



OXY USA WTP LP

A subsidiary of Occidental Petroleum Corporation

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

December 26, 2018

VIA CERTIFIED MAIL

NON-CONSENTING POOLED WORKING INTEREST PARTIES
(see attached list)

Re: Turkey Track Development
Turkey Track 4-3 State #31H and #32H
N/2 N/2 of Section 4 & N/2 N/2 of Section 3
S/2 N/2 of Section 4 & N/2 S/2 of Section 3
Township 19 South, Range 29 East
Eddy County, New Mexico

Dear WI Party,

OXY USA WTP Limited Partnership ("OXY") has been granted Compulsory Pooling Order Nos. R-14466 (Case No. 15775) and R-14481 (Case No. 15809), covering the acreage described above as to the Bone Spring formation. I have included copies of each of these Orders with this letter. Per Ordering Paragraph 11 of the orders, OXY hereby furnishes the itemized schedule of actual well costs.

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

Very truly yours,

OXY USA WTP Limited Partnership

Jonathan I. Gonzales

Email: Jonathan_Gonzales@oxy.com

Dir: 713.366.5576

Enclosure(s)

cc (via e-mail): William V. Jones, District 4 Supervisor
New Mexico Oil Conservation Division
E-mail: WilliamV.Jones@state.nm.us

POOLED WORKING INTEREST PARTIES

EOG Y Resources, Inc.

Attn: Clay Haggard

P.O. Box 2267

Midland, TX 79702-4362

Percentage Interest: 4.520925%

Well Name	Element Category	Element Number	Element Name	Drilling	Completion
TURKEY TRACK 4-3 STATE 32H	Services	3001	Services Hot Oiling		
		3002	Services Misc Heavy Equipment	\$ 3,475	\$ 14,618
		3003	Services Fluid Hauling TO SITE	\$ 28,767	\$ 57,888
		3004	Services Measurement	\$ 750	
		3005	Services Inspection	\$ 59,483	\$ 1,465
		3006	Services Construction		
		3009	Services Wellhead	\$ 32,543	\$ 63,117
		3011	Services Locations	\$ 56,888	\$ 4,366
		3012	Services Cased Hole Logging		\$ 20,000
		3013	Services Coiled Tubing		\$ 215,780
		3014	Services Directional Well Drilling/LoggingDrillg	\$ 496,500	
		3015	Services Fishing	\$ 2,550	\$ 54,477
		3016	Services Mud Logging	\$ 31,462	
		3017	Services Open Hole Logging		
		3019	Services Wireline/Slickline		\$ 224,275
		3020	Services Rig Costs	\$ 1,127,483	
		3021	Services Rig Move	\$ -	
		3022	Services Downhole Fluids	\$ 110,925	
		3023	Services Cementing	\$ 114,354	
		3024	Services Stimulation		\$ 1,366,020
		3025	Services Downhole Other	\$ 57,986	
		3026	Services Formation Test		
		3027	Services Lab Tests		
		3029	Services Catering	\$ 18,629	\$ 19,275
		3030	Services Building Maint/Repair		
		3031	Services HES		\$ 3,570
		3032	Services Communication	\$ 1,557	
		3034	Services Seismic	\$ 1,235	
		3035	Services Disposal	\$ 984	\$ 18,415
		3039	Services Fluid Hauling FROM SITE	\$ 8,532	
	Intangible	5500	Material Consumables	\$ 21,910	\$ 255,813
		5502	Material Drilling Fluids	\$ 115,962	
		5503	Material Drilling Tools / Bits/Reamers/Scrapers	\$ 165,860	
		5505	Material Fuel / Off/road Diesel	\$ 210,079	
		5513	Material Sand		\$ 771,456
	Taxes/Tariff	8103	Taxes Sales Tax	\$ 155,707	\$ 215,000
		8107	Taxes Other	\$ 68,399	
	Chemicals and Injectants	6001	Chemicals Water Soluble		
		6004	Chemicals Treat Emulsion		
		6014	Chemicals Other		
	Defined as USD Payroll	1000	Employee Wages	\$ 110,725	\$ 100,000
	Rental	4005	Rental Down hole Equipment and Tools	\$ 182,380	
		4007	Rental HES Equipment and Tools	\$ 7,685	\$ 14,443
		4013	Rental Surface Equipment and Tools	\$ 133,333	\$ 187,235
	Contract Labor	2001	Contractor Electrical and Instrumentation	\$ 17,593	
		2004	Contractor Maintenance/Gangs/Roustabouts	\$ 1,298	\$ 927
		2009	Contr Welding	\$ 2,720	
		2012	Contractor Construction		
		2017	Contractor Drilling/WO/Completion Rig Superv	\$ 101,358	\$ 166,650
		2019	Contractor HES	\$ 14,750	
		2025	Contractor Surveyor	\$ 2,713	
		2032	Contractor Oth Business Serv	\$ 3,590	
		2034	Contr Other	\$ 43,666	
	Tangible	5014	Material Pipe Fittings	\$ 1,087	
		5015	Material Valves		
		5016	Material Surface Pump and Acc	\$ 1,013	
		5023	Material Wellhead Equipment	\$ 82,659	\$ 18,498
		5024	Material Pumping Unit		
		5026	Material Electrical Submersible Pump (ESP)		
		5027	Material Subsurface Lift Equipment Other		
		5028	Material Casing Liners and Accessories	\$ 400,155	
		5029	Material Tubing and Accs	\$ 70,856	
		5031	Material Downhole Other		
	Freight	8000	Freight Shipping	\$ 72,934	\$ 189,603
		8918	Permits/Settlements/Other		
	Other	8919	Environmental Cleanup/Reclamation	\$ 44,416	
		8921	Waste Handling and Disposal	\$ 87,328	
		8925	Vehicle Diesel	\$ 15,715	
		7004	Utilities Water/Sewers/Trash	\$ 29,572	
	Accrual			\$ 331,668	
TURKEY TRACK 4-3 STATE 32H Total				\$ 4,651,234	\$ 3,982,891

Well Name	Element Category	Element Number	Element Name	Drilling	Completion
TURKEY TRACK 4-3 STATE 31H	Services	3001	Services Hot Oiling		
		3000	Services Pumping Unit		\$ 9,565
		3002	Services Misc Heavy Equipment	\$ 2,224	\$ 768
		3003	Services Fluid Hauling TO SITE	\$ 120,619	\$ 57,888
		3004	Services Measurement		
		3005	Services Inspection	\$ 45,864	
		3006	Services Construction	\$ 7,945	
		3009	Services Wellhead	\$ 30,575	\$ 67,705
		3011	Services Locations	\$ 49,120	\$ 2,800
		3012	Services Cased Hole Logging	\$ 7,450	\$ 56,660
		3013	Services Coiled Tubing		\$ 192,493
		3014	Services Directional Well Drilling/LoggingDrillg	\$ 534,978	
		3015	Services Fishing	\$ 2,550	\$ 20,894
		3016	Services Mud Logging	\$ 31,422	
		3017	Services Open Hole Logging		
		3019	Services Wireline/Slickline		\$ 243,654
		3020	Services Rig Costs	\$ 1,239,017	
		3021	Services Rig Move	\$ 25,491	
		3022	Services Downhole Fluids	\$ 119,264	
		3023	Services Cementing	\$ 207,226	
		3024	Services Stimulation		\$ 1,469,671
		3025	Services Downhole Other	\$ 22,640	
		3026	Services Formation Test		
		3027	Services Lab Tests		
		3029	Services Catering	\$ 3,917	\$ 17,727
		3030	Services Building Maint/Repair		
		3031	Services HES		\$ 1,000
		3032	Services Communication		
		3035	Services Disposal	\$ 17,162	\$ 15,300
		3039	Services Fluid Hauling FROM SITE	\$ 5,480	
	Intangible	5500	Material Consumables	\$ 42,352	\$ 223,845
		5502	Material Drilling Fluids	\$ 410,974	
		5503	Material Drilling Tools / Bits/Reamers/Scrapers	\$ 108,643	
		5505	Material Fuel / Off/road Diesel	\$ 398,927	
		5510	Material Office Supplies	\$ 116	
		5513	Material Sand		\$ 658,560
	Taxes/Tariff	8103	Taxes Sales Tax	\$ 200,316	\$ 215,000
		8107	Taxes Other	\$ 71,850	
	Chemicals and Injectants	6001	Chemicals Water Soluble		
		6004	Chemicals Treat Emulsion		
		6014	Chemicals Other		
	Defined as USD Payroll	1000	Employee Wages	\$ 121,815	\$ 100,000
	Rental	4005	Rental Down hole Equipment and Tools	\$ 27,255	
		4007	Rental HES Equipment and Tools	\$ 26,396	
		4013	Rental Surface Equipment and Tools	\$ 100,808	\$ 188,360
	Contract Labor	2001	Contractor Electrical and Instrumentation		
		2004	Contractor Maintenance/Gangs/Roustabouts		
		2009	Contr Welding	\$ 2,720	
		2012	Contractor Construction		
		2017	Contractor Drilling/WO/Completion Rig Superv	\$ 139,282	\$ 62,900
		2019	Contractor HES	\$ 7,718	\$ 8,610
		2025	Contractor Surveyor	\$ 17,342	
		2032	Contractor Oth Business Serv	\$ 3,551	
		2034	Contr Other	\$ 45,347	
		5014	Material Pipe Fittings	\$ 2,301	
	Tangible	5015	Material Valves		
		5023	Material Wellhead Equipment	\$ 74,384	\$ 18,498
		5025	Material Bottom Hole Pump	\$ 3,523	
		5026	Material Electrical Submersible Pump (ESP)	\$ 1,050	
		5027	Material Subsurface Lift Equipment Other		
		5028	Material Casing Liners and Accessories	\$ 460,438	
		5029	Material Tubing and Accs	\$ 474	
		5031	Material Downhole Other	\$ 4,403	
		5032	Material HES		
		5037	Material Shop/Hand Tools	\$ 134	
		5040	Material Computer Hardware	\$ 3,960	
	Freight	8000	Freight Shipping	\$ 28,771	\$ 193,139
	Other	8350	JI OH Drilling/Development	\$ 1,581	
		8912	Right of Way	\$ 19,000	
		8918	Permits/Settlements/Other	\$ 58	
		8919	Environmental Cleanup/Reclamation	\$ 139,698	
		8921	Waste Handling and Disposal	\$ 226,795	
		8925	Vehicle Diesel		
	Power/Utilities	7004	Utilities Water/Sewers/Trash	\$ 31,570	
	Accrual			\$ 49,807	
TURKEY TRACK 4-3 STATE 31H Total				\$ 5,246,303	\$ 3,825,037