



3106 N. Big Spring St. Ste. 10  
Midland, TX 79705  
Tel: (432) 685-9158

December 28, 2006

Oxy USA WTP LP  
P. O. Box 4294  
Houston, TX 77210-4294

RE: Rule 104 Notification to Multiple Operators in Shared Proration Unit  
for Permit to Drill New Well  
Oxy Checker State #2  
1980' FNL & 660' FWL, Unit E  
Sec 8, T19S, R29E, Eddy County, NM  
Turkey Track Canyon

Dear Sirs:

Bold Energy, LP is planning to drill the above referenced well on a 320-acre proration unit containing the W/2 of Section 8, as shown on the attached plat, which is shared by the 320-acre proration unit occupied by the Oxy Checker State #1 and operated by Oxy USA. In compliance with New Mexico State Rule 104, addressing multiple operators sharing the same proration unit, Bold hereby gives official notification twenty (20) days in advance of submitting the Application to Drill to the New Mexico Oil Conservation Division. If no written objection is received to Bold Energy, LP within the twenty days of receipt of this notification, the application will be submitted.

An administrative approval may be obtained if non-objection waivers are included with the application. Bold Energy, LP respectfully requests that, if you have no objection, you sign below and return this letter at your earliest convenience. If you have any questions, or if there is anything I can do to expedite this request, please contact me at (432) 685-9158. Thank you.

Denise Menoud, Regulatory Specialist  
Gray Surface Specialties,  
Agent for Bold Energy, LP

Oil Conservation Division  
Case No. \_\_\_\_\_  
Exhibit No. 2

Oxy USA WTP, LP has no objection to the 320-acre proration unit assignment to the above well drilling application.

\_\_\_\_\_  
(Signature and Title)

\_\_\_\_\_  
(Date)

District I  
1625 N. French Dr., Hobbs, NM 88240  
District II  
811 South First, Artesia, NM 88210  
District III  
1000 Rito Blanco Rd., Aztec, NM 87410  
District IV  
2040 South Pacheco, Santa Fe, NM 87505

State of New Mexico  
Energy, Minerals & Natural Resources Department

Form C-102  
Revised March 17, 1999

OIL CONSERVATION DIVISION  
2040 South Pacheco  
Santa Fe, NM 87505

Submit to Appropriate District Office  
State Lease - 4 Copies  
Fee Lease - 3 Copies

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

1 APT Number 30-015-29463		2 Pool Code		3 Pool Name Undesignated Wolfcamp	
4 Property Code 29463		5 Property Name OXY Checker State Com.			6 Well Number 1
7 OGRID No. 1696		8 Operator Name OXY USA Inc.			9 Elevation 3379

10 Surface Location									
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
L	8	19S	29E		1650	South	660	West	Eddy

11 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
12 Dedicated Acres 320		13 Joint or Infill N		14 Consolidation Code		15 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

	16				<p>17 OPERATOR CERTIFICATION</p> <p>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief</p> <p><i>David Stewart</i></p> <p>Signature David Stewart</p> <p>Printed Name Regulatory Analyst</p> <p>Title 6/18/00</p> <p>Date</p> <p>18 SURVEYOR CERTIFICATION</p> <p>I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.</p> <p>Date of Survey</p> <p>Signature and Seal of Professional Surveyor</p> <p>Certificate Number</p>



**OXY USA WTP LIMITED PARTNERSHIP**

6 Desta Drive, Suite 600, Midland, Texas 79705  
P.O. Box 50250, Midland, Texas 79710

David R. Evans  
Senior Landman Advisor

432/685-5769  
FAX 432/685-5944

January 8, 2007

CERTIFIED – RETURN RECEIPT REQUESTED

Gray Surface Specialties  
Attention: Denise Menoud  
3106 North Big Spring Street, Suite 100  
Midland, Texas 79705

Re: Rule 104 Notification to Multiple Operators in  
Shared Proration Unit for Permit to Drill New Well  
OXY Checker State #2, 1980 FNL & 660 FWL, Unit E  
Section 8, T19S-R29E, Eddy County, New Mexico  
JOA file 03181501

Dear Ms. Menoud,

With respect to your letter dated December 28, 2006, please be advised that OXY USA WTP Limited Partnership objects to Bold Energy, L.P.'s proposed application for multiple Operators on the captioned lands. OXY USA WTP Limited Partnership (successor to OXY USA Inc.) is the designated Operator under the terms of that certain Operating Agreement dated March 1, 1997 and Letter Agreement dated March 27, 1997.

OXY requests that Bold Energy contact OXY prior to any further action on this proposed well so that we can discuss resolution to this matter as soon as possible.

Very truly yours,

OXY USA WTP Limited Partnership

David R. Evans

DRE/bic

cc: Elizabeth Bush  
William Carr (Holland & Hart)  
Bob Doty  
David Sutter (Stubbeman Law Firm)  
Peggy Kerr (Bold Energy)