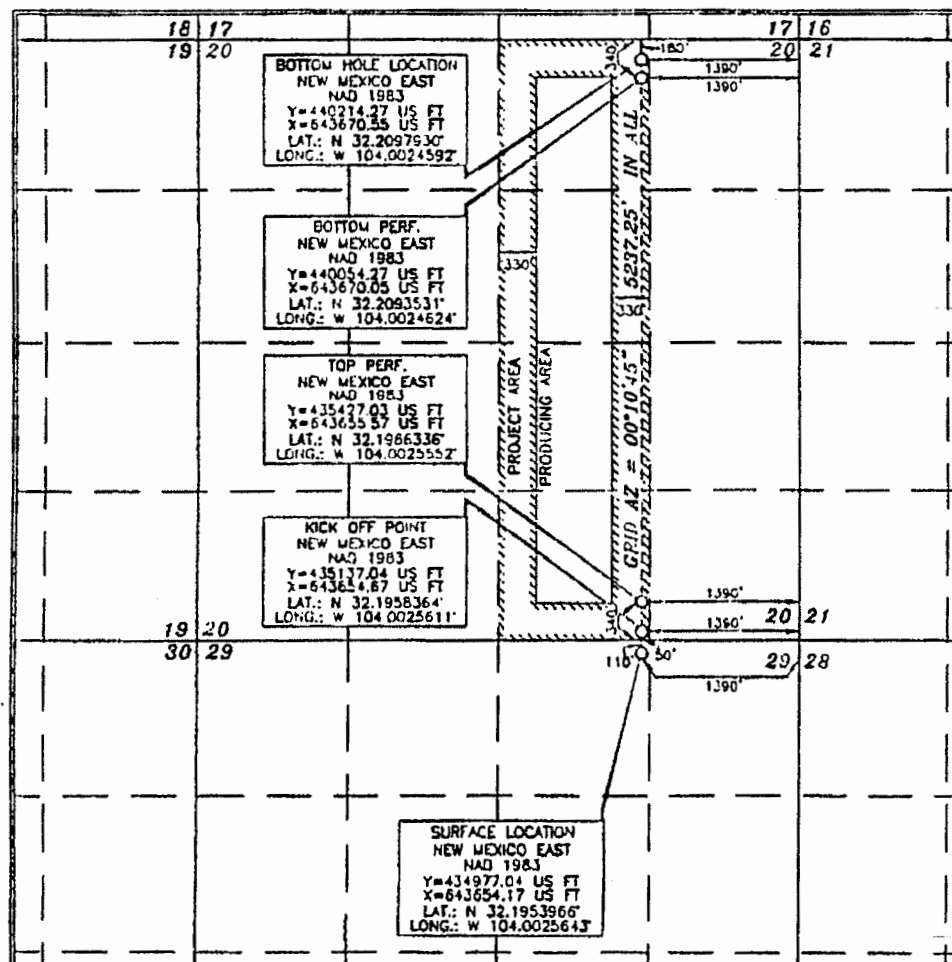
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
B	29	24 SOUTH	29 EAST, N.M.P.M.		110'	NORTH	1390'	EAST	EDDY

Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
B	20	24 SOUTH	29 EAST, N.M.P.M.		180'	NORTH	1390'	EAST	EDDY

Dedicated Acres 160	Joint or Infill Y	Consolidation Code	Order No. NSL will be filed
-------------------------------	-----------------------------	--------------------	---------------------------------------

No allowable will be assigned to this completion until all interests have been consolidated or a non-standard unit has been approved by the division.



OPERATOR CERTIFICATION

I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization is not using a working interest or mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or working interest or to a subsidiary paying agreement or a compulsory pooling order.

Signature: *David Stewart* 5/6/17
Printed Name: **David Stewart Sr. Regional**
Email Address: **David_Stewart@oxy.com**

SURVEYOR CERTIFICATION

I hereby certify that the work shown on this plat was done in accordance with the rules and regulations made by the Surveyor General of New Mexico, and that the same conform to the best of my knowledge and belief.

Date of Survey: **FEBRUARY 14, 2017**

Signature: *Terry J. Asch* 3/30/2017
Professional Surveyor: **15079**

WC# 160920WL-b (Rev. A) (KA)

NM OIL CONSERVATION
RECEIVED
 DISTRICT OFFICE
 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 ACREAGE DEDICATION PLAT

API Number 30-015-44520	Pool Code 50371	Pool Name Pierce Crossing Bone Springs
Property Code 319809	Property Name CEDAR CANYON "20" FEDERAL COM	Well Number 26H
OGRID No. 16694	Operator Name OXY USA INC.	Elevation 2953.9'

Surface Location

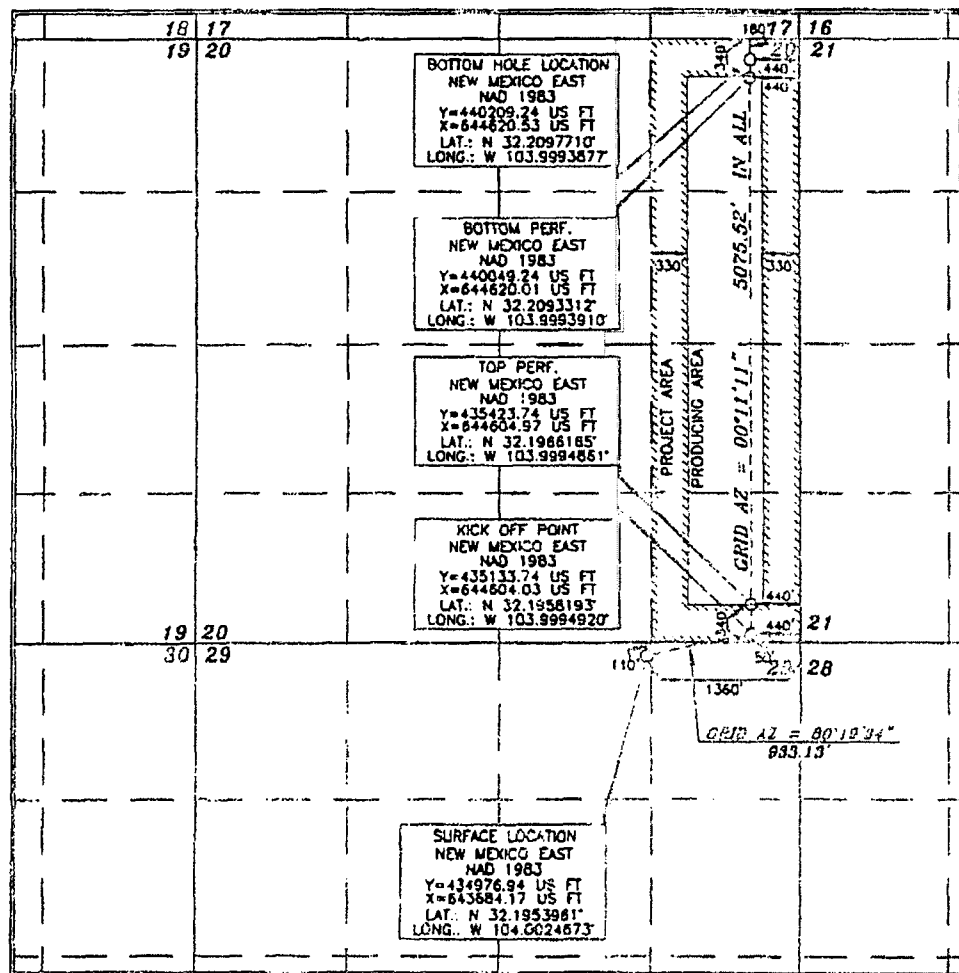
UL or lot no.	Section	Township	Range	Lot Ida	Feet from the	North/South line	Feet from the	East/West line	County
B	29	24 SOUTH	29 EAST, N.M.P.M.		110'	NORTH	1360'	EAST	EDDY

Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Ida	Feet from the	North/South line	Feet from the	East/West line	County
A	20	24 SOUTH	29 EAST, N.M.P.M.		180'	NORTH	440'	EAST	EDDY

Dedicated Acres 160	Joint or Infill Y	Consolidation Code	Order No.
-------------------------------	-----------------------------	--------------------	-----------

No allowable will be assigned to this completion until all interests have been consolidated or a non-standard unit has been approved by the division.



OPERATOR CERTIFICATION

I hereby certify that the information contained herein is true and correct to the best of my knowledge and belief, and that this information was obtained from a reliable source and that the same is true and correct to the best of my knowledge and belief.

Signature: David Stewart Date: 5/3/17

Printed Name: David Stewart Sr. Rep. Adv.

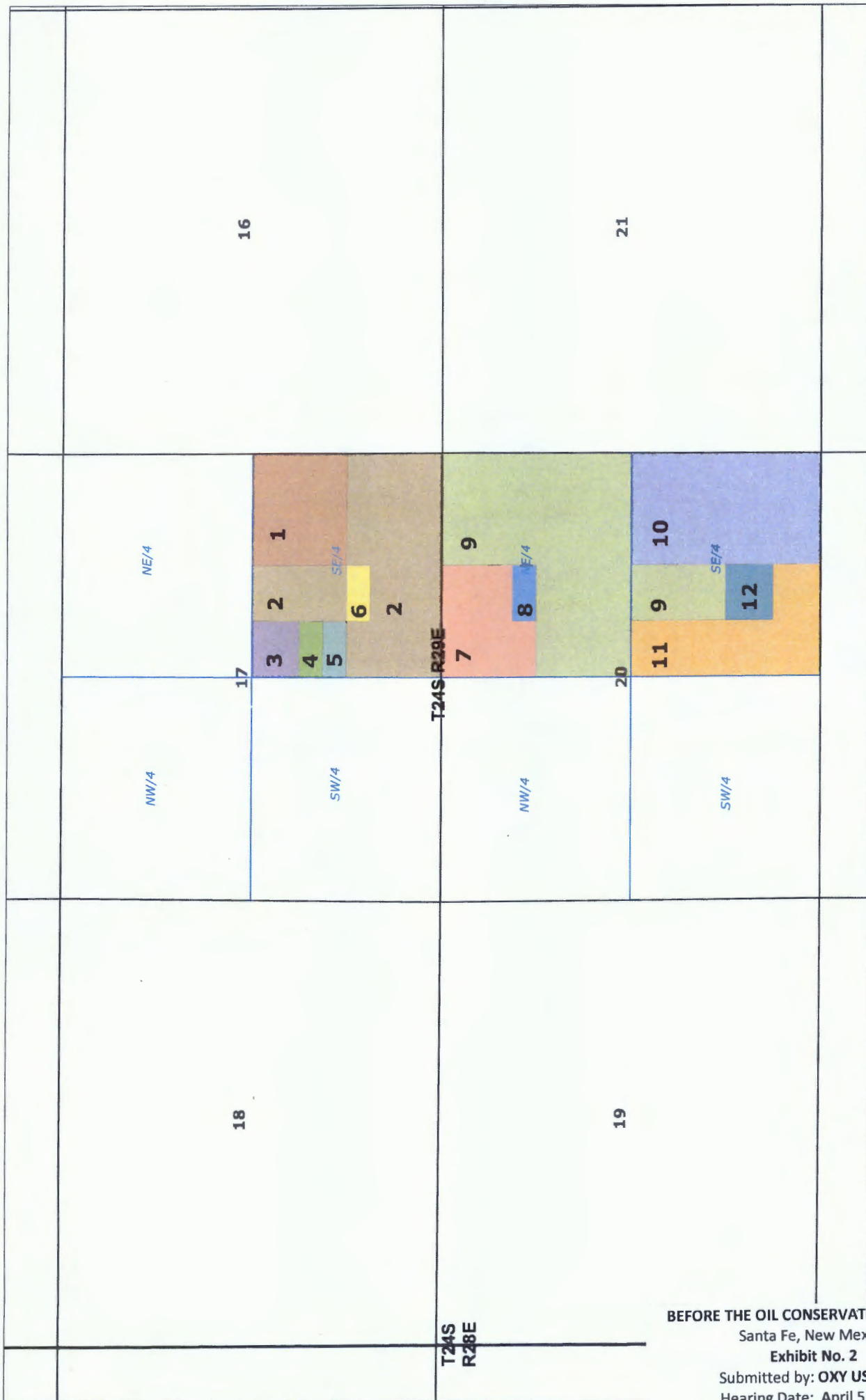
E-mail Address: david.stewart@oxy.com

SURVEYOR CERTIFICATION

I hereby certify that the information shown on this plat was prepared by me or under my direct supervision and that the same is true and correct to the best of my knowledge and belief.

Date of Survey: APRIL 14, 2017

Signature and Seal of Professional Surveyor: Terry Olson Certificate No. 15079



BEFORE THE OIL CONSERVATION DIVISION

Santa Fe, New Mexico

Exhibit No. 2

Submitted by: OXY USA INC

Hearing Date: April 5, 2018

Case No. 16057

Party	WI	Pooled
OXY USA INC	60.549738% WI	N
OXY USA WTP LP	3.408726% WI	N
OXY Y-1 Co.	6.249708% WI	N
Conoco Phillips Company	8.332945% WI	Y
GD McKinney Investment LP	0.952143% WI	Y
B. Jack Reed	0.197907% WI	Y
Leopard Petroleum, LP	0.197907% WI	Y
DRW Energy, LLC	0.197907% WI	N
Beryl Oil and Gas, LP	0.197907% WI	Y
M'lissa L. McKinney Shoening	0.197907% WI	Y
Chevron USA Inc.	10.416181% WI	Y
MRC Permian Co.	3.645663% WI	Y
Denise Louise McCoy	0.048088% UMI	Y
Estate of Thomas B. Stribling, Sr.	0.248919% UMI	Y
Robert B. Beeman	0.069441% UMI	Y
Thomas B. Stribling	0.041486% UMI	Y
George O. Stribling	0.042486% UMI	Y
John D. Stribling	0.042486% UMI	N
Martha Joy Stribling	0.041486% UMI	Y
Margaret Stribling	0.041486% UMI	Y
The Beveridge Company	0.027777% UMI	Y
Zia Royalty, LLC	0.027777% UMI	Y
Pamela Rae Cummings	0.001677% UMI	Y
Patricia Gae Stamps	0.001677% UMI	Y
John W. Osborn	0.001677% UMI	Y

Sue Osborn	0.000838% UMI	Y
Mary Camille Hall	0.000838% UMI	Y
Tap Rock Resources, LLC	3.852467% WI	Y
Prime Rock Resources AssetCo, LLC	0.341781% WI	Y
Winchester Energy, LLC	0.312485% WI	Y
Maduro Oil & Gas, LLC	0.156243% WI	Y
1 Timothy 6, LLC	0.156243% WI	Y
	100.00%	



OXY USA Inc.

A subsidiary of Occidental Petroleum Corporation

5 Greenway Plaza, Suite 110 Houston, Texas 77046-0521
P.O. Box 27570, Houston, Texas 77227-7570

February 13, 2018

CERTIFIED MAIL – RETURN RECEIPT REQUESTED

Prime Rock Resources, LLC
203 West Wall Street, Suite 1000
Midland, TX 79701

Re: Well Proposal – Cedar Canyon 20 Federal Com 24H
SHL – 110' FNL & 1420' FEL
Section 29-24S-29E, Eddy County, NM
BHL – 2473' FSL & 2200' FEL
Section 17-24S-29E, Eddy County, NM

Dear Sir/Madam:

OXY USA Inc. ("OXY") hereby proposes the drilling of the Cedar Canyon 20 Federal Com 24H well at the referenced surface location to its terminus at the referenced bottom hole location in Section 17-24S-29E, Eddy County, New Mexico. The proposed horizontal well will be drilled to an approximate vertical depth of 8,623', and to an approximate measured depth of 16,149' to evaluate the 2nd Bone Spring. A detailed description of the total estimated cost to drill and complete the well is set out in the enclosed AFE.

OXY proposes to drill this well under the terms of a modified 1989 AAPL form of Operating Agreement, dated February 13, 2018, by and between OXY USA Inc., as Operator, and MRC Permian Company, et al as Non-Operators, covering the E/2 of Section 20, Township 24 South, Range 29 East and the SE/4 of Section 17, Township 24 South, Range 29 East, N.M.P.M., Eddy Co., New Mexico. A copy of the proposed operating agreement will be sent in a separate mailing. OXY plans to batch drill the Cedar Canyon 20 Fed Com #24H, #25H and #26H wells from a common surface location. For your records, I have included an estimated drill schedule for the three well program.

Please indicate your election to participate in the drilling, completing, and equipping of the proposed well by executing and returning one copy of this letter and enclosed AFE.

If you have any questions, or would like to discuss this proposal in greater detail, please don't hesitate to call or e-mail.

Very truly yours,

OXY USA Inc.

Jeremy Murphrey, CPL
Land Negotiator Advisor
Dir: 713.350.4816
Fax: 713.985.4942
Email: jeremy_murphrey@oxy.com

Prime Rock Resources, Inc. elects to:

___ participate in the drilling of the Cedar Canyon 20
Federal Com #24H

___ non-consent the drilling of the Cedar Canyon 20
Federal Com #24H

By: _____

Name: _____

Title: _____

Date: _____

Enclosures

BEFORE THE OIL CONSERVATION DIVISION

Santa Fe, New Mexico

Exhibit No. 4

Submitted by: OXY USA INC

Hearing Date: April 5, 2018

Case No. 16057



OXY USA Inc.

A subsidiary of Occidental Petroleum Corporation

5 Greenway Plaza, Suite 110, Houston, Texas 77046-0521
P.O. Box 27570 Houston, Texas 77227-7570

February 13, 2018

CERTIFIED MAIL – RETURN RECEIPT REQUESTED

M'lissa L. McKinney Schoening
301 Sir Barton Parkway
Midland, TX 79705

Re: Well Proposal – Cedar Canyon 20 Federal Com 25H
SHL – 110' FNL & 1390' FEL
Section 29-24S-29E, Eddy County, NM
BHL – 2473' FSL & 1390' FEL
Section 17-24S-29E, Eddy County, NM

Dear Mrs. Schoening:

OXY USA Inc. ("OXY") hereby proposes the drilling of the Cedar Canyon 20 Federal Com 25H well at the referenced surface location to its terminus at the referenced bottom hole location in Section 17-24S-29E, Eddy County, New Mexico. The proposed horizontal well will be drilled to an approximate vertical depth of 8,623', and to an approximate measured depth of 16,149' to evaluate the 2nd Bone Spring. A detailed description of the total estimated cost to drill and complete the well is set out in the enclosed AFE.

OXY proposes to drill this well under the terms of a modified 1989 AAPL form of Operating Agreement, dated February 13, 2018, by and between OXY USA Inc., as Operator, and MRC Permian Company, et al as Non-Operators, covering the E/2 of Section 20, Township 24 South, Range 29 East and the SE/4 of Section 17, Township 24 South, Range 29 East, N.M.P.M., Eddy Co., New Mexico. A copy of the proposed operating agreement will be sent in a separate mailing. OXY plans to batch drill the Cedar Canyon 20 Fed Com #24H, #25H and #26H wells from a common surface location. For your records, I have included an estimated drill schedule for the three well program.

Please indicate your election to participate in the drilling, completing, and equipping of the proposed well by executing and returning one copy of this letter and enclosed AFE.

If you have any questions, or would like to discuss this proposal in greater detail, please don't hesitate to call or e-mail.

Very truly yours,

OXY USA Inc.

Jeremy Murphrey, CPL
Land Negotiator Advisor
Dir: 713.350.4816
Fax: 713.985.4942
Email: jeremy_murphrey@oxy.com

M'lissa L. McKinney Schoening elects to:

____ participate in the drilling of the Cedar Canyon 20
Federal Com #25H

____ non-consent the drilling of the Cedar Canyon 20
Federal Com #25H

By: _____

Name: _____

Title: _____

Date: _____

Enclosures



OXY USA Inc.

A subsidiary of Occidental Petroleum Corporation

5 Greenway Plaza, Suite 110, Houston, Texas 77046-0521
P.O. Box 27570, Houston, Texas 77227-7570

February 13, 2018

CERTIFIED MAIL – RETURN RECEIPT REQUESTED

Conoco Phillips Company
600 N. Dairy Ashford
PH10-025-5034
Houston, TX 77079

Re: Well Proposal – Cedar Canyon 20 Federal Com 26H
SHL – 110' FNL & 1360' FEL
Section 29-24S-29E, Eddy County, NM
BHL – 2474' FSL & 440' FEL
Section 17-24S-29E, Eddy County, NM

Dear Sir/Madam:

OXY USA Inc. ("OXY") hereby proposes the drilling of the Cedar Canyon 20 Federal Com 26H well at the referenced surface location to its terminus at the referenced bottom hole location in Section 17-24S-29E, Eddy County, New Mexico. The proposed horizontal well will be drilled to an approximate vertical depth of 8,623', and to an approximate measured depth of 16,149' to evaluate the 2nd Bone Spring. A detailed description of the total estimated cost to drill and complete the well is set out in the enclosed AFE.

OXY proposes to drill this well under the terms of a modified 1989 AAPL form of Operating Agreement, dated February 13, 2018, by and between OXY USA Inc., as Operator, and MRC Permian Company, et al as Non-Operators, covering the E/2 of Section 20, Township 24 South, Range 29 East and the SE/4 of Section 17, Township 24 South, Range 29 East, N.M.P.M., Eddy Co., New Mexico. A copy of the proposed operating agreement will be sent in a separate mailing. OXY plans to batch drill the Cedar Canyon 20 Fed Com #24H, #25H and #26H wells from a common surface location. For your records, I have included an estimated drill schedule for the three well program.

Please indicate your election to participate in the drilling, completing, and equipping of the proposed well by executing and returning one copy of this letter and enclosed AFE.

If you have any questions, or would like to discuss this proposal in greater detail, please don't hesitate to call or e-mail.

Very truly yours,

OXY USA Inc.

Jeremy Murphrey, CPL
Land Negotiator Advisor
Dir: 713.350.4816
Fax: 713.985.4942
Email: jeremy_murphrey@oxy.com

Conoco Phillips Company elects to:

____ participate in the drilling of the Cedar Canyon 20
Federal Com #26H

____ non-consent the drilling of the Cedar Canyon 20
Federal Com #26H

By: _____

Name: _____

Title: _____

Date: _____

Enclosures



OXY USA Inc.

A subsidiary of Occidental Petroleum Corporation

5 Greenway Plaza, Suite 110, Houston, Texas 77046-0521
P.O. Box 4294, Houston, Texas 77210-4294

February 14, 2018

VIA OVERNIGHT DELIVERY

Thomas B. Stribling
75 Circle Drive NE
Albuquerque, NM 87122-2109

Re: Offer to Lease or Participate in the
Cedar Canyon 20 Fed Com #24H
SHL – 110' FNL & 1420' FEL
Section 29-24S-29E, Eddy County, NM
BHL – 2473' FSL & 2200' FEL
Section 17-24S-29E, Eddy County, NM

Dear Mr. Stribling:

The County Records of Eddy County, New Mexico indicate you own an undivided unleased mineral interest in the S/2 SE/4 NW/4 NE/4 of Section 20, T24S-R29E being located within the non-standard project area for the referenced well. OXY USA Inc., ("OXY") would like to acquire an oil and gas lease on this interest in the referenced lands and is prepared to offer the following terms:

1. \$6,800.00 per net acre bonus consideration;
2. 1/4 royalty; and,
3. 3 year primary term.

In the alternative, you may choose to participate as a working interest partner in the Cedar Canyon 20 Fed Com #25H, (the "well") as to the mineral interest. Should you choose to participate with the mineral interest in the well, OXY hereby proposes the drilling of the well at the referenced surface location to its terminus at the referenced bottom hole location in Section 17-24S-29E, Eddy County, New Mexico. The proposed horizontal well will be drilled to an approximate vertical depth of 8,623' and to an approximate measured depth of 16,149' to evaluate the 2nd Bone Spring formation. A detailed description of the total estimated cost to drill and complete the well is set out in the enclosed AFE.

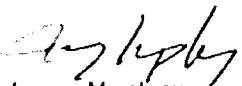
OXY proposes to drill this well under the terms of a modified 1989 AAPL form of Operating Agreement, dated February 13, 2018, by and between OXY USA Inc., as Operator, and MRC Permian Company, et al as Non-Operators, covering the E/2 of Section 20, Township 24 South, Range 29 East and the SE/4 of Section 17, Township 24 South, Range 29 East, N.M.P.M., Eddy Co., New Mexico. Should this option be chosen, a copy of the operating agreement will be forwarded in a separate mailing. OXY plans to batch drill this well from a common drill site with the Cedar Canyon 20 Fed Com #25H and #26H. For your records, I have included an estimated drill schedule for the three well program.

If we cannot reach a voluntary agreement in regards to this matter, OXY will proceed with filing a pooling application with the New Mexico Oil Conservation Division. In order to avoid this administrative proceeding, we ask that within thirty (30) days of receipt of this letter, you indicate an election to 1.) Lease the mineral interest according to the above referenced terms by signing and returning the enclosed Paid Up Oil, Gas and Mineral Lease, or 2.) Participate in the drilling, completion, and equipping the captioned well as to the mineral interest by signing and returning one copy of the AFE and an executed copy of this letter.

If you have any questions or wish to discuss please don't hesitate to call or e-mail me.

Very truly yours,

OXY USA Inc.


Jeremy Murphrey
Land Negotiator Advisor
Direct: 713.350.4816
Fax: 713.215.7549

BEFORE THE OIL CONSERVATION DIVISION
Santa Fe, New Mexico
Exhibit No. 5
Submitted by: OXY USA INC
Hearing Date: April 5, 2018
Case No. 16057

Email: jeremy_murphrey@oxy.com

Thomas B. Stribling elects to:

_____ participate in the drilling of the Cedar Canyon 20 Fed Com #24H

.. non-consent the drilling of the Cedar Canyon 20 Fed Com #24H

By: _____

Name: _____

Date: _____

Enclosures

**OXY USA Inc.**

A subsidiary of Occidental Petroleum Corporation

5 Greenway Plaza, Suite 110 Houston, Texas 77046-0521
P.O. Box 4294, Houston, Texas 77210-4294

February 14, 2018

VIA OVERNIGHT DELIVERY

Thomas B. Stribling
75 Circle Drive NE
Albuquerque, NM 87122-2109

Re: Offer to Lease or Participate in the
Cedar Canyon 20 Fed Com #25H
SHL – 110' FNL & 1390' FEL
Section 29-24S-29E, Eddy County, NM
BHL – 2473' FSL & 1390' FEL
Section 17-24S-29E, Eddy County, NM

Dear Mr. Stribling:

The County Records of Eddy County, New Mexico indicate you own an undivided unleased mineral interest in the S/2 SE/4 NW/4 NE/4 of Section 20, T24S-R29E being located within the non-standard project area for the referenced well. OXY USA Inc., ("OXY") would like to acquire an oil and gas lease on this interest in the referenced lands and is prepared to offer the following terms:

1. \$6,800.00 per net acre bonus consideration;
2. 1/4 royalty; and,
3. 3 year primary term.

In the alternative, you may choose to participate as a working interest partner in the Cedar Canyon 20 Fed Com #25H, (the "well") as to the mineral interest. Should you choose to participate with the mineral interest in the well, OXY hereby proposes the drilling of the well at the referenced surface location to its terminus at the referenced bottom hole location in Section 17-24S-29E, Eddy County, New Mexico. The proposed horizontal well will be drilled to an approximate vertical depth of 8,623' and to an approximate measured depth of 16,149' to evaluate the 2nd Bone Spring formation. A detailed description of the total estimated cost to drill and complete the well is set out in the enclosed AFE.

OXY proposes to drill this well under the terms of a modified 1989 AAPL form of Operating Agreement, dated February 13, 2018, by and between OXY USA Inc., as Operator, and MRC Permian Company, et al as Non-Operators, covering the E/2 of Section 20, Township 24 South, Range 29 East and the SE/4 of Section 17, Township 24 South, Range 29 East, N.M.P.M., Eddy Co., New Mexico. Should this option be chosen, a copy of the operating agreement will be forwarded in a separate mailing. OXY plans to batch drill this well from a common drill site with the Cedar Canyon 20 Fed Com #24H and #26H. For your records, I have included an estimated drill schedule for the three well program.

If we cannot reach a voluntary agreement in regards to this matter, OXY will proceed with filing a pooling application with the New Mexico Oil Conservation Division. In order to avoid this administrative proceeding, we ask that within thirty (30) days of receipt of this letter, you indicate an election to 1.) Lease the mineral interest according to the above referenced terms by signing and returning the enclosed Paid Up Oil, Gas and Mineral Lease, or 2.) Participate in the drilling, completion, and equipping the captioned well as to the mineral interest by signing and returning one copy of the AFE and an executed copy of this letter.

If you have any questions or wish to discuss please don't hesitate to call or e-mail me.

Very truly yours,

OXY USA Inc.

Jeremy Murphrey
Land Negotiator Advisor
Direct: 713.350.4816
Fax: 713.215.7549

Email: jeremy_murphrey@oxy.com

Thomas B. Stribling elects to:

____ participate in the drilling of the Cedar Canyon 20 Fed Com #25H

____ non-consent the drilling of the Cedar Canyon 20 Fed Com #25H

By: _____

Name: _____

Date: _____

Enclosures



OXY USA Inc.

A subsidiary of Occidental Petroleum Corporation

5 Greenway Plaza, Suite 110, Houston, Texas 77046-0521
P.O. Box 4294, Houston, Texas 77210-4294

February 14, 2018

VIA OVERNIGHT DELIVERY

Martha Joy Stribling
918 Parkland Circle SE
Albuquerque, NM 87108

Re: Offer to Lease or Participate in the
Cedar Canyon 20 Fed Com #26H
SHL – 110' FNL & 1360' FEL
Section 29-24S-29E, Eddy County, NM
BHL – 2474' FSL & 440' FEL
Section 17-24S-29E, Eddy County, NM

Dear Mrs. Stribling:

The County Records of Eddy County, New Mexico indicate you own an undivided unleased mineral interest in the S/2 SE/4 NW/4 NE/4 of Section 20, T24S-R29E being located within the non-standard project area for the referenced well. OXY USA Inc., ("OXY") would like to acquire an oil and gas lease on this interest in the referenced lands and is prepared to offer the following terms:

1. \$6,800.00 per net acre bonus consideration;
2. 1/4 royalty; and,
3. 3 year primary term.

Currently we are working with Scott S. Morgan with Cavin & Ingram, P.A., whom we were told was representing you in this matter. We expect to have the lease form wrapped up shortly.

In the alternative, you may choose to participate as a working interest partner in the Cedar Canyon 20 Fed Com #24H, (the "well") as to the mineral interest. Should you choose to participate with the mineral interest in the well, OXY hereby proposes the drilling of the well at the referenced surface location to its terminus at the referenced bottom hole location in Section 17-24S-29E, Eddy County, New Mexico. The proposed horizontal well will be drilled to an approximate vertical depth of 8,623' and to an approximate measured depth of 16,149' to evaluate the 2nd Bone Spring formation. A detailed description of the total estimated cost to drill and complete the well is set out in the enclosed AFE.

OXY proposes to drill this well under the terms of a modified 1989 AAPL form of Operating Agreement, dated February 13, 2018, by and between OXY USA Inc., as Operator, and MRC Permian Company, et al as Non-Operators, covering the E/2 of Section 20, Township 24 South, Range 29 East and the SE/4 of Section 17, Township 24 South, Range 29 East, N.M.P.M., Eddy Co., New Mexico. Should this option be chosen, a copy of the operating agreement will be forwarded in a separate mailing. OXY plans to batch drill this well from a common drill site with the Cedar Canyon 20 Fed Com #25H and #26H. For your records, I have included an estimated drill schedule for the three well program.

If we cannot reach a voluntary agreement in regards to this matter, OXY will proceed with filing a pooling application with the New Mexico Oil Conservation Division. In order to avoid this administrative proceeding, we ask that within thirty (30) days of receipt of this letter, you indicate an election to 1.) Lease the mineral interest according to the above referenced terms by signing and returning the Oil, Gas and Mineral Lease approved by your legal counsel, or 2.) Participate in the drilling, completion, and equipping the captioned well as to the mineral interest by signing and returning one copy of the AFE and an executed copy of this letter.

If you have any questions or wish to discuss please don't hesitate to call or e-mail me.

Very truly yours,

OXY USA Inc.

Jeremy Murphrey
Land Negotiator Advisor

Direct: 713.350.4816
Fax: 713.215.7549
Email: jeremy_murphrey@oxy.com

Martha Joy Stribling elects to:

____ participate in the drilling of the Cedar Canyon 20 Fed Com #26H

__ non-consent the drilling of the Cedar Canyon 20 Fed Com #26H

By: _____

Name: _____

Date: _____

Enclosures



Occidental Oil and Gas Corporation 7.5k 2BS

RMT	PRN
State & County:	NM, Eddy
Field:	Corral
Well Type:	7.5k 2BS
Date:	7/10/2017

Code	Element Name	1 Prep Phase	2 Location/Rig Move	3 Drilling	4 P&A	5 Completion	6 Artificial Lift	7 Hookup	8 Facilities
Location, Mobilization, Rig Move									
3010	Major Mob / Demob	\$ -	\$ -	\$ -	\$ -	\$ 7,727	\$ -	\$ -	\$ -
3011	Location & Roads + Maintenance	\$ -	\$ 103,000	\$ -	\$ -	\$ 3,500	\$ -	\$ -	\$ -
3021	Rig Move	\$ -	\$ 75,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Labor, Services & Equipment Rentals									
1009	Employee Wages	\$ -	\$ 4,000	\$ 102,000	\$ -	\$ 100,000	\$ -	\$ -	\$ -
1050	Location Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2004	Contractor Maintenance/Roustabouts	\$ -	\$ -	\$ -	\$ -	\$ 1,500	\$ -	\$ -	\$ -
2017	Contract Supervision	\$ -	\$ -	\$ -	\$ -	\$ 50,340	\$ 8,678	\$ -	\$ -
2019	Contractor HES	\$ -	\$ -	\$ -	\$ -	\$ 9,479	\$ -	\$ -	\$ -
2034	Labor services	\$ -	\$ 1,000	\$ 47,000	\$ -	\$ -	\$ -	\$ -	\$ -
3001	Services Hot Oiling	\$ -	\$ -	\$ -	\$ -	\$ 12,500	\$ 5,710	\$ -	\$ -
3002	Services Misc Heavy Equipment	\$ -	\$ -	\$ -	\$ -	\$ 36,000	\$ 1,713	\$ -	\$ -
3003	Fluid Haul	\$ -	\$ 5,000	\$ 30,000	\$ -	\$ -	\$ -	\$ -	\$ -
3005	Services Inspection	\$ -	\$ -	\$ 32,000	\$ -	\$ 4,500	\$ -	\$ -	\$ -
3009	Services Wellhead	\$ -	\$ -	\$ 16,000	\$ -	\$ 45,100	\$ 5,710	\$ -	\$ -
3012	Cased/Open Hole Logging	\$ -	\$ -	\$ -	\$ -	\$ 9,500	\$ -	\$ -	\$ -
3013	Services Coiled Tubing	\$ -	\$ -	\$ -	\$ -	\$ 156,010	\$ -	\$ -	\$ -
3014	Directional Drilling & LWD	\$ -	\$ -	\$ 425,000	\$ -	\$ -	\$ -	\$ -	\$ -
3015	Fishing	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
3016	Mud Logging	\$ -	\$ -	\$ 22,000	\$ -	\$ -	\$ -	\$ -	\$ -
3018	Services Perforating	\$ -	\$ -	\$ -	\$ -	\$ 155,400	\$ -	\$ -	\$ -
3019	Wire line & Slick line	\$ -	\$ -	\$ -	\$ -	\$ 36,750	\$ 7,422	\$ -	\$ -
3020	Rig Work	\$ -	\$ -	\$ 526,000	\$ -	\$ -	\$ 24,936	\$ -	\$ -
3022	Drilling & Completion Fluids	\$ -	\$ 6,000	\$ 50,000	\$ -	\$ -	\$ -	\$ -	\$ -
3023	Cementing	\$ -	\$ -	\$ 202,000	\$ -	\$ -	\$ -	\$ -	\$ -
3024	Services Stimulation	\$ -	\$ -	\$ -	\$ -	\$ 2,097,330	\$ -	\$ -	\$ -
3025	Services Downhole Other	\$ -	\$ -	\$ 13,000	\$ -	\$ 48,150	\$ 13,726	\$ -	\$ -
3026	Formation Testing and Coring	\$ -	\$ -	\$ -	\$ -	\$ 218,391	\$ -	\$ -	\$ -
3029	Camp & Catering	\$ -	\$ 8,000	\$ 27,000	\$ -	\$ -	\$ -	\$ -	\$ -
3032	Communications & IT	\$ -	\$ 1,000	\$ 14,000	\$ -	\$ -	\$ -	\$ -	\$ -
3035	Services Disposal	\$ -	\$ -	\$ 75,000	\$ -	\$ 179,000	\$ 4,111	\$ -	\$ -
3039	Services Fluid Hauling from Site	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
4005	Rental Downhole Equipment & Tools	\$ -	\$ -	\$ 38,000	\$ -	\$ -	\$ -	\$ -	\$ -
4007	HES & Industrial waste handling	\$ -	\$ -	\$ 6,000	\$ -	\$ -	\$ -	\$ -	\$ -
4013	Rental Surface Equipment & Tools	\$ -	\$ 19,000	\$ 83,000	\$ -	\$ 117,178	\$ 7,177	\$ -	\$ -
Consumables									
5021	Material Surface Other	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
5023	Wellhead & X-mas tree	\$ -	\$ -	\$ 62,000	\$ -	\$ 22,500	\$ -	\$ -	\$ -
5027	Material Subsurface Lift Equipment Other	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 66,231	\$ -	\$ -
5028	Casing and Casing Accessories	\$ -	\$ -	\$ 533,000	\$ -	\$ -	\$ -	\$ -	\$ -
5029	Material Tubing and Accs	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 39,967	\$ -	\$ -
5500	Material Consumables	\$ -	\$ 10,000	\$ -	\$ -	\$ 180,640	\$ -	\$ -	\$ -
5502	Drilling Fluids Products	\$ -	\$ -	\$ 156,000	\$ -	\$ -	\$ -	\$ -	\$ -
5503	Bits, Reamers, Scrapers, HO's	\$ -	\$ -	\$ 48,000	\$ -	\$ -	\$ -	\$ -	\$ -
5505	Fuel & Lubricants	\$ -	\$ 2,000	\$ 56,000	\$ -	\$ -	\$ -	\$ -	\$ -
7004	Utilities: Electricity, Water & Sewers & Trash	\$ -	\$ -	\$ 8,000	\$ -	\$ 3,079	\$ 1,440	\$ -	\$ -
Logistics, Insurance & Tax									
8000	Land Transportation	\$ -	\$ 1,000	\$ 34,000	\$ -	\$ 10,000	\$ -	\$ -	\$ -
8102	Tax & contingency	\$ -	\$ 12,000	\$ 236,000	\$ -	\$ 158,229	\$ 6,180	\$ -	\$ -
8918	Permits/Severments/Other	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
8921	Waste Handling and Disp	\$ -	\$ -	\$ 22,000	\$ -	\$ -	\$ -	\$ -	\$ -
8945	Loss & Loss Expenses Paid	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
9999	Other Costs	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Subtotal		\$ -	\$ 247,000	\$ 2,863,000	\$ -	\$ 3,682,802	\$ 195,000	\$ -	\$ -

Drilling / Comp Engr
Drilling Engr Supervisor - Diego Tellez
Completions Engr Supervisor - Robert Rodriguez
Drilling & Completions Manager - John Willis

Total Drilling (1+2+3+4):	\$ 3,110,000
Total Completion (5+6+7):	\$ 3,657,802
Total Facilities (8):	\$ -
Total Well Cost (1+2+3+4+5+6+7+8):	\$ 6,967,802
Assumptions:	

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

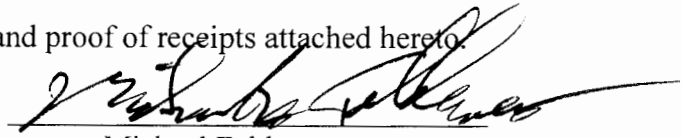
**APPLICATION OF OXY USA INC.
FOR A NON-STANDARD SPACING AND
PRORATION UNIT AND COMPULSORY POOLING
EDDY COUNTY, NEW MEXICO.**

CASE NO. 16057

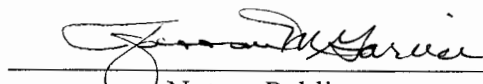
AFFIDAVIT

STATE OF NEW MEXICO)
) ss.
COUNTY OF SANTA FE)

Michael Feldewert, attorney in fact and authorized representative of **OXY USA INC.**, the Applicant herein, being first duly sworn, upon oath, states that the above-referenced Applications have been provided under the notice letters and proof of receipts attached hereto.


Michael Feldewert

SUBSCRIBED AND SWORN to before me this 4th day of April, 2018 by Adam G. Rankin.


Notary Public



HOLLAND & HART^{LLP}



Michael H. Feldewert
Recognized Specialist in the
Area of Natural Resources - Oil
and Gas Law - New Mexico
Board of Legal Specialization
mfeldewert@hollandhart.com

March 16, 2018

VIA CERTIFIED MAIL
CERTIFIED RECEIPT REQUESTED

TO: ALL INTEREST OWNERS SUBJECT TO POOLING PROCEEDINGS

**Re: Application of OXY USA Inc. for a non-standard spacing and proration unit
and compulsory pooling, Eddy County, New Mexico.
Cedar Canyon "20" Federal Com 24H, 25H, and 26H 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. This application will be set for hearing before a Division Examiner at 8:15 a.m. on April 5, 2018. The hearing will be held in Porter Hall in the Oil Conservation Division's Santa Fe Offices located at 1220 South Saint Francis Drive, Santa Fe, New Mexico 87505. 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's Santa Fe office at the above specified address 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 Jeremy Murphrey, at (713) 350-4816 or Jeremy_Murphrey@oxy.com.

Sincerely,

Michael H. Feldewert
ATTORNEY FOR OXY USA INC.

Holland & Hart^{LLP}

Phone [505] 988-4421 **Fax** [505] 983-6043 **www.hollandhart.com**

110 North Guadalupe Suite 1 Santa Fe, New Mexico 87501 **Mailing Address** P.O. Box 2208 Santa Fe, NM 87504-2208

Aspen Boulder Carson City Colorado Springs Denver Denver Tech Center Billings Boise Cheyenne Jackson Hole Las Vegas Reno Salt Lake City Santa Fe Washington, D.C. ☏



Shipment Confirmation Acceptance Notice

A. Mailer Action

Note to Mailer: The labels and volume associated to this form online, **must** match the labeled packages being presented to the USPS® employee with this form.

2018-03-16 OXY-Cedar
Canyon 20 Fed Com 24H &
25H - Case No. 16057 Pooled
Parties

Shipment Date: 03/15/2018

Shipped From:

Name: HOLLAND & HART LLP

Address: 110 N GUADALUPE ST # 1

City: SANTA FE

State: NM ZIP+4® 87501

Type of Mail	Volume
Priority Mail Express®	
Priority Mail®	0
First-Class Package Service®	
Returns	
International*	
Other	28 27
Total	28 27

*Start time for products with service guarantees will begin when mail arrives at the local Post Office™ and items receive individual processing and acceptance scans.

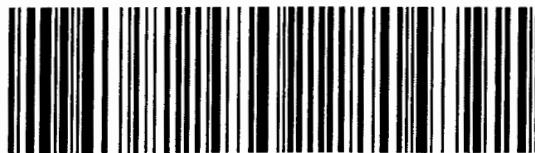
B. USPS Action

Note to RSS Clerk:

1. Home screen > Mailing/Shipping > More
2. Select Shipment Confirm
3. Scan or enter the barcode/label number from PS Form 5630
4. Confirm the volume count message by selecting Yes or No
5. Select Pay and End Visit to complete transaction

USPS EMPLOYEE: Please scan upon pickup or receipt of mail.
Leave form with customer or in customer's mail receptacle.

USPS SCAN AT ACCEPTANCE



9275 0901 1935 6200 0007 5995 68





Firm Mailing Book For Accountable Mail

Name and Address of Sender Holland & Hart LLP 110 N Guadalupe St # 1 Santa Fe NM 87501		Check type of mail or service <input type="checkbox"/> Adult Signature Required <input type="checkbox"/> Adult Signature Restricted Delivery <input checked="" type="checkbox"/> Certified Mail <input type="checkbox"/> Certified Mail Restricted Delivery <input type="checkbox"/> Collect on Delivery (COD) <input type="checkbox"/> Insured Mail <input type="checkbox"/> Priority Mail <input type="checkbox"/> Adult Signature Required <input type="checkbox"/> Adult Signature Restricted Delivery <input type="checkbox"/> Return Receipt for Merchandise <input type="checkbox"/> Signature Confirmation <input type="checkbox"/> Signature Confirmation Restricted Delivery		Affix Stamp Here (If issued as an international certificate of mailing or for additional copies of this receipt). Postmark with Date of Receipt.												
USPS Tracking/Article Number		Addressee (Name, Street, City, State, & ZIP Code™)		Postage	(Extra Service) Fee	Handling Charge	Actual Value if Registered	Insured Value	Due Sender if COD	ASR Fee	ASRD Fee	RD Fee	RR Fee	SC Fee	SCRD Fee	SH Fee
1. 9214 8901 9403 8304 9849 61		B Jack Reed 506 Charismatic Midland TX 79705		0.49	3.45								1.50			
2. 9214 8901 9403 8304 9849 78		Beryl Oil and Gas LP 6707 Pebble Court Midland TX 79707		0.49	3.45								1.50			
3. 9214 8901 9403 8304 9849 85		Chevron USA Inc 1400 Smith Street Houston TX 77002		0.49	3.45								1.50			
4. 9214 8901 9403 8304 9849 92		Conoco Phillips Company 600 N Dairy Ashford P410-024-5034, Houston TX 77029		0.49	3.45								1.50			
5. 9214 8901 9403 8304 9850 05		DRW Energy LLC 4107 Tarforan Midland TX 79707		0.49	3.45								1.50			
6. 9214 8901 9403 8304 9850 12		GD McKinney Investments LP 300 N Marinedale Ste 1100 Midland TX 79701		0.49	3.45								1.50			
7. 9214 8901 9403 8304 9850 29		Leopard Petroleum LP Attention: Gerald A Hancock 4200 Fairwood Midland TX 79707		0.49	3.45								1.50			
8. 9214 8901 9403 8304 9850 36		Maduro Oil & Gas LLC 3102 Maple Avenue Suite 400 Dallas TX 75201		0.49	3.45								1.50			
Total Number of Pieces Listed by Sender 28		Postmaster, Per (Name of receiving employee)		Handling Charge - If Registered and over \$50,000 in value												



Firm Mailing Book For Accountable Mail

Name and Address of Sender Holland & Hart LLP 110 N Guadalupe St # 1 Santa Fe NM 87501		Check type of mail or service <input type="checkbox"/> Adult Signature Required <input type="checkbox"/> Adult Signature Restricted Delivery <input checked="" type="checkbox"/> Certified Mail <input type="checkbox"/> Certified Mail Restricted Delivery <input type="checkbox"/> Collect on Delivery (COD) <input type="checkbox"/> Insured Mail <input type="checkbox"/> Priority Mail		Affix Stamp Here (if issued as an international certificate of mailing or for additional copies of this receipt). Postmark with Date of Receipt.										
USPS Tracking/Article Number	Address (Name, Street, City, State, & ZIP Code™)	Postage	(Extra Service) Fee	Handling Charge	Actual Value if Registered	Insured Value	Due Sender if COD	ASR Fee	ASRD Fee	RD Fee	RR Fee	SC Fee	SCRD Fee	SH Fee
9. 9214 8901 9403 8304 9850 43	Mfissa L McKinney Schoening 301 Sir Barton Parkway Midland TX 79705	0.49	3.45								1.50			
10. 9214 8901 9403 8304 9850 50	MRC Permian Co 5400 LBJ Freeway Suite 1500 Dallas TX 75240	0.49	3.45								1.50			
11. 9214 8901 9403 8304 9850 67	Prime Rock Resources LLC 203 West Wall Street Suite 1000 Midland TX 79701	0.49	3.45								1.50			
12. 9214 8901 9403 8304 9850 74	TAP Rock Resources LLC 602 Park Drive Suite 200 Golden CO 80401	0.49	3.45								1.50			
13. 9214 8901 9403 8304 9850 81	1 Timothy 6 LLC PO BOX 30598 Edmond OK 73025	0.49	3.45								1.50			
14. 9214 8901 9403 8304 9850 98	Winchester Energy LLC PO BOX 13540 Oklahoma City OK 73113	0.49	3.45								1.50			
15. 9214 8901 9403 8304 9851 04	Denise Louise McCoy 921 Roberts Court Balavia IL 60510-3066	0.49	3.45								1.50			
16. 9214 8901 9403 8304 9851 11	Estate of Thomas B Stribling Sr. Attention: Trustee 75 Circle Drive NE Albuquerque NM 87122-2109	0.49	3.45								1.50			
Total Number of Pieces Listed by Sender 28	Total Number of Pieces Received at Post Office	Postmaster, Per (Name of receiving employee)												



Firm Mailing Book For Accountable Mail

Name and Address of Sender Holland & Hart LLP 110 N Guadalupe St # 1 Santa Fe NM 87501		Check type of mail or service <input type="checkbox"/> Adult Signature Required <input type="checkbox"/> Adult Signature Restricted Delivery <input checked="" type="checkbox"/> Certified Mail <input type="checkbox"/> Certified Mail Restricted Delivery <input type="checkbox"/> Collect on Delivery (COD) <input type="checkbox"/> Insured Mail <input type="checkbox"/> Priority Mail <input type="checkbox"/> Priority Mail Express <input type="checkbox"/> Registered Mail <input type="checkbox"/> Return Receipt for Merchandise <input type="checkbox"/> Signature Confirmation <input type="checkbox"/> Signature Confirmation Restricted Delivery		Affix Stamp Here (if issued as an international certificate of mailing or for additional copies of this receipt). Postmark with Date of Receipt.												
USPS Tracking/Article Number		Addressee (Name, Street, City, State, & ZIP Code™)		Postage	(Extra Service) Fee	Handling Charge	Actual Value if Registered	Insured Value	Due Sender if COD	ASR Fee	ASRD Fee	RD Fee	RR Fee	SC Fee	SCRD Fee	SH Fee
17. 9214 8901 9403 8304 9851 28		George O Stribling 1933 San Mateo Blvd NE Albuquerque NM 87110		0.49	3.45								1.50			
18. 9214 8901 9403 8304 9851 35		Mary Camille Hall 3812 Talfeather Dr Round Rock TX 78681		0.49	3.45								1.50			
19. 9214 8901 9403 8304 9851 42		John D Stribling PO BOX 10204 Albuquerque NM 87184		0.49	3.45								1.50			
20. 9214 8901 9403 8304 9851 59		John W Osborn PO BOX 419 Tipton OK 76570-0419		0.49	3.45								1.50			
21. 9214 8901 9403 8304 9851 66		Margaret Stribling 1933 San Mateo Blvd NE Albuquerque NM 87110		0.49	3.45								1.50			
22. 9214 8901 9403 8304 9851 73		Martha Joy Stribling 916 Parkland Circle SE Albuquerque NM 87108		0.49	3.45								1.50			
23. 9214 8901 9403 8304 9851 80		Pamela Rae Cummings 1004 Pinot Lane Carlsbad NM 88220		0.49	3.45								1.50			
24. 9214 8901 9403 8304 9851 97		Patricia Gae Stamps PO BOX 817 Panhandle TX 79068		0.49	3.45								1.50			
Total Number of Pieces Listed by Sender 28		Postmaster, Per (Name of receiving employee)														



Firm Mailing Book For Accountable Mail

[illegible]



You are using an old version of e-Certify. [Click here](#) to update to the new version.

Welcome Joanna Garcia. (Not [Joanna Garcia?](#))
Company:
Holland & Hart LLP

[Home](#) [My Queue](#) [Piece Search](#) [Support](#) [Logout](#)

[History](#) > [Mail Jobs](#) > [Mail Job Details](#)



My Tools

[Mail Jobs](#)

[Mail Pieces](#)

[Manual Mailings](#)

[Reports](#)

[Setup](#)

[Account](#)

[Tools](#)

Mail Pieces

Filter:

< No Filter >

Barcode	Recipient	Status	DL	Custom
9214 8901 9403 8304 9852 34	Zia Royalty LLC 201 East Sanger Hobbs NM 88241	Delivered Signature Received	No	
9214 8901 9403 8304 9852 27	The Beveridge Company PO BOX 993 Midland TX 79702	In-Transit	No	
9214 8901 9403 8304 9852 10	Thomas B Stribling 75 Circle Drive NE Albuquerque NM 87122-2109	In-Transit	No	
9214 8901 9403 8304 9852 03	Sue Osborn 899 Hedgewood Drive Georgetown TX 78628-2411	Delivered Signature Received	No	
9214 8901 9403 8304 9851 97	Patricia Gae Stamps PO BOX 817 Panhandle TX 79068	Delivered Signature Received	No	
9214 8901 9403 8304 9851 80	Pamela Rae Cummings 1004 Pinion Lane Carlsbad NM 88220	In-Transit	No	
9214 8901 9403 8304 9851 73	Martha Joy Stribling 918 Parkland Circle SE Albuquerque NM 87108	Delivered Signature Received	No	
9214 8901 9403 8304 9851 66	Margaret Stribling 1933 San Mateo Blvd NE Albuquerque NM 87110	Delivered Signature Received	No	
9214 8901 9403 8304 9851 59	John W Osborn PO BOX 419 Tipton OK 76570-0419	Delivered Signature Received	No	
9214 8901 9403 8304 9851 42	John D Stribling PO BOX 10204 Albuquerque NM 87184	In-Transit	No	
9214 8901 9403 8304 9851 35	Mary Camille Hall 3812 Tailfeather Dr Round Rock TX 78681	Delivered Signature Received	No	
9214 8901 9403 8304 9851 28	George O Stribling 1933 San Mateo Blvd NE Albuquerque NM 87110	Delivered Signature Received	No	
9214 8901 9403 8304 9851 11	Estate of Thomas B Stribling Sr Attention: Trustee 75 Circle Drive NE Albuquerque NM 87122-2109	In-Transit	No	
9214 8901 9403 8304 9851 04	Denise Louise McCoy 921 Roberts Court Batavia IL 60510-3066	Delivered Signature Received	No	
9214 8901 9403 8304 9850 98	Winchester Energy LLC PO BOX 13540 Oklahoma City OK 73113	Delivered Signature Received	No	

Barcode	Recipient	Status	DL	Custom
9214 8901 9403 8304 9850 81	1 Timothy 6 LLC	Delivered		
	PO BOX 30598	Signature	No	
	Edmond OK 73025	Received		
9214 8901 9403 8304 9850 74	TAP Rock Resources LLC	Delivered		
	602 Park Drive Suite 200	Signature	No	
	Golden CO 80401	Received		
9214 8901 9403 8304 9850 67	Prime Rock Resources LLC	Delivered		
	203 West Wall Street Suite 1000	Signature	No	
	Midland TX 79701	Received		
9214 8901 9403 8304 9850 50	MRC Permian Co	Delivered		
	5400 LBJ Freeway Suite 1500	Signature	No	
	Dallas TX 75240	Received		
9214 8901 9403 8304 9850 43	Melissa L McKinney Schoening	Delivered		
	301 Sir Barton Parkway	Signature	No	
	Midland TX 79705	Received		
9214 8901 9403 8304 9850 36	Maduro Oil & Gas LLC			
	3102 Maple Avenue Suite 400	In-Transit	No	
	Dallas TX 75201			
9214 8901 9403 8304 9850 29	Leopard Petroleum LP Attention:	Delivered		
	Gerald A Hancock	Signature	No	
	4200 Fairwood	Received		
9214 8901 9403 8304 9850 12	GD McKinney Investments LP	Delivered		
	300 N Marienfeld Ste 1100	Signature	No	
	Midland TX 79701	Received		
9214 8901 9403 8304 9850 05	DRW Energy LLC	Delivered		
	4107 Tanforan	Signature	No	
	Midland TX 79707	Received		
9214 8901 9403 8304 9849 92	Conoco Phillips Company			
	600 N Dairy Ashford PH10-025-5034	In-Transit	No	
	Houston TX 77079			
9214 8901 9403 8304 9849 85	Chevron USA Inc	Delivered		
	1400 Smith Street	Signature	No	
	Houston TX 77002	Received		
9214 8901 9403 8304 9849 78	Beryl Oil and Gas LP	Delivered		
	6707 Pebble Court	Signature	No	
	Midland TX 79707	Received		
9214 8901 9403 8304 9849 61	B Jack Reed	Delivered		
	506 Charismatic	Signature	No	
	Midland TX 79705	Received		



100 items per page

ConnectSuite e-Certify
 4/4/2018 10:00 AM



You are using an old version of e-Certify. [Click here](#) to update to the new version.

Welcome Joanna Garcia, (Not [Joanna Garcia?](#))
Company:
Holland & Hart LLP

[Home](#) [My Queue](#) [Piece Search](#) [Support](#) [Logout](#)

[History](#) > [Mail Jobs](#) > [Mail Job Details](#)



My Tools

[Mail Jobs](#)

[Mail Pieces](#)

[Manual Mailings](#)

[Reports](#)

[Setup](#)

[Account](#)

[Tools](#)

Mail Pieces

Filter:

< No Filter >

Barcode	Recipient	Status	DL	Custom
9214 8901 9403 8304 6410 55	CHILLMARK PROPERTIES LLC 110 W LOUISIANA #404 MIDLAND TX 79701	In-Transit	No	
9214 8901 9403 8304 6410 31	CONSTITUTION RESOURCES II LP CONSTITUTION RESOURCES 5707 SOUTHWEST PARKWAY BUILDING I #275 AUSTIN TX 78735	Delivered Signature Received	No	
9214 8901 9403 8304 6410 24	ENCANTO MINERALS LLC ENCANTO 2929 ALLEN PARKWAY #200 HOUSTON TX 77019	Delivered Signature Received	No	
9214 8901 9403 8304 6410 17	TIERRA ROYALTIES LLC TIERRA 2929 ALLEN PARKWAY #200 HOUSTON TX 77019	Delivered Signature Received	No	



Shipment Confirmation Acceptance Notice

A. Mailer Action

Note to Mailer: The labels and volume associated to this form online, **must** match the labeled packages being presented to the USPS® employee with this form.

2018-03-16 OXY-Cedar
Canyon 20 Fed Com 24H &
25H - Case No. 16057 (corrected Pooled
Party - COP)

Shipment Date: 03/15/2018

Shipped From:

Name: HOLLAND & HART LLP

Address: 110 N GUADALUPE ST # 1

City: SANTA FE

State: NM ZIP+4® 87501

Type of Mail	Volume
Priority Mail Express®	
Priority Mail®	0
First-Class Package Service®	
Returns	
International*	
Other	1
Total	1

*Start time for products with service guarantees will begin when mail arrives at the local Post Office™ and items receive individual processing and acceptance scans.

B. USPS Action

Note to RSS Clerk:

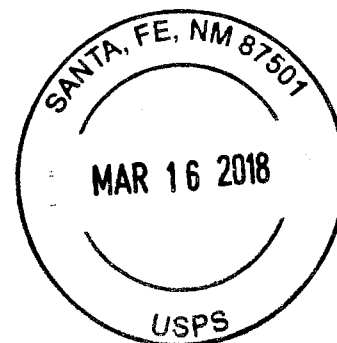
1. Home screen > Mailing/Shipping > More
2. Select Shipment Confirm
3. Scan or enter the barcode/label number from PS Form 5630
4. Confirm the volume count message by selecting Yes or No
5. Select Pay and End Visit to complete transaction

USPS EMPLOYEE: Please scan upon pickup or receipt of mail.
Leave form with customer or in customer's mail receptacle.

USPS SCAN AT ACCEPTANCE



9275 0901 1935 6200 0007 6010 01





Firm Mailing Book For Accountable Mail

[illegible]



You are using an old version of e-Certify. [Click here](#) to update to the new version.

Welcome Joanna Garcia, (Not [Joanna Garcia?](#))
Company: Holland & Hart LLP

[Home](#) [My Queue](#) [Piece Search](#) [Support](#) [Logout](#)

[History](#) > [Mail Jobs](#) > [Mail Job Details](#)



My Tools

[Mail Jobs](#)

[Mail Pieces](#)

[Manual Mailings](#)

[Reports](#)

[Setup](#)

[Account](#)

[Tools](#)

Mail Pieces

Filter:
< No Filter >

Barcode	Recipient	Status	DL	Custom
9214 8901 9403 8304 9879 93	Conoco Phillips Company 600 N Dairy Ashford Houston TX 77059	Delivered Signature Received	No	

Page 1 of 1



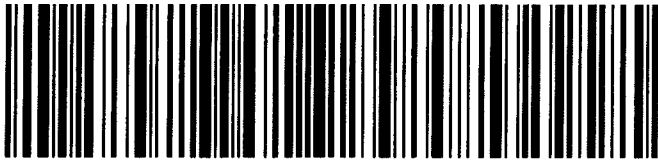
Return address:

HOLLAND & HART LLP
110 N GUADALUPE ST # 1
SANTA FE, NM 87501

Recipient address:

THE BEVERIDGE COMPANY
PO BOX 993
MIDLAND TX 79702

USPS CERTIFIED MAIL



9214 8901 9403 8304 9852 27

USPS Tracking Label Number: 9214 8901 9403 8304 9852 27

USPS Tracking History	Postal Facility	ZIP	Date	Time
PRE-SHIPMENT INFO SENT USPS AWAITS ITEM	SANTA FE,NM 87501		03/15/2018	15:50
SHIPMENT RECEIVED ACCEPTANCE PENDING	SANTA FE,NM 87501		03/16/2018	15:06
ORIGIN ACCEPTANCE	SANTA FE,NM 87501		03/16/2018	21:14
PROCESSED THROUGH USPS FACILITY	ALBUQUERQUE,NM 87101		03/16/2018	22:29
DEPART USPS FACILITY	ALBUQUERQUE,NM 87101		03/17/2018	03:06
PROCESSED THROUGH USPS FACILITY	ALBUQUERQUE,NM 87101		03/17/2018	13:20
PROCESSED THROUGH USPS FACILITY	ALBUQUERQUE,NM 87101		03/18/2018	15:54

CASE #:

HOLLAND & HART^{LLP}



Michael H. Feldewert
Recognized Specialist in the
Area of Natural Resources - Oil
and Gas Law - New Mexico
Board of Legal Specialization
mfeldewert@hollandhart.com

March 16, 2018

VIA CERTIFIED MAIL
RETURN RECEIPT REQUESTED

TO: OFFSETTING LESSEES AND OPERATORS

**Re: Application of OXY USA Inc. for a non-standard spacing and proration unit
and compulsory pooling, Eddy County, New Mexico.
Cedar Canyon "20" Federal Com 24H, 25H, and 26H Wells**

This letter is to advise you that OXY USA Inc. has filed the enclosed application with the New Mexico Oil Conservation Division. *Your interests are not being pooled under this application*, but as a lessee or operator in an offsetting tract, you are entitled to notice of this application.

This application has been set for hearing before a Division Examiner at 8:15 AM on April 5, 2018. The hearing will be held in Porter Hall in the Oil Conservation Division's Santa Fe Offices located at 1220 South Saint Francis Drive, Santa Fe, New Mexico 87505. 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 with the Oil Conservation Division's Santa Fe office, four business days in advance of a scheduled hearing, but at least on the Thursday preceding the hearing. This statement must 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 Jeremy Murphrey, at (713) 350-4816 or Jeremy_Murphrey@oxy.com.

Sincerely,

Michael H. Feldewert
ATTORNEY FOR OXY USA INC.

Holland & Hart^{LLP}

Phone [505] 988-4421 Fax [505] 983-6043 www.hollandhart.com

110 North Guadalupe Suite 1 Santa Fe, New Mexico 87501 Mailing Address P.O. Box 2208 Santa Fe, NM 87504-2208

Aspen Boulder Carson City Colorado Springs Denver Denver Tech Center Billings Boise Cheyenne Jackson Hole Las Vegas Reno Salt Lake City Santa Fe Washington, D.C. ☎



Shipment Confirmation Acceptance Notice

A. Mailer Action

Note to Mailer: The labels and volume associated to this form online, **must** match the labeled packages being presented to the USPS® employee with this form.

2018-03-16 OXY-Cedar Canyon
20 Fed Com 24H & 25H - Case
No. 16057 Offset Parties

Shipment Date: 03/15/2018

Shipped From:

Name: HOLLAND & HART LLP

Address: 110 N GUADALUPE ST # 1

City: SANTA FE

State: NM ZIP+4® 87501

Type of Mail	Volume
Priority Mail Express®	
Priority Mail®	0
First-Class Package Service®	
Returns	
International*	
Other	10
Total	10

*Start time for products with service guarantees will begin when mail arrives at the local Post Office™ and items receive individual processing and acceptance scans.

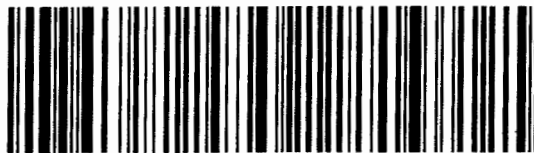
B. USPS Action

Note to RSS Clerk:

1. Home screen > Mailing/Shipping > More
2. Select Shipment Confirm
3. Scan or enter the barcode/label number from PS Form 5630
4. Confirm the volume count message by selecting Yes or No
5. Select Pay and End Visit to complete transaction

USPS EMPLOYEE: Please scan upon pickup or receipt of mail.
Leave form with customer or in customer's mail receptacle.

USPS SCAN AT ACCEPTANCE



9275 0901 1935 6200 0007 5998 34





Firm Mailing Book For Accountable Mail

Name and Address of Sender		Check type of mail or service		Affix Stamp Here (If issued as an international certificate of mailing or for additional copies of this receipt). Postmark with Date of Receipt.												
USPS Tracking/Article Number		Addressee (Name, Street, City, State, & ZIP Code™)		Postage	(Extra Service) Fee	Handling Charge	Actual Value if Registered	Insured Value	Due Sender if COD	ASR Fee	ASRD Fee	RD Fee	RR Fee	SC Fee	SCRD Fee	SH Fee
1. 9214 8901 9403 8304 9854 87		B Jack Reed 506 Charismatic Midland TX 79705		0.49	3.45								1.50			
2. 9214 8901 9403 8304 9854 94		Beryl Oil and Gas LP 6707 Pebble Court Midland TX 79707		0.49	3.45								1.50			
3. 9214 8901 9403 8304 9855 00		Chevron USA Inc 1400 Smith Street Houston TX 77002		0.49	3.45								1.50			
4. 9214 8901 9403 8304 9855 17		Conoco Phillips Company 600 N Dairy Ashford PH10-025-5034 Houston TX 77079		0.49	3.45								1.50			
5. 9214 8901 9403 8304 9855 24		DRW Energy LLC 4107 Tarlton Midland TX 79707		0.49	3.45								1.50			
6. 9214 8901 9403 8304 9855 31		GD McKinney Investments LP 300 N Mainland St 1100 Midland TX 79701		0.49	3.45								1.50			
7. 9214 8901 9403 8304 9855 48		Leopard Petroleum LP ATTN: Gerald A Hancock 4200 Fairwood Midland TX 79707		0.49	3.45								1.50			
8. 9214 8901 9403 8304 9855 55		MFlisa L McKinney Schoening 301 St Barton Parkway Midland TX 79705		0.49	3.45								1.50			



Firm Mailing Book For Accountable Mail

[illegible]



You are using an old version of e-Certify. [Click here](#) to update to the new version.

Welcome Joanna Garcia, (Not [Joanna Garcia?](#))
Company:
Holland & Hart LLP

[Home](#) [My Queue](#) [Piece Search](#) [Support](#) [Logout](#)

[History](#) > [Mail Jobs](#) > [Mail Job Details](#)



My Tools

[Mail Jobs](#)

[Mail Pieces](#)

[Manual Mailings](#)

[Reports](#)

[Setup](#)

[Account](#)

[Tools](#)

Mail Pieces

Filter:

< No Filter >

Barcode	Recipient	Status	DL	Custom
9214 8901 9403 8304 9855 79	New Mexico State Land Office 310 Old Santa Fe Trail Santa Fe NM 87504	Delivered Signature Received	No	
9214 8901 9403 8304 9855 62	Bureau of Land Management 620 E Greene Street Carlsbad NM 88220	Delivered Signature Received	No	
9214 8901 9403 8304 9855 55	Melissa L McKinney Schoening 301 Sir Barton Parkway Midland TX 79705	Delivered Signature Received	No	
9214 8901 9403 8304 9855 48	Leopard Petroleum LP ATTN: Gerald A Hancock 4200 Fairwood Midland TX 79707	Delivered Signature Received	No	
9214 8901 9403 8304 9855 31	GD McKinney Investments LP 300 N Marienfeld Ste 1100 Midland TX 79701	Delivered Signature Received	No	
9214 8901 9403 8304 9855 24	DRW Energy LLC 4107 Tanforan Midland TX 79707	Delivered Signature Received	No	
9214 8901 9403 8304 9855 17	Conoco Phillips Company 600 N Dairy Ashford PH10-025-5034 Houston TX 77079	Delivered Signature Received	No	
9214 8901 9403 8304 9855 00	Chevron USA Inc 1400 Smith Street Houston TX 77002	Delivered Signature Received	No	
9214 8901 9403 8304 9854 94	Beryl Oil and Gas LP 6707 Pebble Court Midland TX 79707	Delivered Signature Received	No	
9214 8901 9403 8304 9854 87	B Jack Reed 506 Charismatic Midland TX 79705	Delivered Signature Received	No	



100 items per page

CARLSBAD CURRENT-ARGUS

AFFIDAVIT OF PUBLICATION

Ad No.
0001239609

HOLLAND & HART
PO BOX 2208

SANTA FE NM 87504

I, a legal clerk of the **Carlsbad Current-Argus**, a newspaper published daily at the City of Carlsbad, in said county of Eddy, state of New Mexico and of general paid circulation in said county; that the same is a duly qualified newspaper under the laws of the State wherein legal notices and advertisements may be published; that the printed notice attached hereto was published in the regular and entire edition of said newspaper and not in supplement thereof on the date as follows, to wit:

03/21/18

Legal Clerk

Subscribed and sworn before me th
21st of March 2018.

State of WI County of Brown
NOTARY PUBLIC

My Commission Expires

BEFORE THE OIL CONSERVATION DIVISION
Santa Fe, New Mexico

Exhibit No. 8

Submitted by: OXY USA INC

Hearing Date: April 5, 2018

Case No. 16057

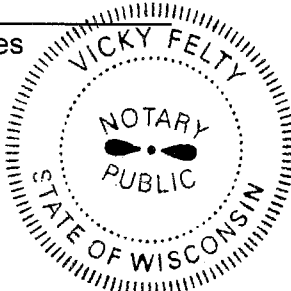
STATE OF NEW MEXICO ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT OIL CONSERVATION DIVISION SANTA FE, NEW MEXICO

The State of New Mexico through its Oil Conservation Division hereby gives notice pursuant to law and the Rules and Regulations of the Division of the following public hearing to be held at 8:15 A.M. on **April 5, 2018**, in the Oil Conservation Division Hearing Room at 1220 South St. Francis, Santa Fe, New Mexico, before an examiner duly appoint for the hearing. If you are an individual with a disability who is in need of a reader, amplifier, qualified sign language interpreter, or any other form of auxiliary aid or service to attend or participate in the hearing, please contact: Florene Davidson at 505-476-3458 or through the New Mexico Relay Network, 1-800-659-1779 by **March 26, 2018**. Public documents, including the agenda and minutes, can be provided in various accessible forms. Please contact Florene Davidson if a summary or other type of accessible form is needed.

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

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

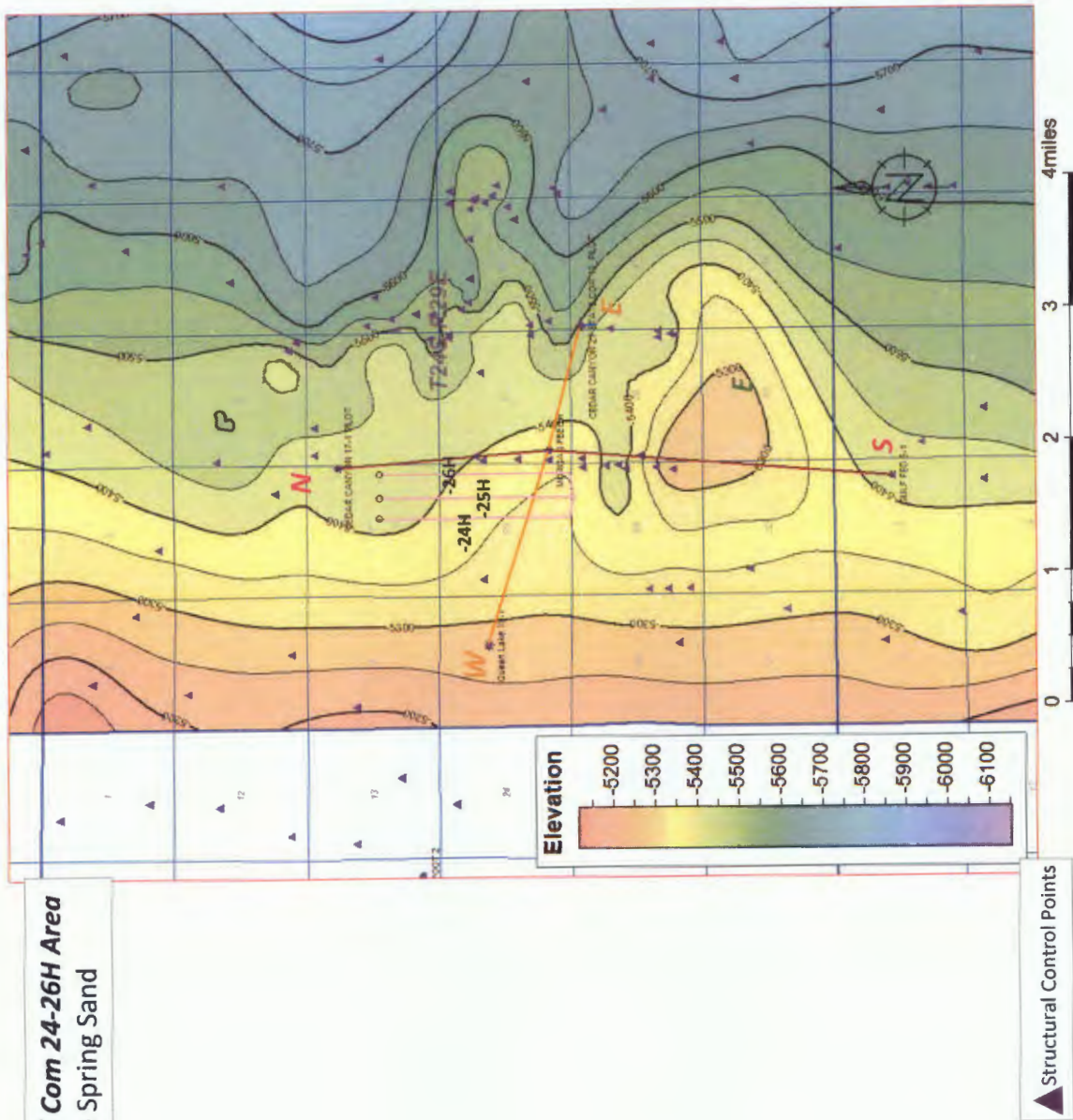
To: All offset owners and pooled parties, including: B. Jack Reed, his heirs and devisees; Beryl Oil and Gas, LP; Chevron USA Inc.; Conoco Phillips Company; DRW Energy, LLC GD McKinney Investments LP; Leopard Petroleum LP; Maduro Oil & Gas, LLC; M'Issa L. McKinney Schoening, her heirs and devisees; MRC Permian Co.; Prime Rock Resources, LLC TAP Rock Resources, LLC; 1 Timothy 6, LLC Winchester Energy, LLC; Denise Louise McCoy, her heirs and devisees; Estate of Thomas B. Stribling, Sr., his heirs and devisees; George O. Stribling, his heirs and devisees; Mary Camille Hall, her heirs and devisees; John D. Stribling, his heirs and devisees; John W. Osborn, his heirs and devisees; Margaret Stribling, her heirs and devisees; Martha Joy Stribling, her heirs and devisees; Pamela Rae Cummings, her heirs and devisees; Patricia Gae Stamps, her heirs and devisees; Sue Osborn, her heirs and devisees; Thomas B. Stribling, his heirs and devisees; The Beveridge Company; Zia Royalty, LLC; Bureau of Land Management; New Mexico State Land Office; Curtis A. Anderson, his heirs and devisees; Collins & Ware Inc; John & Theresa Hillman Fam Props LP; Manix Royalty Ltd; Rutter & Wilbanks Corporation; Premier Oil &



Gas, Inc., James Stephens Cavanaugh, his heirs and devisees; Mona L. Coffield, her heirs and devisees; Thomas D. Coffman, his heirs and devisees; Delmar Hudson Lewis Lvg Trust; Edward R. Hudson Trust No. 4; EMG Revoc Trust; F. Andrew Grooms SSP Trust; Edward R. Hudson, Jr., his heirs and devisees; Javelina Partners; Jeanette Probandt Trust; Josephine T. Hudson Estate; Lindys Living Trust; C.D. Martin, his heirs and devisees; Carolyn Ann Nunnally, her heirs and devisees; Presbyterian Church USA A Corp; Robert N. Enfield Rev Trust; Zorro Partners.

Case No. 16057: Application of OXY USA Inc. for a non-standard spacing and proration unit and compulsory pooling, Eddy County, New Mexico. Applicant in the above-styled cause seeks an order (1) creating a 480-acre non-standard spacing and proration unit comprised of the E/2 of Section 20 and the SE/4 of Section 17, Township 24 South, Range 29 East, NMPM, Eddy County, New Mexico; and (2) pooling all uncommitted interests in the Bone Spring formation underlying this acreage. Said non-standard unit will be the project area for three proposed initial wells, to be drilled and simultaneously completed: the **Cedar Canyon "20" Federal Com 24H Well, the Cedar Canyon "20" Federal Com 25H Well, and the Cedar Canyon "20" Federal Com 26H Well.** These three proposed horizontal wells will be pad drilled from a surface location in the NW/4 NE/4 (Unit B) of Section 29, Township 24 South, Range 29 East, NMPM, to bottom hole locations in the NW/4 SE/4 (Unit J) and the NE/4 SE/4 (Unit I) of Section 17, Township 24 South, Range 29 East, NMPM. The completed intervals for the **Cedar Canyon "20" Federal Com 24H Well, the Cedar Canyon "20" Federal Com 25H Well, and the Cedar Canyon "20" Federal Com 26H Well** will be at unorthodox locations because they are closer to the northern boundary of the proposed spacing and proration unit than allowed by the Division's setback requirements for the Pierce Crossing; Bone Spring, East Pool (Pool Code 96473). Also to be considered will be the cost of drilling and completing said wells and the allocation of the cost thereof as well as actual operating costs and charges for supervision, designation of OXY USA Inc. as operator of the wells and a 200% charge for risk involved in drilling said well. Said area is located approximately 4 miles east of Malaga, N.M.

Cedar Canyon 20 Fed Com 24-26H Area
Top of 2nd Bone Spring Sand

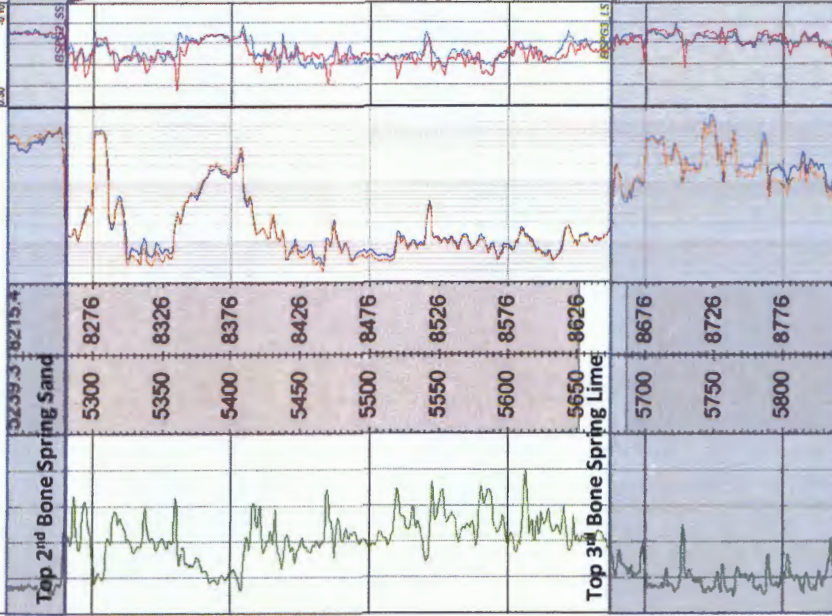


Cedar Canyon 20 Fed Com 24-26H Area
West to East Structural Cross Section

W

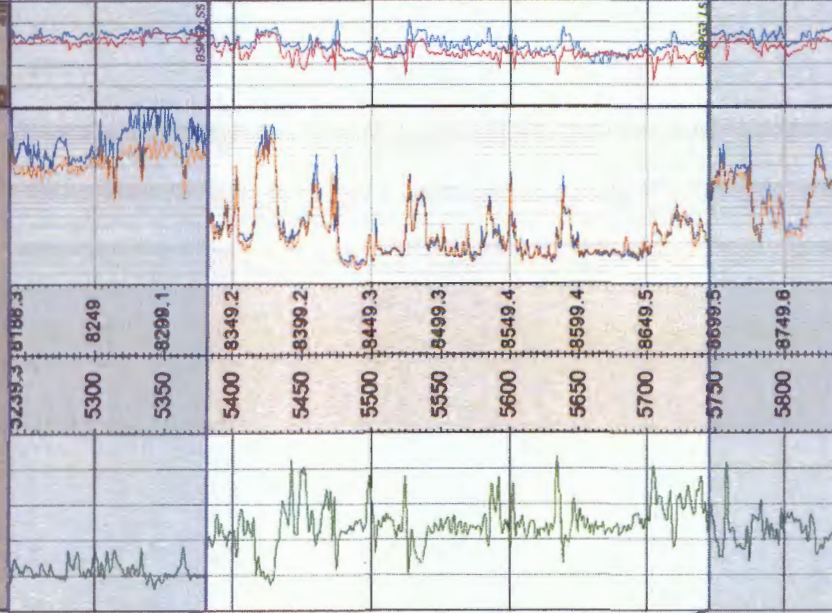
*** Queen Lake 19-1 [SSTVD]**
API: 30015242920000

API	30015242920000	MO	190	SSTVD	1780	MO	190	API	30015242920000
API	30015242920000	MO	190	SSTVD	1780	MO	190	API	30015242920000
API	30015242920000	MO	190	SSTVD	1780	MO	190	API	30015242920000
API	30015242920000	MO	190	SSTVD	1780	MO	190	API	30015242920000



*** MORGAN FEE 1H [SSTVD]**
API: 30015359600000

API	30015359600000	MO	190	SSTVD	1780	MO	190	API	30015359600000
API	30015359600000	MO	190	SSTVD	1780	MO	190	API	30015359600000
API	30015359600000	MO	190	SSTVD	1780	MO	190	API	30015359600000
API	30015359600000	MO	190	SSTVD	1780	MO	190	API	30015359600000



*** CEDAR CANYON 27 STATE COM 10_PILOT [SSTVD]**
API: 30015426730000

API	30015426730000	MO	190	SSTVD	1780	MO	190	API	30015426730000
API	30015426730000	MO	190	SSTVD	1780	MO	190	API	30015426730000
API	30015426730000	MO	190	SSTVD	1780	MO	190	API	30015426730000
API	30015426730000	MO	190	SSTVD	1780	MO	190	API	30015426730000

