

BEFORE THE OIL CONSERVATION DIVISION  
NEW MEXICO ENERGY, MINERALS AND  
NATURAL RESOURCES DEPARTMENT

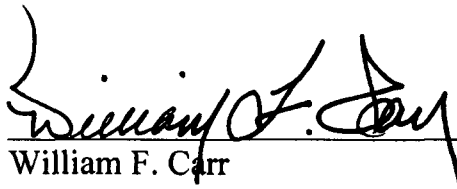
AMENDED APPLICATION OF OCCIDENTAL  
PERMIAN FOR COMPULSORY POOLING, EDDY  
COUNTY, NEW MEXICO.

CASE NO. 13718  
REOPENED AND READVERTISED

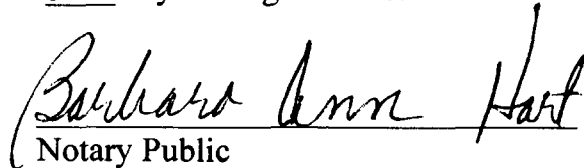
AFFIDAVIT

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

William F. Carr, attorney in fact and authorized representative of OXY USA WTP Limited Partnership, the Applicant herein, being first duly sworn, upon oath, states that notice of the above-referenced Application was mailed to the interested parties shown on Exhibit "A" attached hereto in accordance with Oil Conservation Division Rules, and that true and correct copies of the notice letter and proof of notice are attached hereto.

  
William F. Carr

SUBSCRIBED AND SWORN to before me this 2<sup>nd</sup> day of August 2006.

  
Notary Public

My Commission Expires:

3/28/08

BEFORE THE OIL CONSERVATION DIVISION  
Santa Fe, New Mexico  
Case No. 13718 Exhibit A  
Submitted by:  
OXY USA WTP LIMITED PARTNERSHIP  
Hearing Date: August 3, 2006

**EXHIBIT A**

**CASE NO. 13718**

**AMENDED APPLICATION OF  
OXY USA WTP LIMITED PARTNERSHIP.  
FOR COMPULSORY POOLING  
W/2 OF SECTION 4, TOWNSHIP 19 SOUTH, RANGE 28 EAST, N.M.P.M.  
EDDY COUNTY, NEW MEXICO.**

Katherine Ann Malone, individually and as  
trustee of the Charles F. Malone Living Trust  
4104 24th Street #551  
San Francisco, California 94114

Anne S. Johnson  
Post Office Box 490  
Kechi, Kansas 67067

HOLLAND & HART LLP



William F. Carr  
wcarr@hollandhart.com

July 3, 2006

**CERTIFIED MAIL**  
**RETURN RECEIPT REQUESTED**

**ALL AFFECTED INTEREST OWNERS**

Re: Case No. 13718: Amended Application of OXY USA WTP Limited Partnership for compulsory pooling, Eddy County, New Mexico.

Ladies and Gentlemen:

This letter is to advise you that OXY USA WTP Limited Partnership has filed the enclosed amended application with the New Mexico Oil Conservation Division seeking the compulsory pooling of certain spacing and proration units in the W/2 of Section 4, Township 19 South, Range 28 East, NMPM, Eddy County, New Mexico. Said units will be dedicated to OXY USA WTP Limited Partnership's proposed Senita State Well No. 1 which it proposes to drill at a standard gas well location in the SW/4 NW/4 of said Section 4 to test all formations from the surface to the base of the Morrow formation.

This amended application has been set for hearing before a Division Examiner on August 3, 2006. 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 1208.B to file a Pre-Hearing Statement with the Oil Conservation Division's Santa Fe office located at 1220 South Saint Francis Drive, Santa Fe, New Mexico 87505, four 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.

Very truly yours,

William F. Carr

ATTORNEY FOR OXY USA WTP LIMITED PARTNERSHIP

cc: Mr. David Evans

Holland & Hart LLP

Phone (505) 988-4421 Fax (505) 983-6043 [www.hollandhart.com](http://www.hollandhart.com)

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

Aspen Billings Boise Boulder Cheyenne Colorado Springs Denver Denver Tech Center Jackson Hole Salt Lake City Santa Fe Washington, D.C. ☺

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

**IN THE MATTER OF THE APPLICATION  
OF OCCIDENTAL PERMIAN COMPULSORY  
POOLING, EDDY COUNTY, NEW MEXICO.**

**CASE NO. 13718  
REOPENED AND RE-ADVERTISED**

**AMENDED APPLICATION**

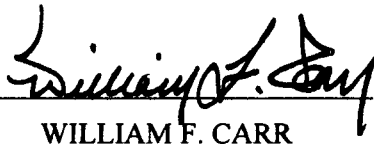
OXY USA WTP Limited Partnership, ("OXY") through its undersigned attorneys, hereby files this amended application pursuant to the provisions of NMSA 1978, §70-2-17, to reopen Case No. 13718 for the entry of an order pooling all mineral interests in all formations from the surface to the base of the Morrow formation in the following described spacing and proration units located in the W/2 of Section 4, Township 19 South, Range 28 East, N.M.P.M., Eddy County, New Mexico: the W/2 for all formations and/or pools developed on 320-acre spacing which includes but is not necessarily limited to the Undesignated South Millman-Morrow Gas Pool and the Undesignated Millman-Strawn Gas Pool; the NW/4 for all formations and/or pools developed on 160-acre spacing; and the SW/4 NW/4 for all formations and/or pools developed on 40-acre spacing which includes but is not limited to the Travis-Upper Pennsylvanian Pool and the Travis Wolfcamp Pool, and support of its application states:

1. OXY USA WTP Limited Partnership is a working interest owner in the W/2 of said Section 4 and has the right to drill thereon.
2. OXY proposes to dedicate the above-referenced spacing or proration units to its Senita State Well No. 1 to be drilled at a standard gas well location 1540 feet from the North line and 1070 feet from the West line (Unit E) of said Section 4, to an approximate depth of 11,400 feet to test any and all formations from the surface to the base of the Morrow formation.
3. OXY has sought and been unable to obtain a voluntary agreement for the development of these lands from certain interest owners in the subject spacing units who are identified on Exhibit A to this application.
4. Said pooling of interests will avoid the drilling of unnecessary wells, will prevent waste and will protect correlative rights.
5. In order to permit the OXY to obtain its just and fair share of the oil and gas underlying the subject lands, all mineral interests should be pooled, and OXY USA WTP Limited Partnership should be designated the operator of the well to be drilled.

WHEREFORE, OXY WTP Limited Partnership requests that this amended application be re-opened and set for hearing before an Examiner of the Oil Conservation Division on August 3, 2006 and, after notice and hearing as required by law, the Division enter its order:

- A. pooling all mineral interests in the subject spacing and proration units,
- B. designating OXY USA WTP Limited Partnership operator of these units and the well to be drilled thereon,
- C. authorizing OXY USA WTP Limited Partnership 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 penalty for the risk assumed by OXY USA WTP Limited Partnership 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:   
WILLIAM F. CARR

Post Office Box 2208  
Santa Fe, New Mexico 87504  
Telephone: (505) 988-4421

ATTORNEYS FOR OXY USA WTP LIMITED  
PARTNERSHIP

**CASE 13718 (REOPENED AND RE\_ADVERTISED): Amended Application of OXY USA WTP Limited Partnership for compulsory pooling, Eddy County, New Mexico.** Applicant in the above-styled cause seeks an order pooling all mineral interests from the surface to the base of Morrow formation in the following described spacing and proration units located in the W/2 of Section 4, Township 19 South, Range 28 East, N.M.P.M., Eddy County, New Mexico: the W/2 for all formations and/or pools developed on 320-acre spacing which includes but is not necessarily limited to the Undesignated South Millman-Morrow Gas Pool and the Undesignated Millman-Strawn Gas Pool; the NW/4 for all formations and/or pools developed on 160-acre spacing; and the SW/4 NW/4 for all formations and/or pools developed on 40-acre spacing which includes but is not limited to the Travis-Upper Pennsylvanian Pool and the Travis Wolfcamp Pool. OXY proposes to dedicate the above-referenced spacing or proration units to its Senita State Well No. 1 to be drilled at a standard gas well location 1540 feet from the North line and 1070 feet from the West line (Unit E) of said Section 4. Also to be considered will be the cost of drilling and completing said well and the allocation of the cost thereof as well as actual operating costs and charges for supervision, designation of OXY USA WTP Limited Partnership as operator of the well and a charge for risk involved in drilling said well. Said area is located approximately 10 miles East of Lakewood, New Mexico.

U.S. Postal Service

CERTIFIED MAIL RECEIPT

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WFC 1.63  
Certified Fee  
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Return Receipt Fee  
1.75  
Restricted Delivery Fee  
4.88  
Total Postage & Fees

Sent To  
Katherine Ann Malone,  
individually and as trustee of  
Charles F. Malone Living Trust  
4104 24th Street #551  
San Francisco, CA 94114

PS Form 3800

U.S. Postal Service

CERTIFIED MAIL RECEIPT

(Domestic Mail Only, No Insurance Coverage, Provisional)

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44506.0016 Postage  
WFC 1.63  
Certified Fee  
2.40  
Return Receipt Fee  
1.75  
Restricted Delivery Fee  
4.88  
Total Postage & Fees

Sent To  
Anne S. Johnson  
Post Office Box 490  
Kechi, Kansas 67067

PS Form 38

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- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:

Katherine Ann Malone,  
individually and as trustee of the  
Charles F. Malone Living Trust  
4104 24th Street #551  
San Francisco, CA 94114

2. Article Number (Copy from service label)

7001 1140 0002 9558 9824

PS Form 3811, July 1999

Domestic Return Receipt

102595-00-M-0952

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1. Article Addressed to:

Anne S. Johnson  
Post Office Box 490  
Kechi, Kansas 67067

2. Article Number (Copy from service label)

7001 1140 0002 9558 9831

PS Form 3811, July 1999

Domestic Return Receipt

102595-00-M-0952

# Affidavit of Publication

NO. 19333

STATE OF NEW MEXICO

County of Eddy:

Gary D. Scott being duly

sworn, says: That he is the Publisher of The

Artesia Daily Press, a daily newspaper of general circulation, published in English at Artesia, said county and county and state, and that the here to attached

## Legal Notice

was published in a regular and entire issue of the said Artesia Daily Press, a daily newspaper duly qualified for that purpose within the meaning of Chapter 167 of the 1937 Session Laws of the state of New Mexico for 1 Consecutiv week/days on the same

day as follows:

First Publication July 4 2006

Second Publication

Third Publication

Fourth Publication

Subscribed and sworn to before me this

7TH Day July 2006

*Barbara Ann Brown*  
Notary Public, Eddy County, New Mexico

My Commission expires September : 23, 2007

# Copy of Publication:

## LEGAL NOTICE

**NOTICE OF PUBLICATION 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 August 3, 2006, 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 505-478-3458 or through the New Mexico Relay Network, 1-800-659-1779 by July 24, 2006. Public documents including the agenda and minutes, can be provided in various

## LEGAL NOTICE

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.)

### CASE 13718 (REOPENED AND RE-ADVERTISED):

Amended Application of OXY USA WTP Limited Partnership for compulsory pooling, Eddy County, New Mexico. Applicant in the above-styled cause seeks an order pooling all mineral interests from the surface to the base of Morrow formation in the following described spacing and proration units located in the W/2 of Section 4, Township 19 South, Range 28 East, N.M.P.M., Eddy County, New Mexico; the W/2 for all formations and/or pools developed on 320-acre spacing which includes but is not necessarily limited to the Undesignated South Millman-Morrow Gas Pool and the Undesig-

## LEGAL NOTICE

nated Millman-Strawn Gas Pool; the NW/4 for all formations and/or pools developed on 160-acre spacing; and the SW/4 NW/4 for all formations and/or pools developed on 40-acre spacing which includes but is not limited to the Travis-Upper Pennsylvanian Pool and the Travis Wolfcamp Pool. OXY proposes to dedicate the above-referenced spacing or proration units to its Santa State Well No. 1 to be drilled at a standard gas well location 1540 feet from the North line and 1070 feet from the West line (Unit E) of said Section 4. Also to be considered will be the cost of drilling and completing said well and the allocation of the cost thereof as well as actual operating costs and charges for supervision, designation of OXY USA WTP Limited Partnership as operator of the well and a charge for risk involved in drilling said well. Said area is located approximately 10 miles East of Lakewood, New Mexico.

Given under the Seal of the State of New Mexico Oil Conservation Commission at Santa Fe, New Mexico on this 30th day of June 2006.

STATE OF NEW MEXICO

## LEGAL NOTICE

**OIL CONSERVATION DIVISION**  
Mark E. Fesmire, P.E.,  
Director

Published in the Artesia Daily Press, Artesia, N.M. July 4, 2006.

Legal 19333