

Re: C-108
Government AB-9

OXY USA Inc.

Date: 7/29/99

To: Mark Ashley

- For your approval
- For your comments
- For your information
- For your signature
- Please handle
- Please review and discuss with me
- Please note and file
- Please note and return to me
- Please prepare for execution
- Please notarize/attest
- Please record

REMARKS: Please see attached for
copies of Certified Return Receipts.

Thanks

From: David Stewart
915-685-5717
Please Xerox _____ copies

ABOVE THIS LINE FOR DIVISION USE ONLY

NEW MEXICO OIL CONSERVATION DIVISION

- Engineering Bureau -

ADMINISTRATIVE APPLICATION COVERSHEET

THIS COVERSHEET IS MANDATORY FOR ALL ADMINISTRATIVE APPLICATIONS FOR EXCEPTIONS TO DIVISION RULES AND REGULATIONS

Application Acronyms:

- [NSP-Non-Standard Proration Unit] [NSL-Non-Standard Location] [DD-Directional Drilling] [SD-Simultaneous Dedication] [DHC-Downhole Commingling] [CTB-Lease Commingling] [PLC-Pool/Lease Commingling] [PC-Pool Commingling] [OLS - Off-Lease Storage] [OLM-Off-Lease Measurement] [WFX-Waterflood Expansion] [PMX-Pressure Maintenance Expansion] [SWD-Salt Water Disposal] [IPI-Injection Pressure Increase] [EOR-Qualified Enhanced Oil Recovery Certification] [PPR-Positive Production Response]

[1] TYPE OF APPLICATION - Check Those Which Apply for [A]

- [A] Location - Spacing Unit - Directional Drilling [] NSL [] NSP [] DD [] SD

AUG - 2 1999

Check One Only for [B] or [C]

- [B] Commingling - Storage - Measurement [] DHC [] CTB [] PLC [] PC [] OLS [] OLM

- [C] Injection - Disposal - Pressure Increase - Enhanced Oil Recovery [] WFX [] PMX [x] SWD [] IPI [] EOR [] PPR

[2] NOTIFICATION REQUIRED TO: - Check Those Which Apply, or [] Does Not Apply

- [A] [] Working, Royalty or Overriding Royalty Interest Owners [B] [x] Offset Operators, Leaseholders or Surface Owner - Legal Advertisement [C] [] Application is One Which Requires Published Legal Notice [D] [] Notification and/or Concurrent Approval by BLM or SLO [E] [] For all of the above, Proof of Notification or Publication is Attached and/or, will be forwarded when received. [F] [] Waivers are Attached

[3] INFORMATION / DATA SUBMITTED IS COMPLETE - Statement of Understanding

I hereby certify that I, or personnel under my supervision, have read and complied with all applicable Rules and Regulations of the Oil Conservation Division. Further, I assert that the attached application for administrative approval is accurate and complete to the best of my knowledge and where applicable, verify that all interest (WI, RI, ORRI) is common. I further verify that all applicable API Numbers are included. I understand that any omission of data, information or notification is cause to have the application package returned with no action taken.

Note: Statement must be completed by an individual with supervisory capacity.

Richard E. Foppiano Print or Type Name

Richard E. Foppiano Signature

Senior Advisor Title

7/26/99 Date

Is your RETURN ADDRESS completed on the reverse side?

SENDER:
 Complete items 1 and/or 2 for additional services.
 Complete items 3, 4a, and 4b.
 Print your name and address on the reverse of this form so that we can return this card to you.
 Attach this form to the front of the mailpiece, or on the back if space does not permit.
 Write "Return Receipt Requested" on the mailpiece below the article number.
 The Return Receipt will show to whom the article was delivered and the date delivered.

I also wish to receive the following services (for an extra fee):
 1. Addressee's Address
 2. Restricted Delivery
 Consult postmaster for fee.

3. Article Addressed to:
 STATE OF NEW MEXICO
 ENERGY & MINERALS DEPARTMENT
 OIL CONSERVATION DIVISION
 811 S. 1ST STREET
 ARTESIA, NM 88210-2834

4a. Article Number
 2236 294 009

4b. Service Type
 Registered Certified
 Express Mail Insured
 Return Receipt for Merchandise COD

7. Date of Delivery

5. Received By: (Print Name)
 MARY ANN BURR

6. Signature: (Addressee or Agent)
 MARY ANN BURR

PS Form 3811, December 1994 102595-97-B-0179 Domestic Return Receipt

Thank you for using Return Receipt Service.

Is your RETURN ADDRESS completed on the reverse side?

SENDER:
 Complete items 1 and/or 2 for additional services.
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I also wish to receive the following services (for an extra fee):
 1. Addressee's Address
 2. Restricted Delivery
 Consult postmaster for fee.

3. Article Addressed to:
 UNITED STATES DEPT OF
 INTERIOR
 BUREAU OF LAND MANAGEMENT
 2909 WEST SECOND STREET
 ROSWELL, NM 88201

4a. Article Number
 2236 294 010

4b. Service Type
 Registered Certified
 Express Mail Insured
 Return Receipt for Merchandise COD

7. Date of Delivery
 7/27/99

5. Received By: (Print Name)

6. Signature: (Addressee or Agent)
 JERRY STELL

PS Form 3811, December 1994 102595-97-B-0179 Domestic Return Receipt

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I also wish to receive the following services (for an extra fee):
 1. Addressee's Address
 2. Restricted Delivery
 Consult postmaster for fee.

3. Article Addressed to:
 PARDUE LTD.
 P.O. BOX 2018
 CARLSBAD, NM 88210-2018

4a. Article Number
 2236 294 005

4b. Service Type
 Registered Certified
 Express Mail Insured
 Return Receipt for Merchandise COD

7. Date of Delivery

5. Received By: (Print Name)

6. Signature: (Addressee or Agent)
 JERRY STELL

PS Form 3811, December 1994 102595-97-B-0179 Domestic Return Receipt

Thank you for using Return Receipt Service.

SENDER:
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I also wish to receive the following services (for an extra fee):
 1. Addressee's Address
 2. Restricted Delivery
 Consult postmaster for fee.

3. Article Addressed to:
 HILLIN PRODUCTION CO.
 P.O. BOX 152
 ODESSA, TX 79760

4a. Article Number
 2236 294 007

4b. Service Type
 Registered Certified
 Express Mail Insured
 Return Receipt for Merchandise COD

7. Date of Delivery

5. Received By: (Print Name)
 ROQUEL WARD

6. Signature: (Addressee or Agent)
 ROQUEL WARD

PS Form 3811, December 1994 102595-97-B-0179 Domestic Return Receipt

SENDER:
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I also wish to receive the following services (for an extra fee):
 1. Addressee's Address
 2. Restricted Delivery
 Consult postmaster for fee.

3. Article Addressed to:
 CHI OPERATING INC.
 P.O. BOX 1799
 MIDLAND, TX 79702

4a. Article Number
 2236 294 006

4b. Service Type
 Registered Certified
 Express Mail Insured
 Return Receipt for Merchandise COD

7. Date of Delivery

5. Received By: (Print Name)
 JERRY STELL

6. Signature: (Addressee or Agent)
 JERRY STELL

PS Form 3811, December 1994 102595-97-B-0179 Domestic Return Receipt

Thank you for using Return Receipt Service.

SERVICE LIST - C-108 APPLICATION
OXY USA INC.
GOVERNMENT AB #9
SEC 10 T20S R28E

STATE OF NEW MEXICO
ENERGY & MINERALS DEPARTMENT
OIL CONSERVATION DIVISION
2040 SOUTH PACHECO
SANTA FE, NM 87505
CRR - Z 236 294 008

STATE OF NEW MEXICO
ENERGY & MINERALS DEPARTMENT
OIL CONSERVATION DIVISION
811 S. 1ST STREET
ARTESIA, NM 88210-2834
CRR - Z 236 294 009

SURFACE OWNER:

UNITED STATES DEPT OF INTERIOR
BUREAU OF LAND MANGEMENT
2909 WEST SECOND STREET
ROSWELL, NM 88201
CCR - Z 236 294 010

PARDUE LTD.
P.O. BOX 2018
CARLSBAD, NM 8821-2018
CCR - Z 236 294 005

OFFSET OPERATORS:

CHI OPERATING INC.
P.O. BOX 1799
MIDLAND, TX 79702
CCR - Z 236 294 006

HILLIN PRODUCTION CO.
P.O. BOX 152
ODESSA, TX 79760
CCR - Z 236 294 007

OXY USA INC.
P.O. BOX 50250
MIDLAND, TX 79710-0250