

LARGE FORMAT  
EXHIBIT HAS  
BEEN REMOVED  
AND IS LOCATED  
IN THE NEXT FILE

BEFORE THE OIL CONSERVATION COMMISSION  
OF THE STATE OF NEW MEXICO

IN THE MATTER OF THE HEARING  
CALLED BY THE OIL CONSERVATION  
COMMISSION OF NEW MEXICO FOR  
THE PURPOSE OF CONSIDERING:

CASE NO. 5397  
Order No. R-4949

NOMENCLATURE

APPLICATION OF CITIES SERVICE OIL  
COMPANY FOR POOL CREATION AND  
SPECIAL POOL RULES, EDDY COUNTY,  
NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on January 8, 1975,  
at Santa Fe, New Mexico, before Examiner, Richard L. Stamets.

NOW, on this 22nd day of January, 1975, the Commission,  
a quorum being present, having considered the testimony, the  
record, and the recommendations of the Examiner, and being  
fully advised in the premises,

FINDS:

(1) That due public notice having been given as required  
by law, the Commission has jurisdiction of this cause and the  
subject matter thereof.

(2) That the applicant, Cities Service Oil Company,  
seeks the creation of a new gas pool for Wolfcamp production  
in Eddy County, New Mexico, and the promulgation of special  
rules and regulations governing said pool, including a  
provision for 320-acre spacing units.

(3) That applicant's Government "T" Well No. 1, located  
in Unit C of Section 14, Township 20 South, Range 28 East,  
NMPM, Eddy County, New Mexico, having its top perforations  
at 9206 feet, has discovered a separate common source of  
supply which should be designated the North Burton Flats-  
Wolfcamp Gas Pool; that the vertical limits of said pool  
should be the Wolfcamp formation and the horizontal limits  
of said pool should include all of Sections 14 and 23 in  
said township.

(4) That temporary special rules and regulations  
providing for 320-acre gas well spacing should be promulgated  
for the subject pool in order to prevent the economic loss  
caused by the drilling of unnecessary wells, avoid the

BEFORE THE  
OIL CONSERVATION DIVISION  
Case No. 12447 Exhibit No. 2  
Submitted By:  
OXY USA, Inc.  
Hearing Date: July 13, 2000

augmentation of risk arising from the drilling of an excessive number of wells, prevent reduced recovery which might result from the drilling of too few wells, and otherwise prevent waste and protect correlative rights.

(5) That the temporary special rules and regulations should provide for the limitation of production from wells in the subject pool to a maximum of no more than 1,500 MCF per day.

(6) That the temporary special rules and regulations should establish proration rules for gas wells in order to prevent waste and protect correlative rights.

(7) That this case should be reopened at an examiner hearing during February, 1976, to permit the operators in said gas pool to appear and show cause why the North Burton Flats-Wolfcamp Gas Pool should not be developed on 160-acre spacing and proration units.

IT IS THEREFORE ORDERED:

(1) That effective February 1, 1975, a new pool for the production of gas from the Wolfcamp formation is hereby created and designated as the North Burton Flats-Wolfcamp Gas Pool with horizontal limits comprising the following described area:

EDDY COUNTY, NEW MEXICO  
TOWNSHIP 20 SOUTH, RANGE 28 EAST, NMPM  
Section 14: All  
Section 23: All

(2) That effective February 1, 1975, Special Rules and Regulations for the North Burton Flats-Wolfcamp Gas Pool, Eddy County, New Mexico, are hereby promulgated as follows:

SPECIAL RULES AND REGULATIONS  
NORTH BURTON FLATS-WOLFCAMP GAS POOL

RULE 1. Each well completed or recompleted in the North Burton Flats-Wolfcamp Gas Pool or in the Wolfcamp formation within one mile thereof, and not nearer to or within the limits of another designated Wolfcamp pool, shall be spaced, drilled, operated, and produced in accordance with the Special Rules and Regulations hereinafter set forth.

RULE 2. (a) Each well shall be located on a standard unit containing 320 acres, more or less, comprising any two contiguous quarter sections of a single governmental section, being a legal subdivision of the United States Public Land Surveys.

RULE 3. The Secretary-Director of the Commission may grant an exception to the requirements of Rule 2 without notice and hearing when an application has been filed for a non-standard unit and the unorthodox size or shape of the unit is necessitated by a variation in the legal subdivision of the United States Public Land Surveys, or the following facts exist and the following provisions are complied with:

- (a) The non-standard unit consists of quarter-quarter sections or lots that are contiguous by a common bordering side.
- (b) The non-standard unit lies wholly within a standard proration unit for the well under the applicable provisions of Rule 2 above and contains less acreage than a standard unit.
- (c) The applicant presents written consent in the form of waivers from all offset operators and from all operators owning interests in the standard proration unit for the well in which the non-standard unit is situated and which acreage is not included in said non-standard unit.
- (d) In lieu of paragraph (c) of this rule, the applicant may furnish proof of the fact that all of the aforesaid operators were notified by registered or certified mail of his intent to form such non-standard unit. The Secretary-Director may approve the application if no such operator has entered an objection to the formation of such non-standard unit within 30 days after the Secretary-Director has received the application.

RULE 4. Each well shall be located no nearer than 660 feet to the nearest side boundary of the tract nor nearer than 1980 feet to the nearest end boundary of the tract.

RULE 5. A gas well in the North Burton Flats-Wolfcamp Gas Pool shall be permitted to produce no more than 1,500 MCF of gas per day during the effective period of these pool rules.

RULE 6. The operator of each newly completed well shall cause a gas-liquid ratio test to be taken on the well upon recovery of all load oil from the well. Any well which is shut in shall be exempted from the gas-liquid ratio test requirement so long as it remains shut in. The initial gas-liquid ratio test shall be taken in the manner prescribed by Rule 7.

RULE 7. Gas-liquid ratio tests shall be taken on all wells during the months of March and September of each year. The initial gas-liquid ratio test shall suffice as the first semi-annual test. Tests shall be 24-hour tests, being the final 24 hours of a 72-hour period during which the well shall be produced at a constant normal rate of production. Results of such tests shall be filed on Commission Form C-116 on or before the 10th day of the following month. At least 72 hours prior to commencement of any such gas-liquid ratio tests, each operator shall file with the appropriate district office of the Commission a test schedule for its wells specifying the time each of its wells is to be tested. Copies of the test schedule shall also be furnished to all offset operators. The Commission District Supervisor may grant exceptions to the above test requirements where it is demonstrated that wells produce no liquids.

Special tests shall also be taken at the request of the Secretary-Director and may also be taken at the option of the operator. Such special tests shall be taken in accordance with the procedures outlined hereinabove, including notification to the Commission and offset operators.

RULE 8. An initial shut-in pressure test shall be taken on each gas well and shall be reported to the Commission on Form C-125.

RULE 9. Any well completed after the effective date of these rules shall receive an allowable only upon receipt by the appropriate Commission district office of Commission Forms C-104 and C-116, properly executed. The District Supervisor of the Commission's district office is hereby authorized to assign a temporary gas allowable to wells connected to a gas transportation facility during the recovery of load oil, which allowable shall not exceed the amounts set forth in Rule 5 of these rules.

RULE 10. The initial balancing date shall be 7 o'clock a.m. April the first, 1975. Subsequently, the date 7:00 a.m. April the first of each year shall be known as the balancing date, and the twelve months following this date shall be known as the gas proration period.

RULE 11. Any gas well which has an underproduced status as of the end of a gas proration period shall be allowed to carry such underproduction forward into the next gas proration period and may produce such underproduction in addition to the allowable assigned during such succeeding period. Any allowable carried forward into a gas proration period and remaining unproduced at the end of such gas proration period shall be cancelled.

RULE 12. Production during any one month of a gas proration period in excess of the allowable assigned to a well for such month shall be applied against the underproduction carried into such period in determining the amount of allowable, if any, to be cancelled.

RULE 13. Any well which has an overproduced status as of the end of a gas proration period shall carry such overproduction forward into the next gas proration period, provided that such overproduction shall be compensated for during such succeeding period. Any well which has not compensated for the overproduction carried into a gas proration period by the end of such proration period shall be shut in until such overproduction is compensated for. If, at any time, a well is overproduced an amount equalling three times its current monthly allowable, it shall be shut in during that month and each succeeding month until the well is overproduced less than three times its current monthly allowable.

RULE 14. The allowable assigned to a well during any one month of a gas proration period in excess of the production for the same month shall be applied against the overproduction carried into such period in determining the amount of overproduction, if any, which has not been compensated for.

RULE 15. The Commission may allow overproduction to be compensated for at a lesser rate than would be the case if the well were completely shut in upon a showing after notice and hearing that complete shut in of the well would result in material damage to the well or reservoir.

RULE 16. The monthly gas production from each gas well shall be metered separately and the gas production therefrom shall be reported to the Commission on Form C-115 so as to reach the Commission on or before the 24th day of the month next succeeding the month in which the gas was produced. The operator shall show on such report what disposition has been made of the produced gas.

RULE 17. Each purchaser or taker of gas shall submit a report to the Commission so as to reach the Commission on or before the 15th day of the month next succeeding the month in which the gas was purchased or taken. Such report shall be filed on Form C-111 with the wells being listed in the same order as they are listed on the appropriate proration schedule.

RULE 18. Failure to comply with any provision of these rules shall result in the immediate cancellation of allowable assigned to the affected well. No further allowable shall be assigned until all rules and regulations have been complied with. The Secretary-Director shall notify the operator of

the well and purchaser in writing of the date of allowable cancellation and the reason therefor.

RULE 19. All transporters or users of gas shall file gas well-connection notices with the Commission as soon as possible after the date of connection.

IT IS FURTHER ORDERED:

(1) That the locations of all wells presently drilling to or completed in the North Burton Flats-Wolfcamp Gas Pool or in the Wolfcamp formation within one mile thereof are hereby approved; that the operator of any well having an unorthodox location shall notify the appropriate district office of the Commission in writing of the name and location of the well on or before February 15, 1975.

(2) That, pursuant to Paragraph A. of Section 65-3-14.5, NMSA 1953, contained in Chapter 271, Laws of 1969, existing wells in the North Burton Flats-Wolfcamp Gas Pool shall have dedicated thereto 320 acres, in accordance with the foregoing pool rules or, pursuant to Paragraph C. of said Section 65-3-14.5, existing wells may have non-standard spacing or proration units established by the Commission and dedicated thereto.

Failure to file new Forms C-102 with the Commission dedicating 320 acres to a well or to obtain a non-standard unit approved by the Commission within 60 days from the date of this order shall subject the well to cancellation of allowable.

(3) That this cause shall be reopened at an examiner hearing during February, 1976, to permit the operators in said pools to appear and present evidence to clearly establish the nature of said reservoirs, proper rates of production for wells therein, and special rules therefor.

(4) That jurisdiction of this cause is retained for the entry of such further orders as the Commission may deem necessary.

-7-

Case No. 5397

Order No. R-4949

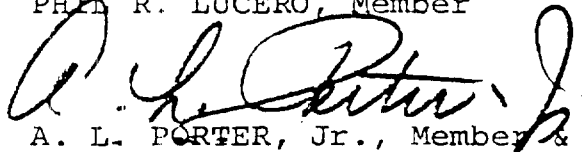
DONE at Santa Fe, New Mexico, on the day and year herein-  
above designated.

STATE OF NEW MEXICO  
OIL CONSERVATION COMMISSION

I. R. TRUJILLO, Chairman



PHIL R. LUCERO, Member



A. L. PORTER, Jr., Member & Secretary

S E A L

dr/



4  
10

Field Summary

Dwights

07/06/00

Retrieval Code: Summary

6  
10

3  
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3  
10

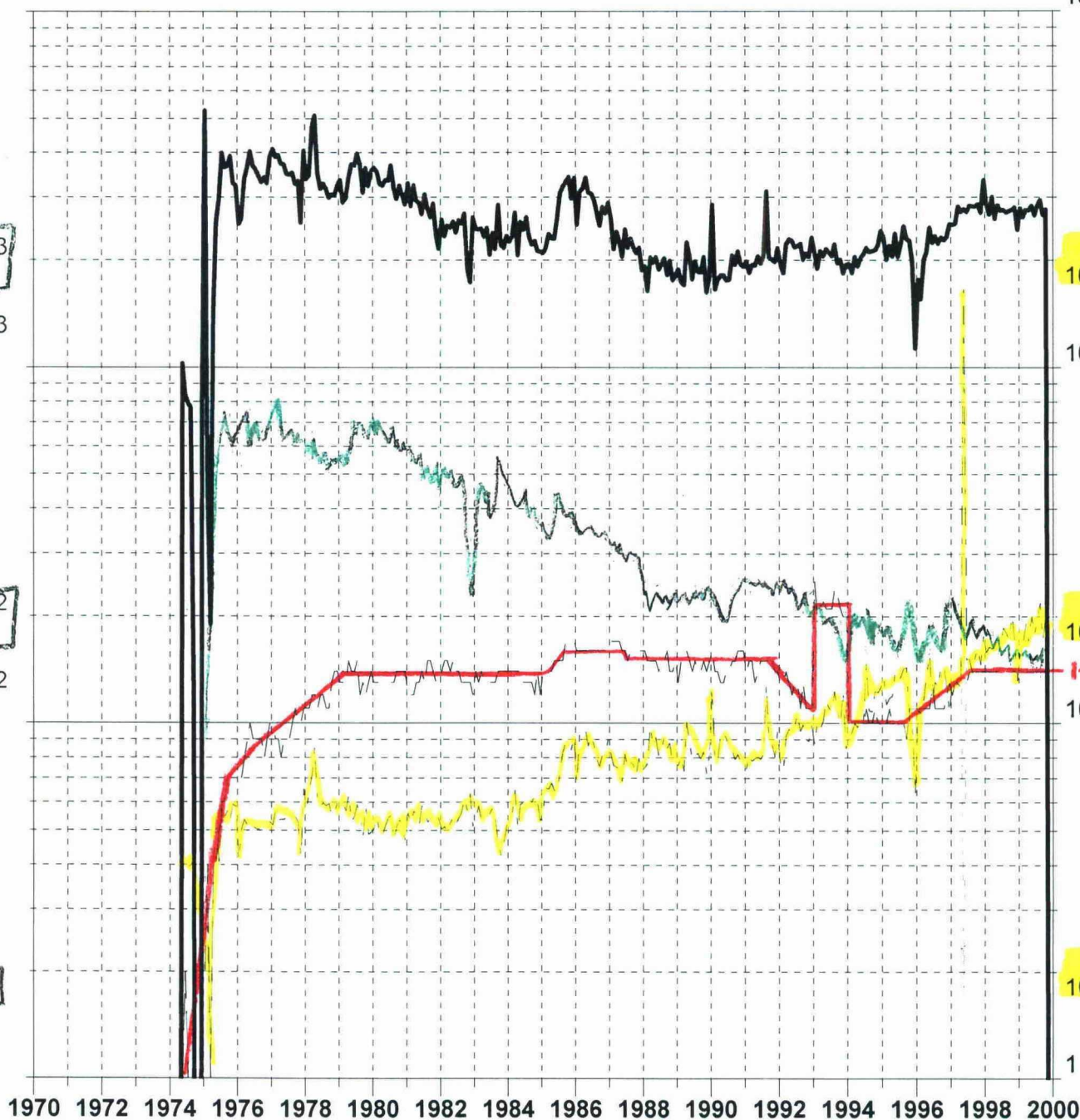
5  
10

2  
10

4  
10

10

3  
10



Gas (mcf/day)

County: EDDY, NM

F.P. Date: 04/74

Well Count

Oil (bbl/day)

Field: BURTON FLAT NORTH ( Oil Cum: 3291 mbbl

GOR (cf/bbl)

Reservoir: WOLFCAMP

Gas Cum: 23.46 bcf

Location:

BEFORE THE  
OIL CONSERVATION DIVISION

Case No.12447 Exhibit No. 3

Submitted By:

OXY USA, Inc.

Hearing Date: July13, 2000

# Rate/Time Graph

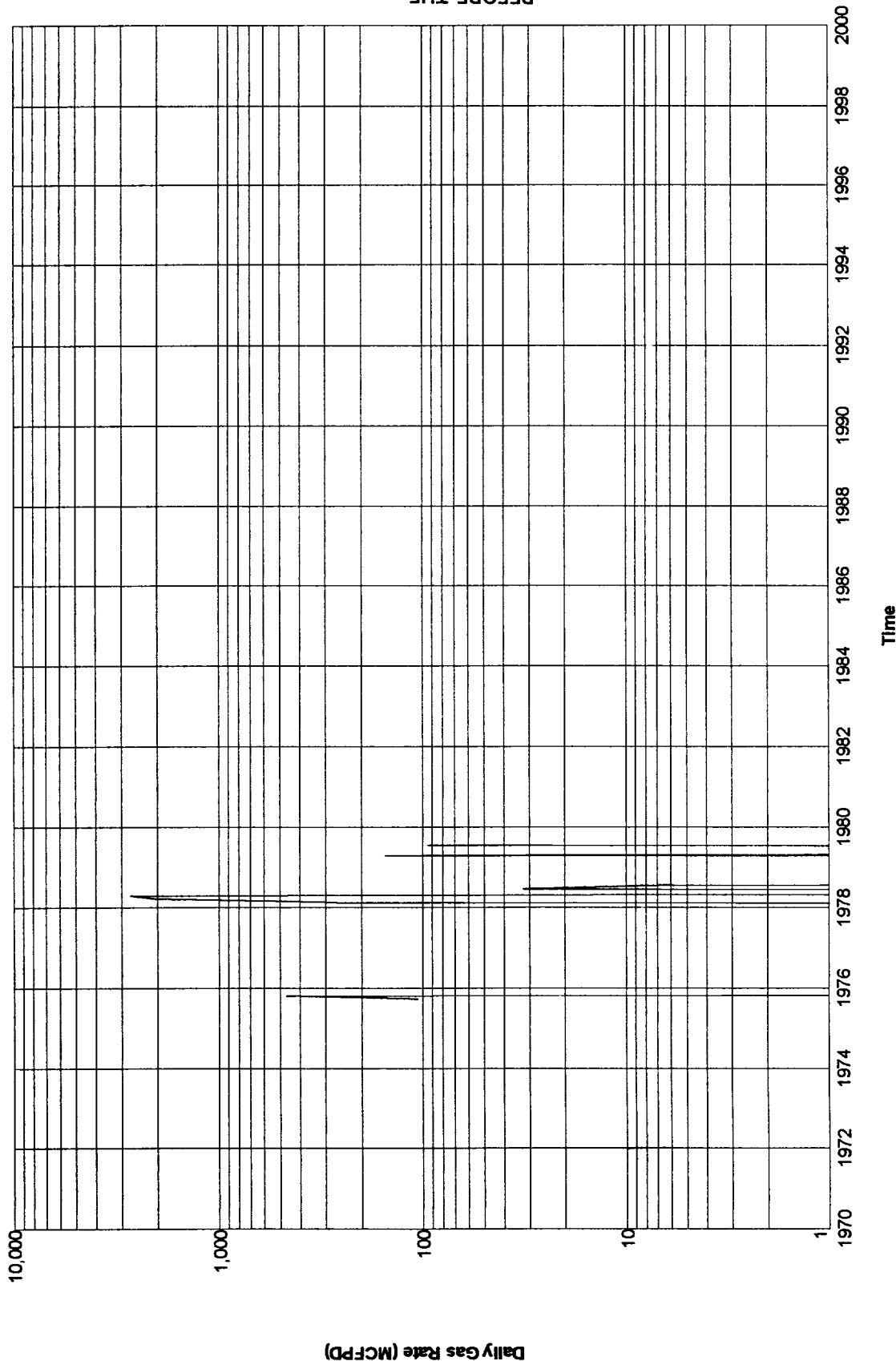
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Time: 11:48 AM

Lease Name: STONEWALL EP STATE (001)  
County, ST: EDDY, NM  
Location: 20S-28E-30

Field Name: BURTON FLAT, NORTH  
Operator: YATES PETROLEUM CORPORATION

STONEWALL EP STATE - BURTON FLAT, NORTH - YATES PETROLEUM CORPORATION



BEFORE THE  
OIL CONSERVATION DIVISION  
Case No. 12447 Exhibit No. 4  
Submitted By:  
OXY USA, Inc.  
Hearing Date: July 13, 2000

# Rate/Time Graph

Project: C:\My Documents\ptools35\Projects\pof.MDB

Date: 7/11/2000

Time: 11:47 AM

Lease Name:

BURTON FLAT DEEP UNIT (007)

Field Name:

BURTON FLAT, NORTH

County, ST:

EDDY, NM

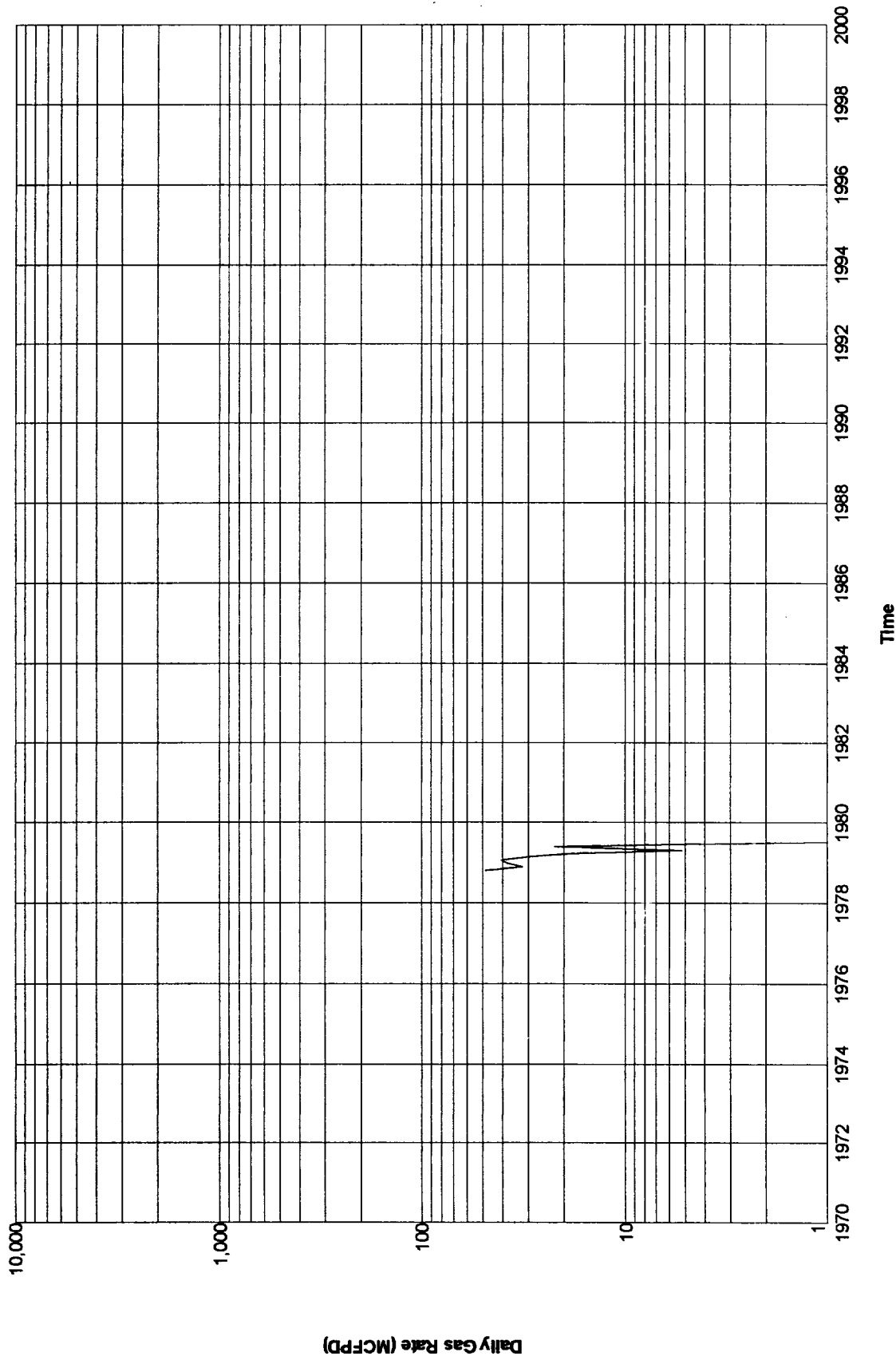
Operator:

BHP PETROLEUM (AMERICAS) INCORPOR

Location:

20S-28E-33

BURTON FLAT DEEP UNIT - BURTON FLAT, NORTH - BHP PETROLEUM (AMERICAS) INCORPORATE



# Rate/Time Graph

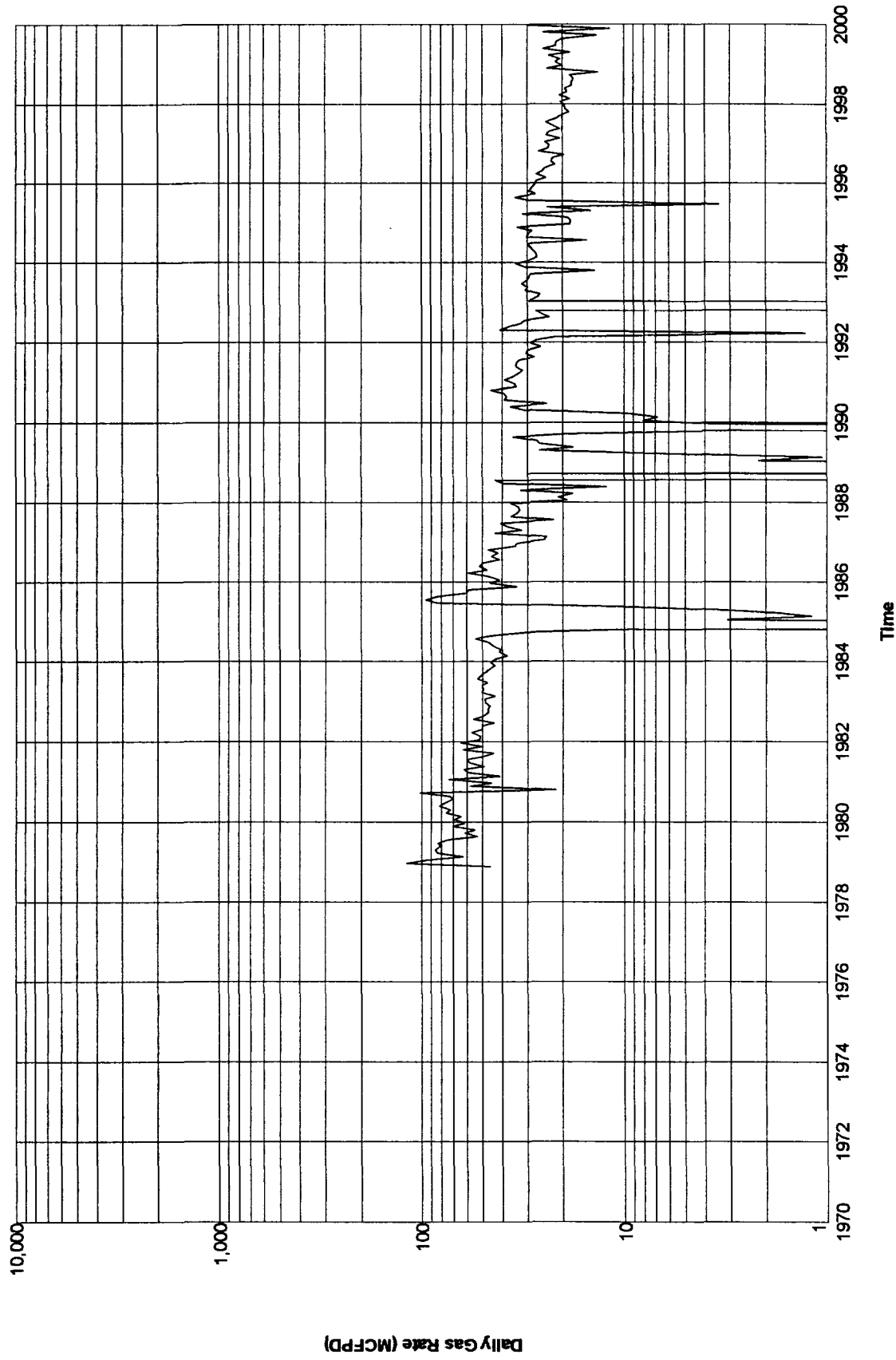
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Lease Name: USA 9 (001)  
County, ST: EDDY, NM  
Location: 20S-28E-9

Field Name: BURTON FLAT, NORTH  
Operator: CHI OPERATING INCORPORATED

USA 9 - BURTON FLAT, NORTH - CHI OPERATING INCORPORATED



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Lease Name:

WINCHESTER FEDERAL (001)

Field Name:

BURTON FLAT, NORTH

County, ST:

EDDY, NM

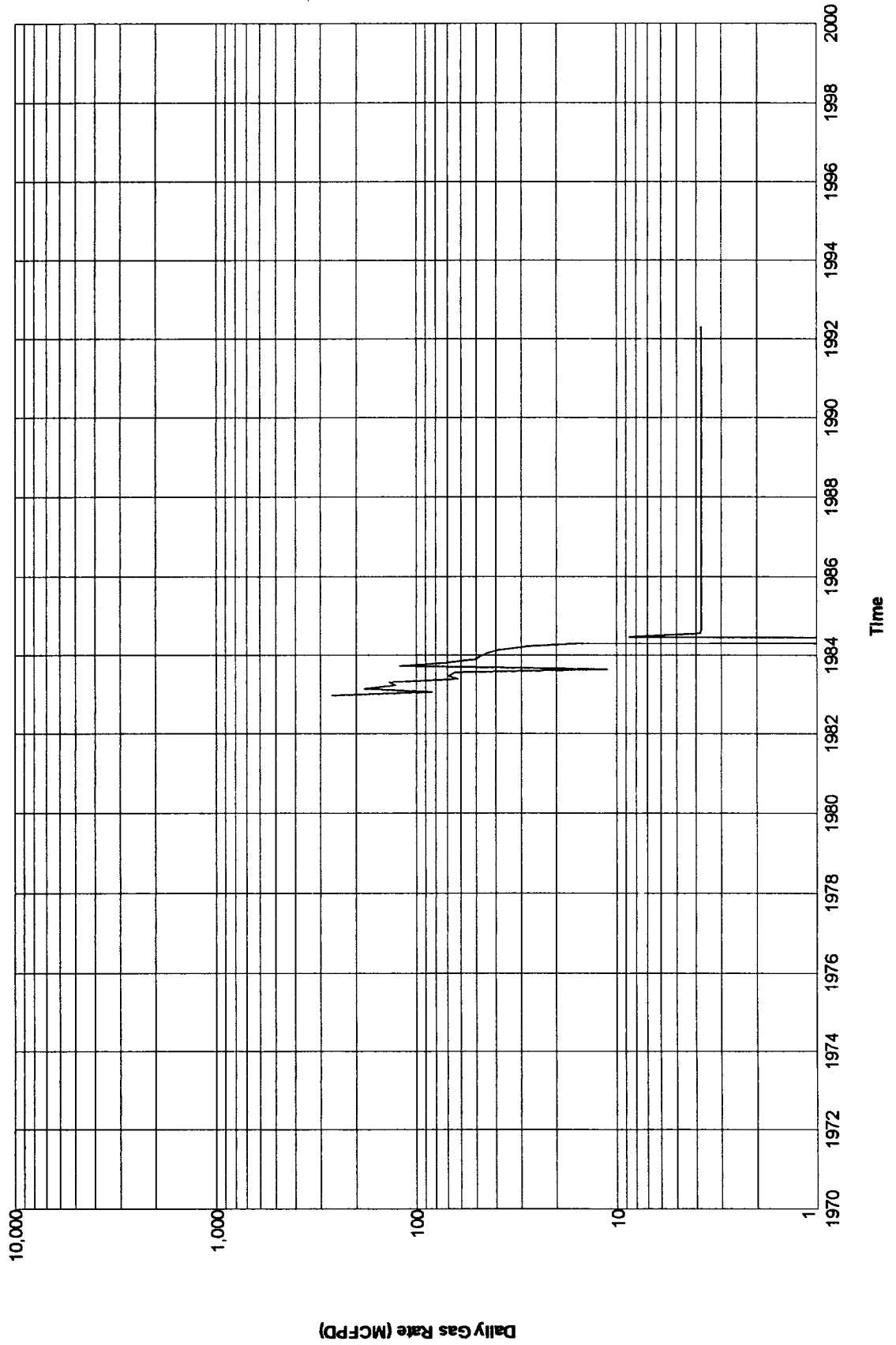
Operator:

CHI OPERATING INCORPORATED

Location:

20S-28E-4

WINCHESTER FEDERAL - BURTON FLAT, NORTH - CHI OPERATING INCORPORATED



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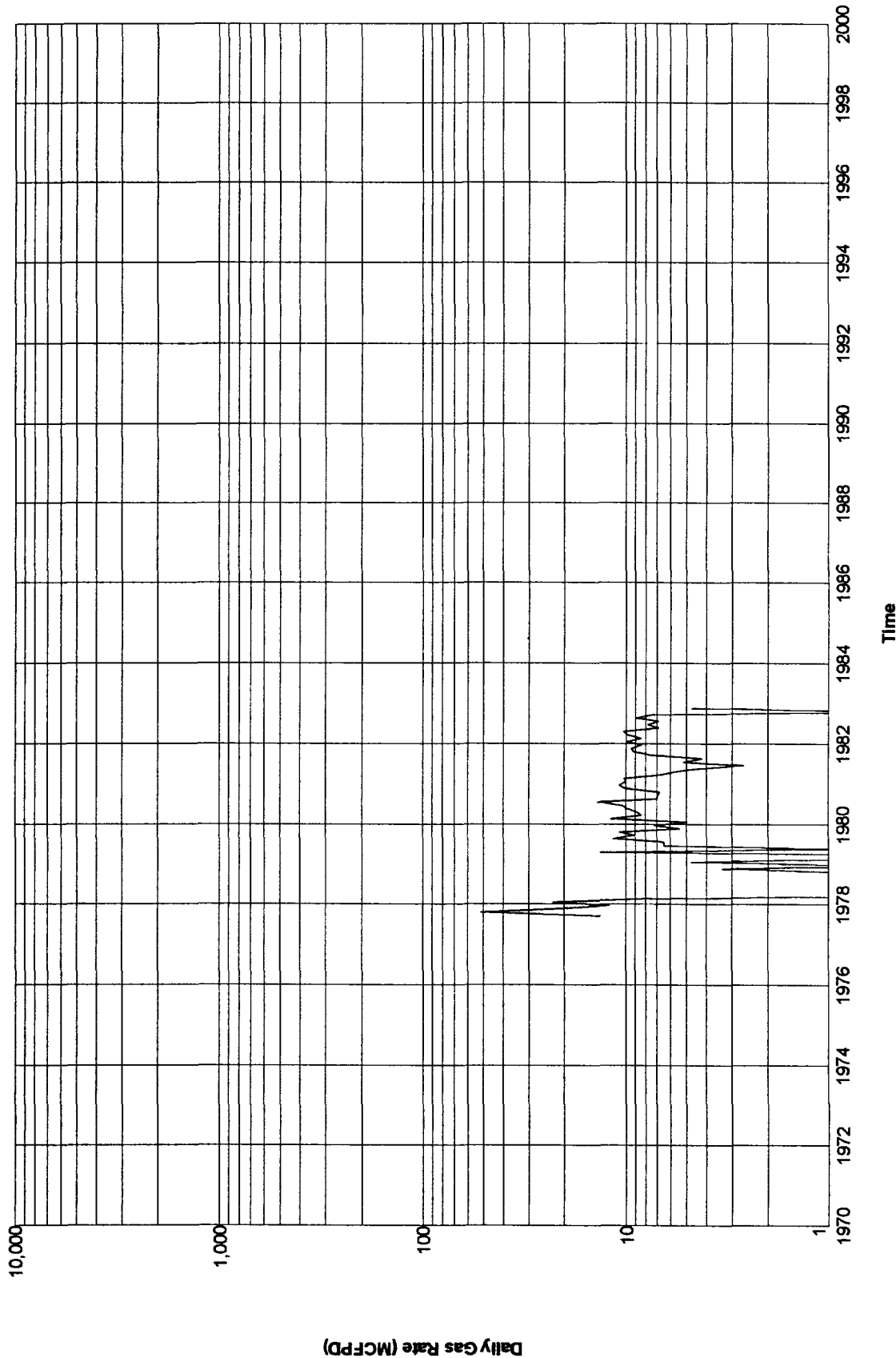
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Lease Name: GOVERNMENT S (001)  
County, ST: EDDY, NM  
Location: 20S-28E-3

Field Name: BURTON FLAT, NORTH  
Operator: CITIES SERVICE COMPANY

GOVERNMENT S - BURTON FLAT, NORTH - CITIES SERVICE COMPANY



# Rate/Time Graph

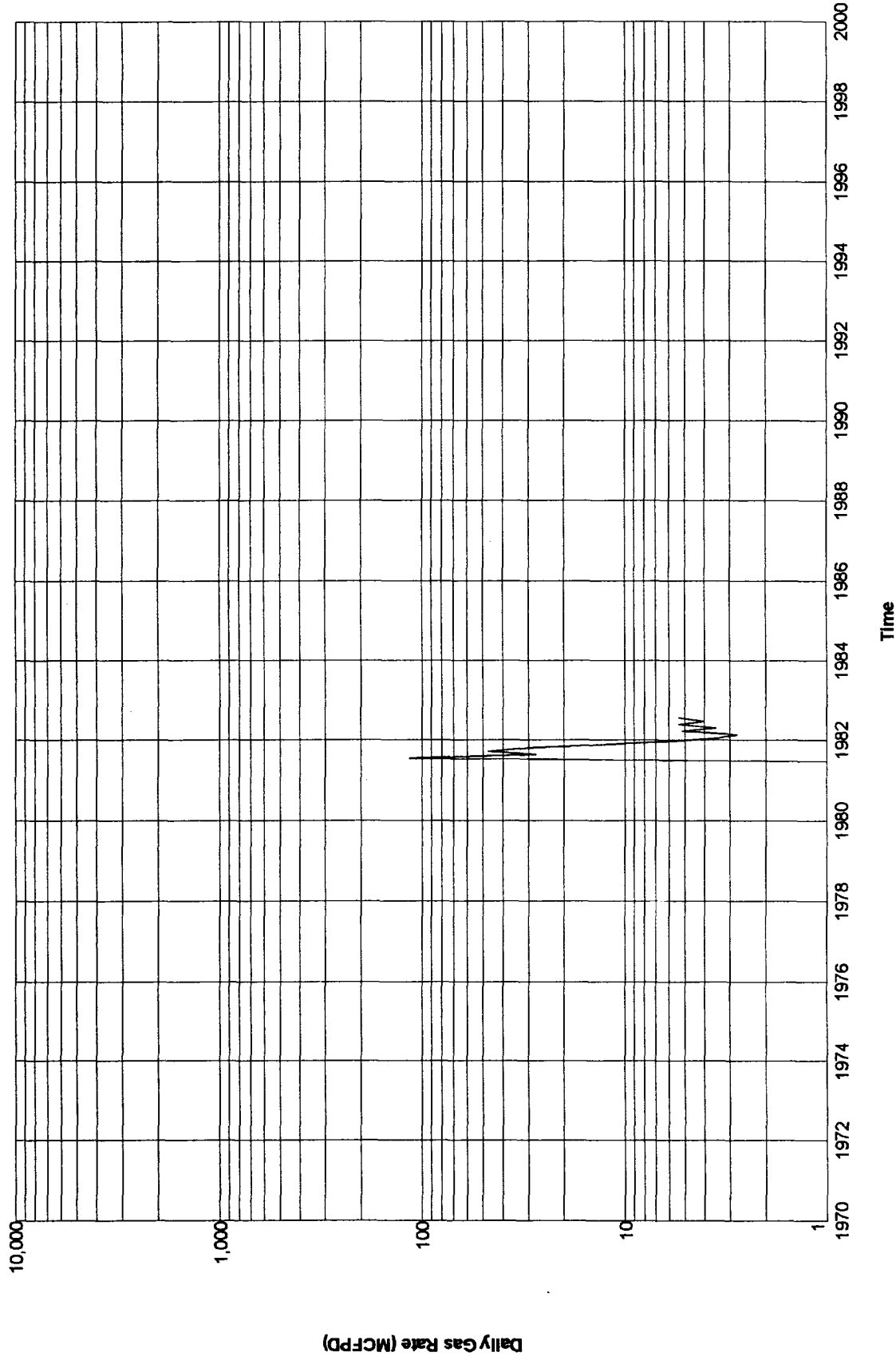
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Lease Name: GOVERNMENT Y (002)  
County, ST: EDDY, NM  
Location: 20S-28E-12

Field Name: BURTON FLAT, NORTH  
Operator: CITIES SERVICE COMPANY

GOVERNMENT Y - BURTON FLAT, NORTH - CITIES SERVICE COMPANY



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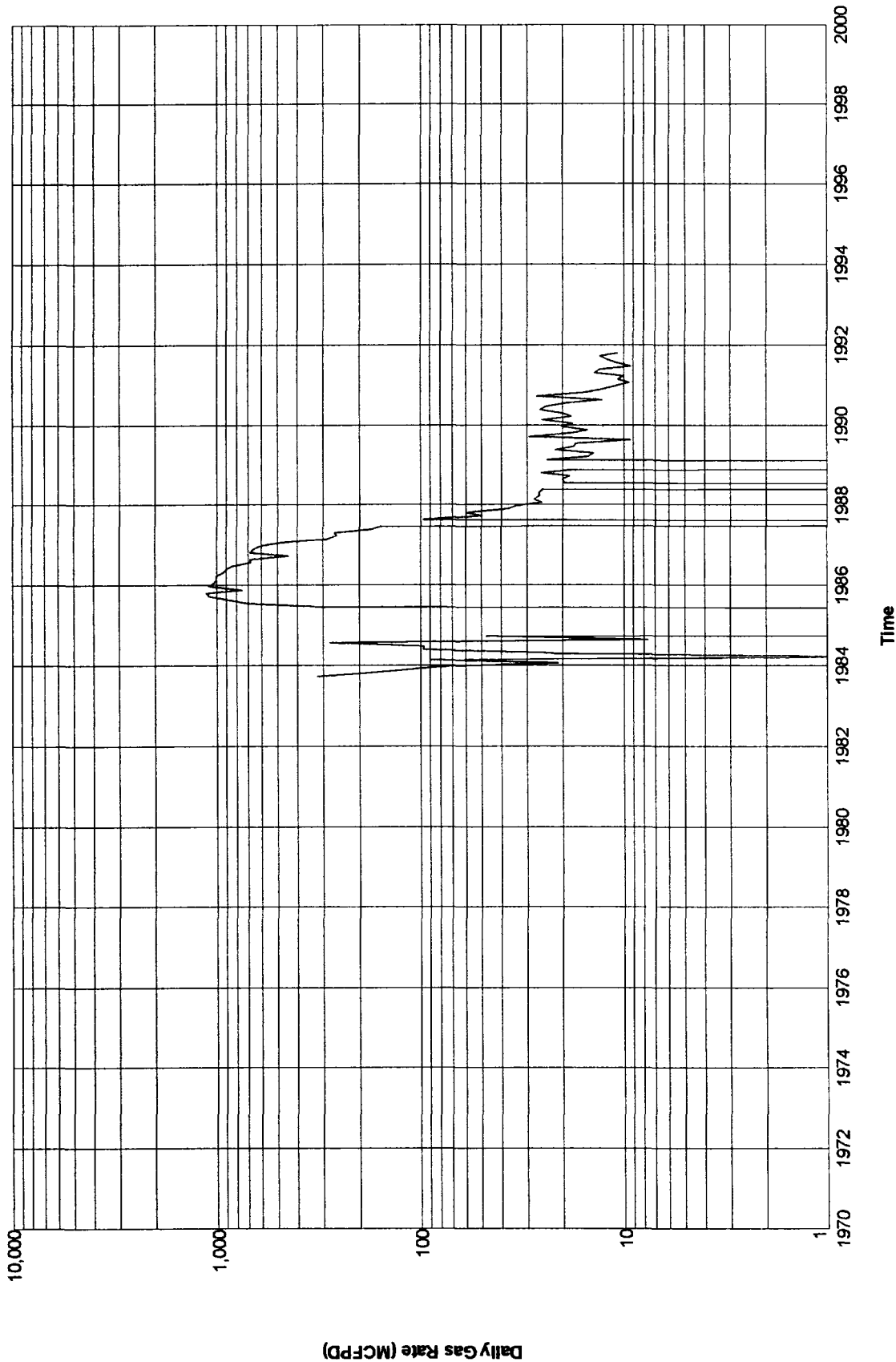
Field Name: BURTON FLAT, NORTH

County, ST: EDDY, NM

Operator: EXXON CORPORATION

Location: 20S-28E-31

AVALON DELAWARE UNIT - BURTON FLAT, NORTH - EXXON CORPORATION





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Date: 7/11/2000  
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Lease Name:

STATE CT COM (001)

Field Name:

BURTON FLAT, NORTH

County, ST:

EDDY, NM

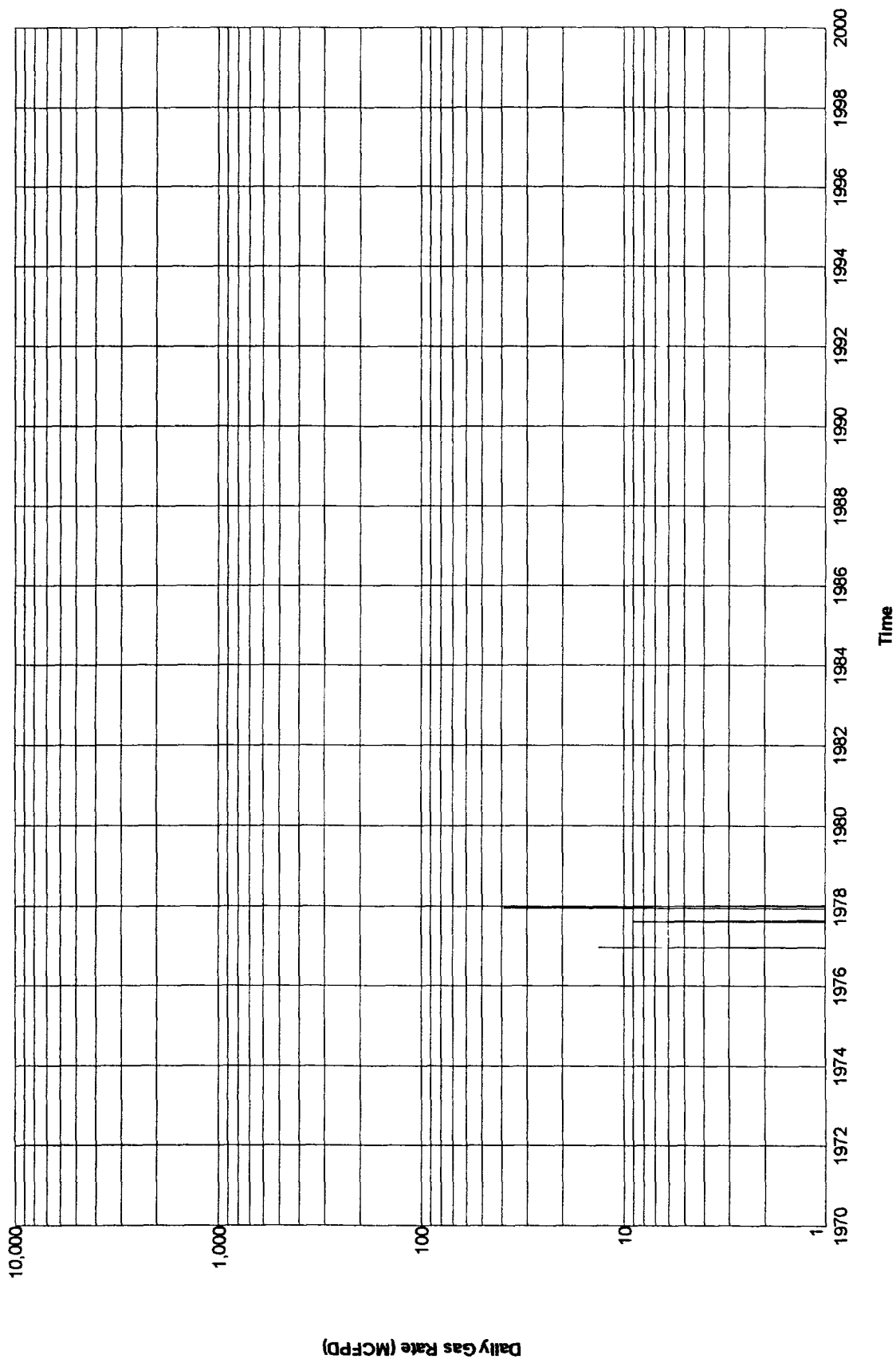
Operator:

CITIES SERVICE COMPANY

Location:

20S-28E-16

STATE CT COM - BURTON FLAT, NORTH - CITIES SERVICE COMPANY



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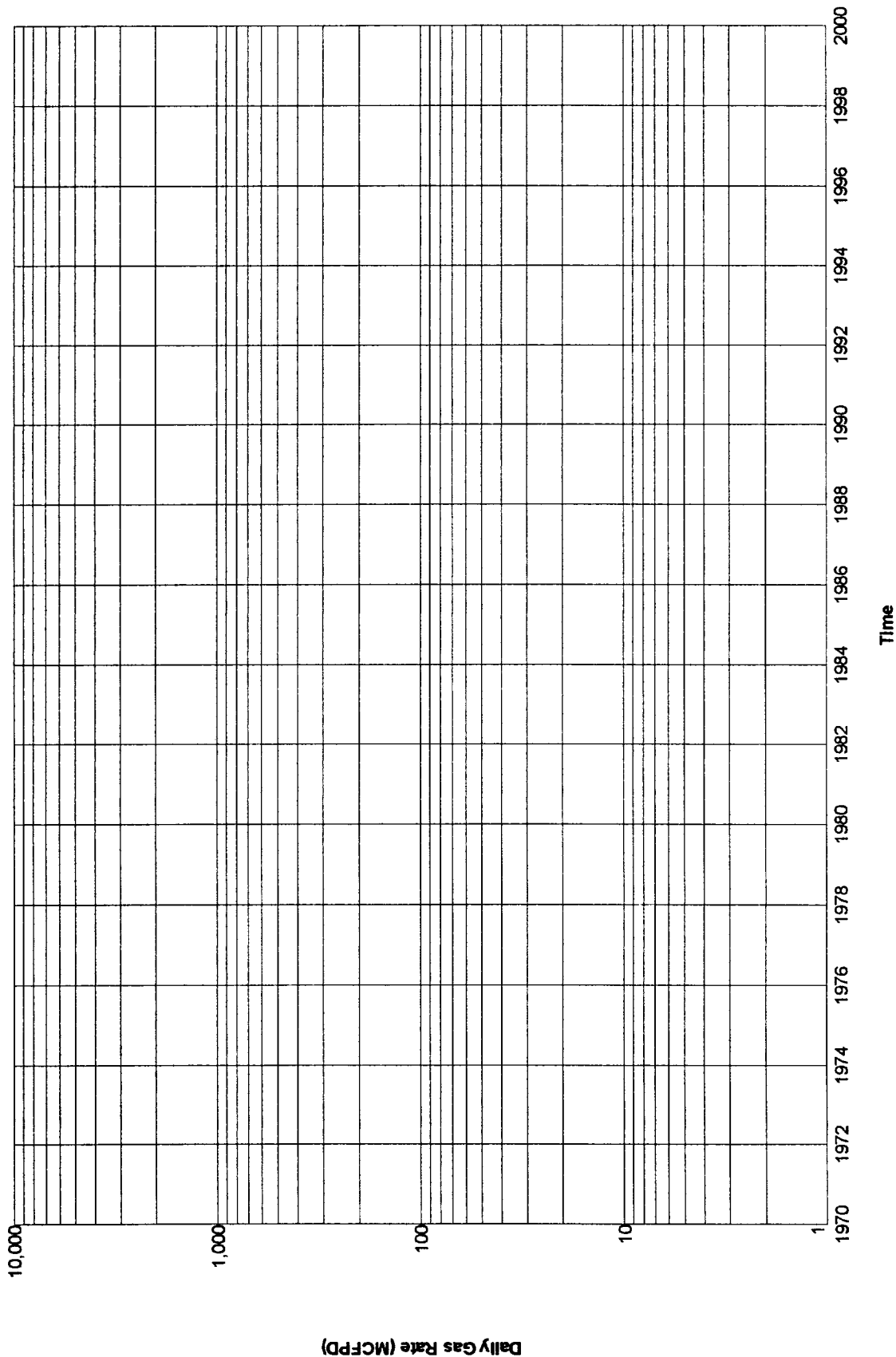
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County, ST: EDDY, NM

Operator: EXXON CORPORATION

Location: 20S-28E-31

AVALON DELAWARE UNIT - BURTON FLAT, NORTH - EXXON CORPORATION



# Rate/Time Graph

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Lease Name:

BURTON STATE COM (001)

Field Name:

BURTON FLAT, NORTH

County, ST:

EDDY, NM

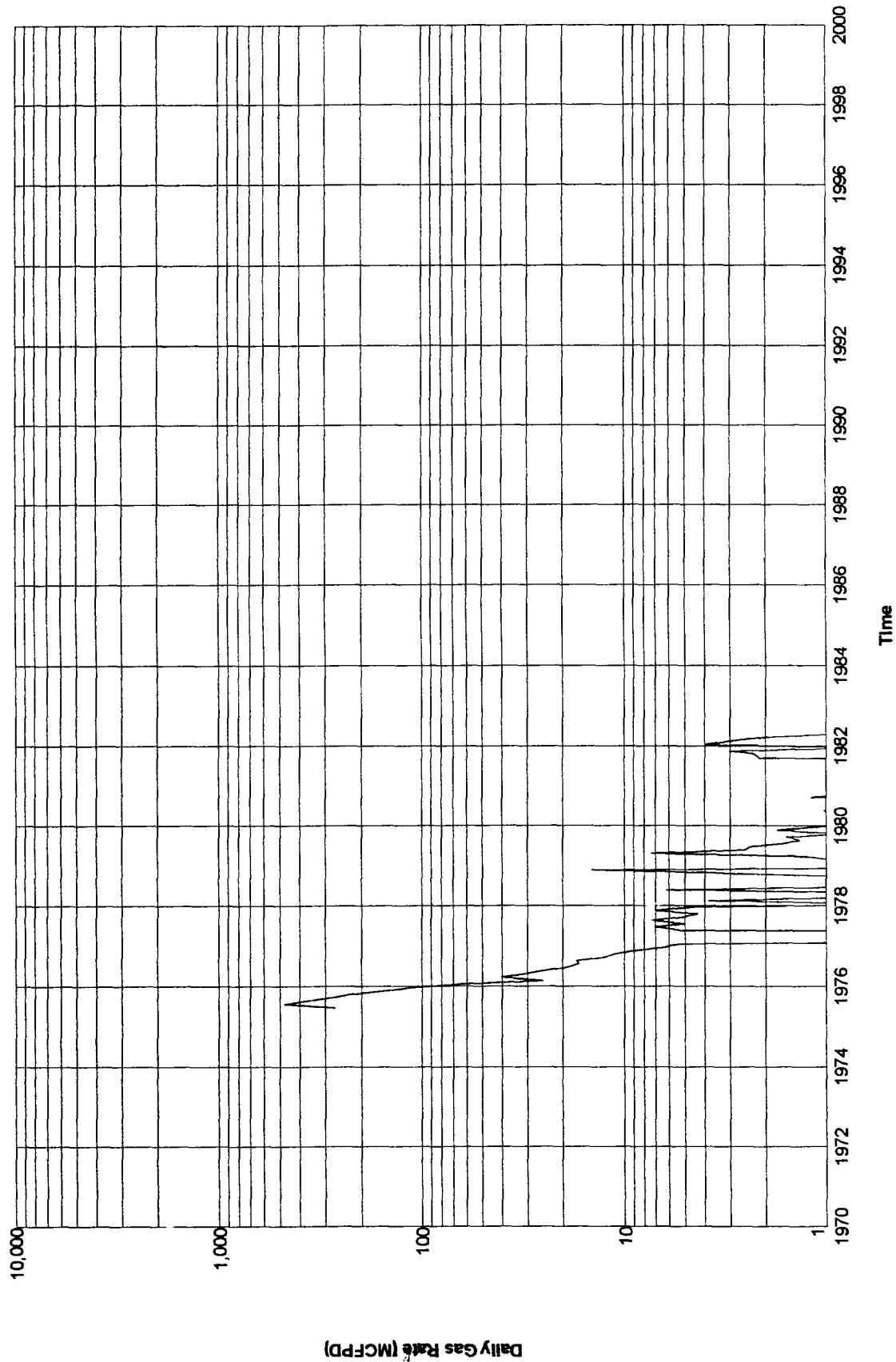
Operator:

GREAT WESTERN DRILLING COMPANY

Location:

20S-28E-28

BURTON STATE COM - BURTON FLAT, NORTH - GREAT WESTERN DRILLING COMPANY



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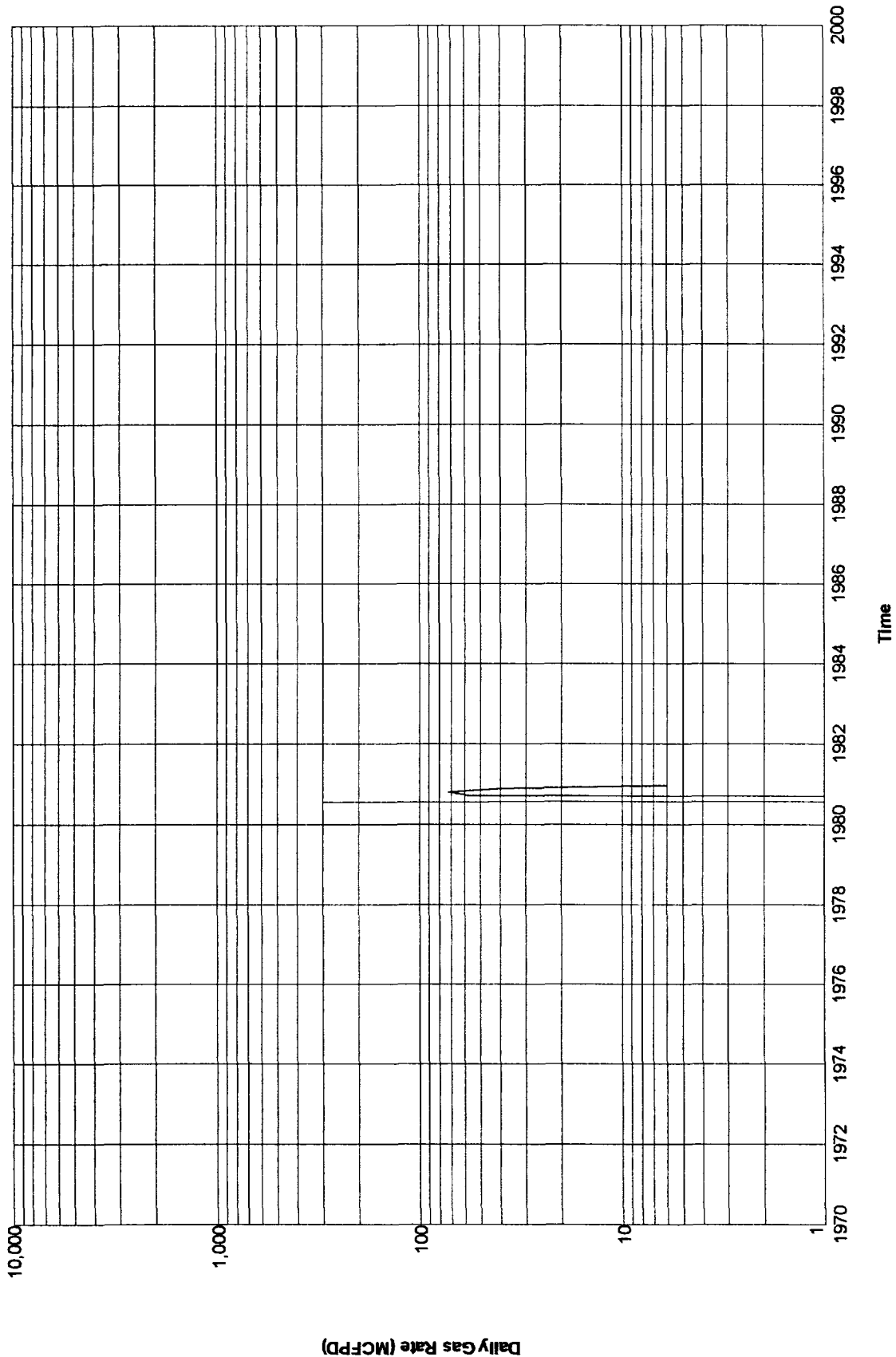
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County, ST: EDDY, NM  
Location: 20S-28E-29

Field Name: BURTON FLAT, NORTH  
Operator: GULF OIL CORPORATION

CARDENAS FED. COM - BURTON FLAT, NORTH - GULF OIL CORPORATION



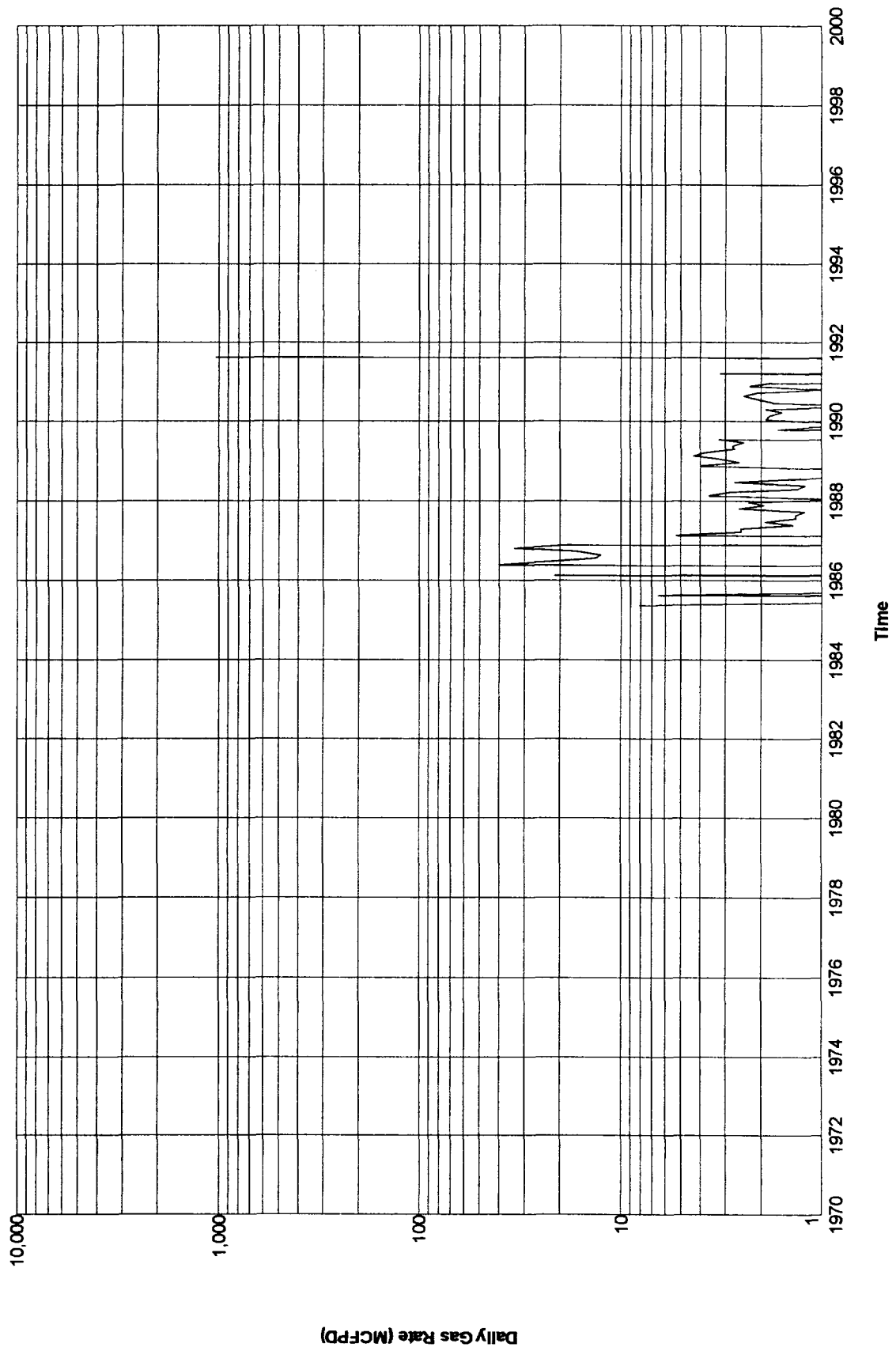
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County, ST: EDDY, NM  
Location: 21S-27E-19  
Field Name: BURTON FLAT, NORTH  
Operator: MARATHON OIL COMPANY

PIONEER FEDERAL COM - BURTON FLAT, NORTH - MARATHON OIL COMPANY



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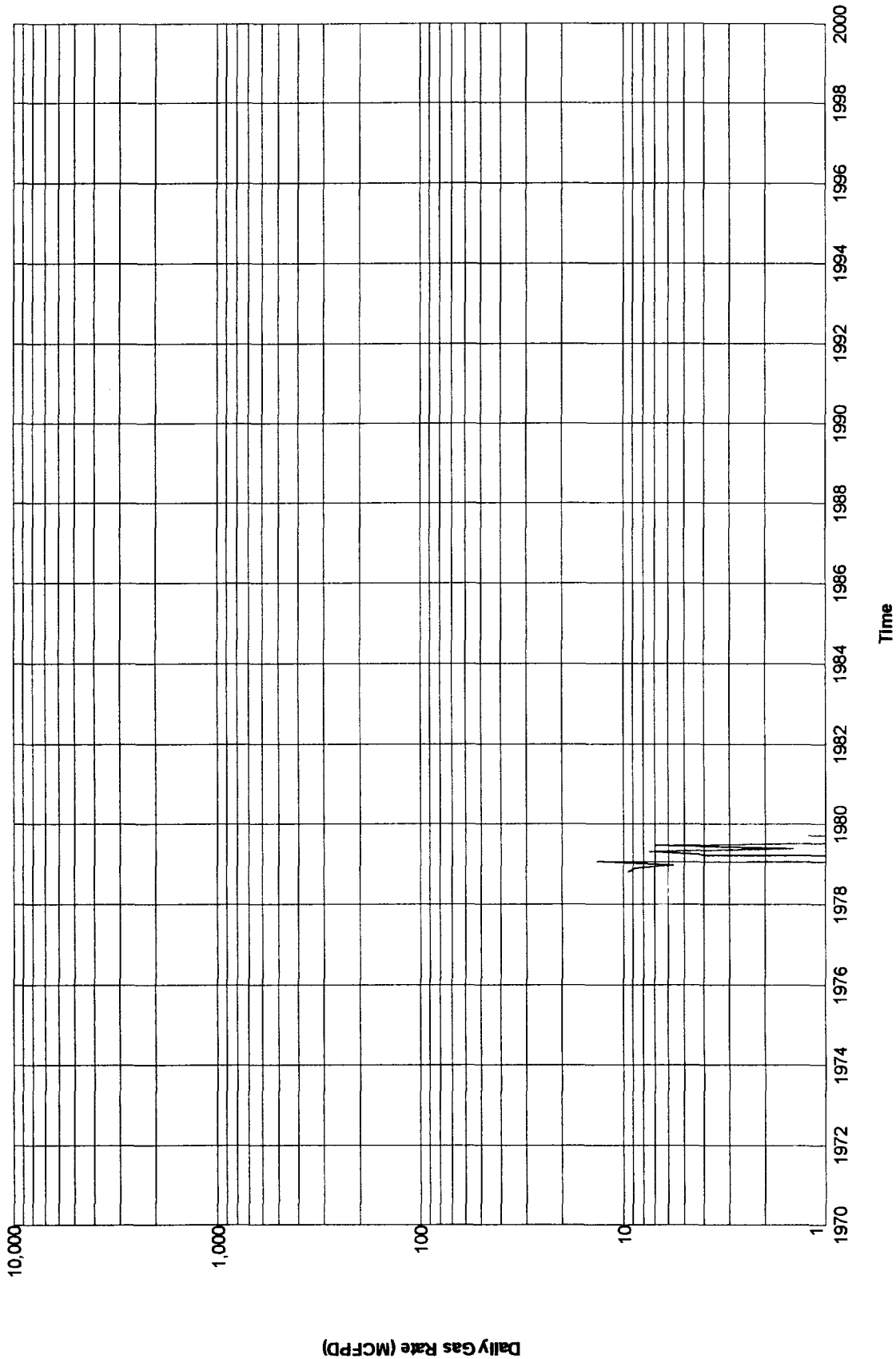
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County, ST: EDDY, NM  
Location: 20S-27E-36

Field Name: BURTON FLAT, NORTH  
Operator: MWJ PRODUCING COMPANY

STATE GW COM - BURTON FLAT, NORTH - MWJ PRODUCING COMPANY



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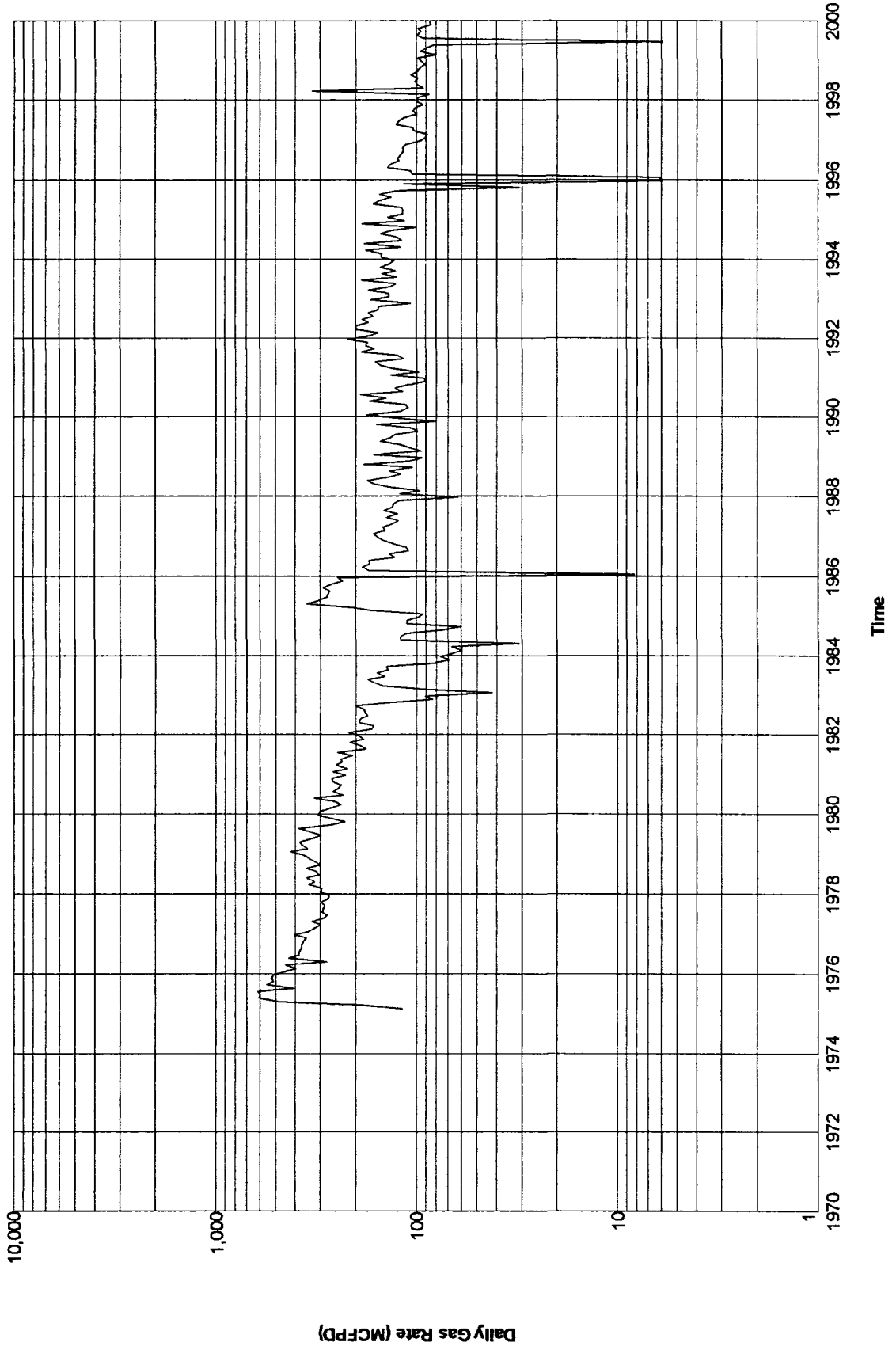
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County, ST: EDDY, NM  
Location: 20S-28E-23

Field Name: BURTON FLAT, NORTH  
Operator: OXY USA INCORPORATED

GOVERNMENT AA - BURTON FLAT, NORTH - OXY USA INCORPORATED



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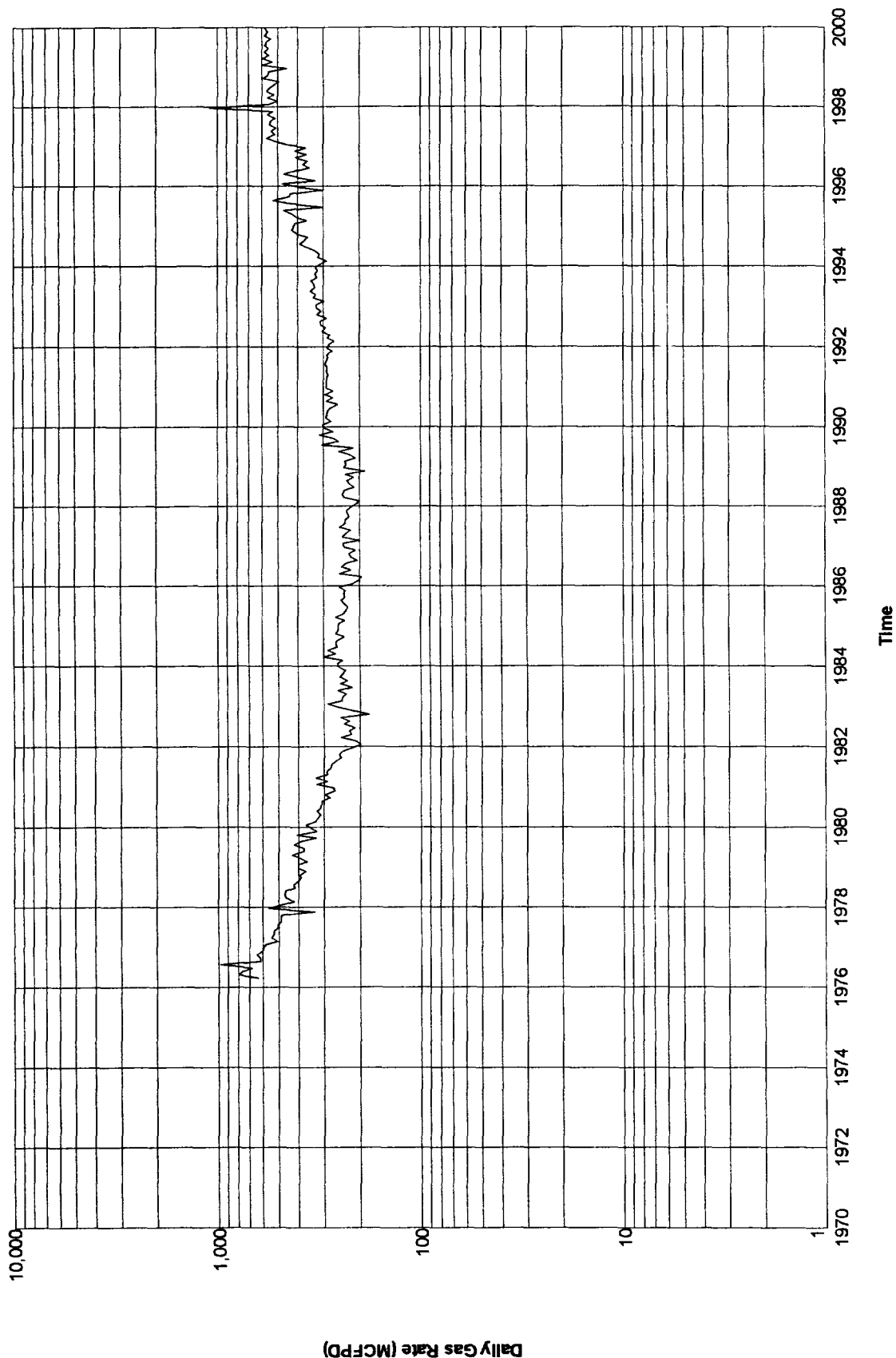
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County, ST: EDDY, NM  
Location: 20S-28E-11

Field Name: BURTON FLAT, NORTH  
Operator: OXY USA INCORPORATED

GOVERNMENT AB - BURTON FLAT, NORTH - OXY USA INCORPORATED





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County, ST: EDDY, NM

Location: 20S-28E-10

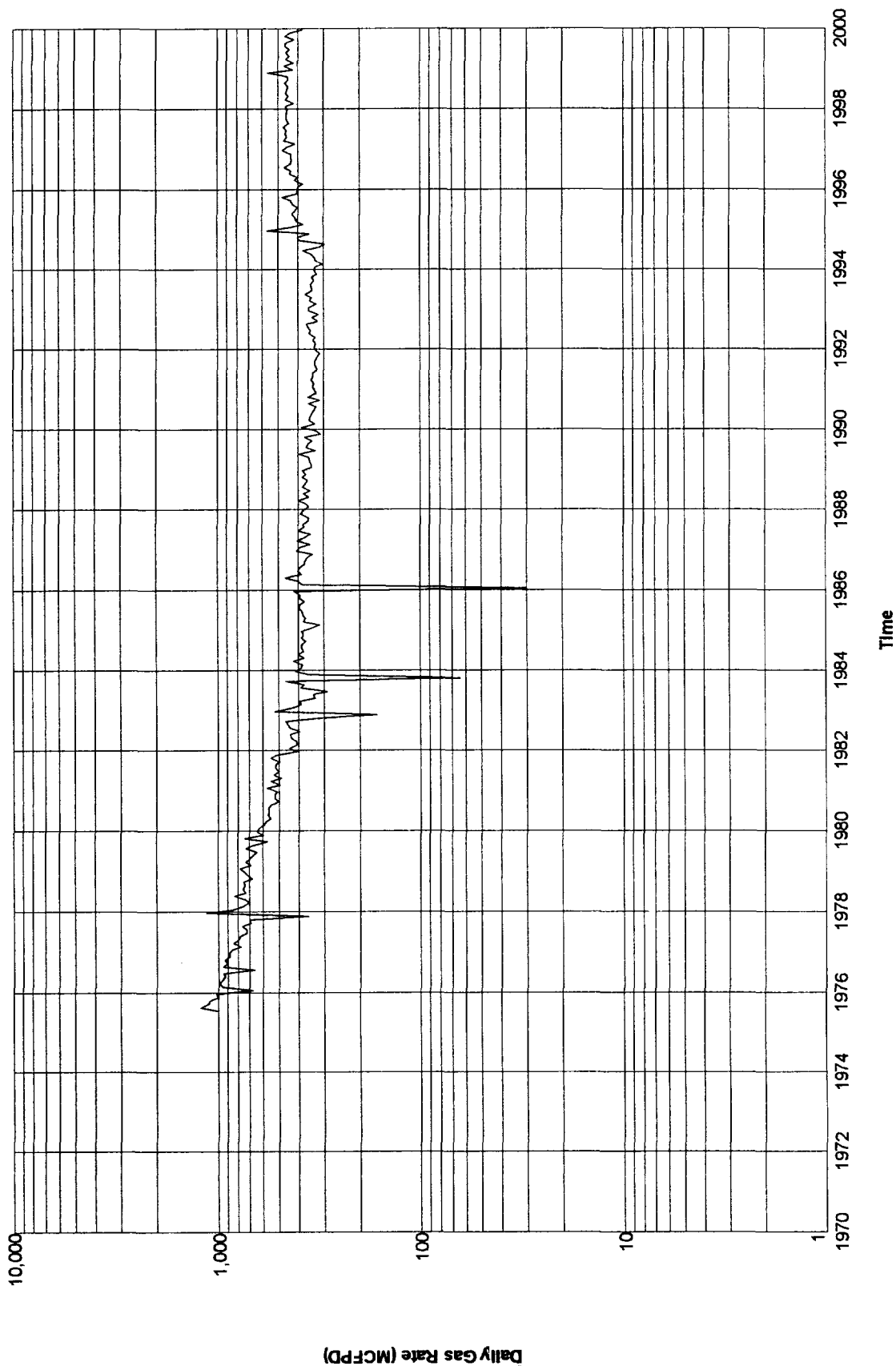
Field Name:

BURTON FLAT, NORTH

Operator:

OXY USA INCORPORATED

GOVERNMENT AB - BURTON FLAT, NORTH - OXY USA INCORPORATED



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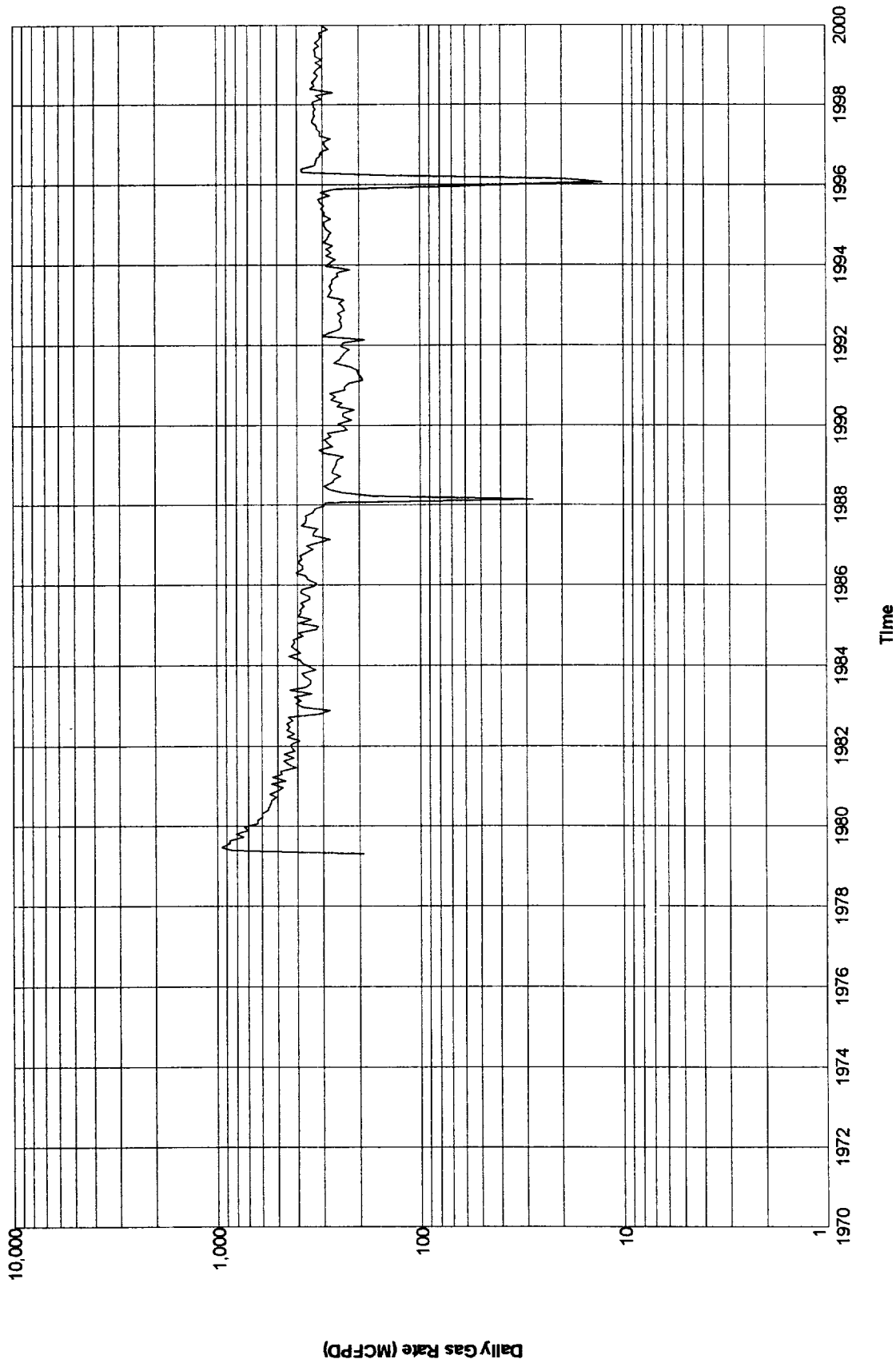
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Lease Name: GOVERNMENT AC COM (001)  
County, ST: EDDY, NM  
Location: 20S-28E-15

Field Name: BURTON FLAT, NORTH  
Operator: OXY USA INCORPORATED

GOVERNMENT AC COM - BURTON FLAT, NORTH - OXY USA INCORPORATED



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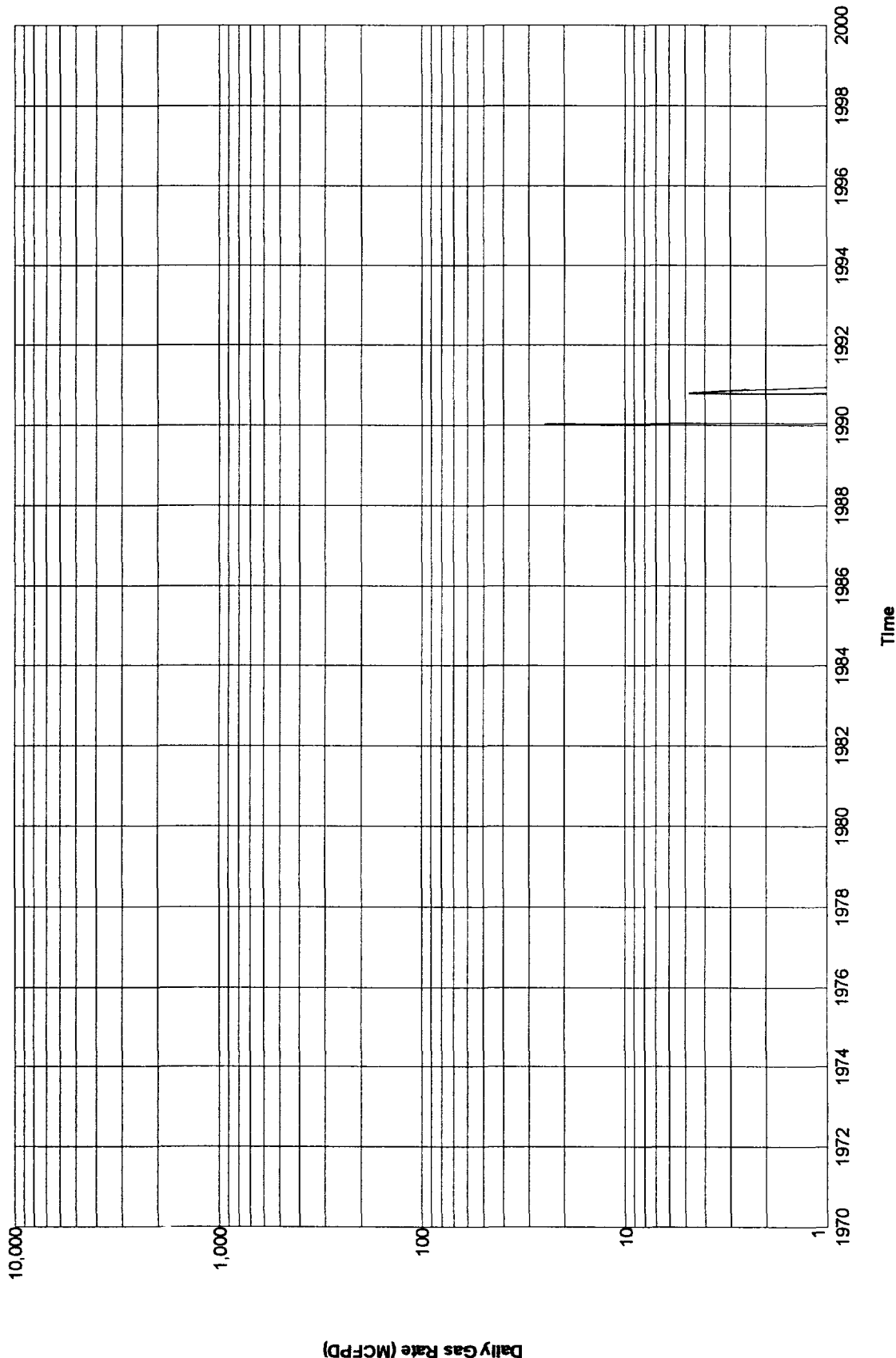
Lease Name: GOVERNMENT AN COM (001)

County, ST: EDDY, NM

Location: 20S-28E-3

Field Name: BURTON FLAT, NORTH  
Operator: OXY USA INCORPORATED

GOVERNMENT AN COM - BURTON FLAT, NORTH - OXY USA INCORPORATED



# Rate/Time Graph

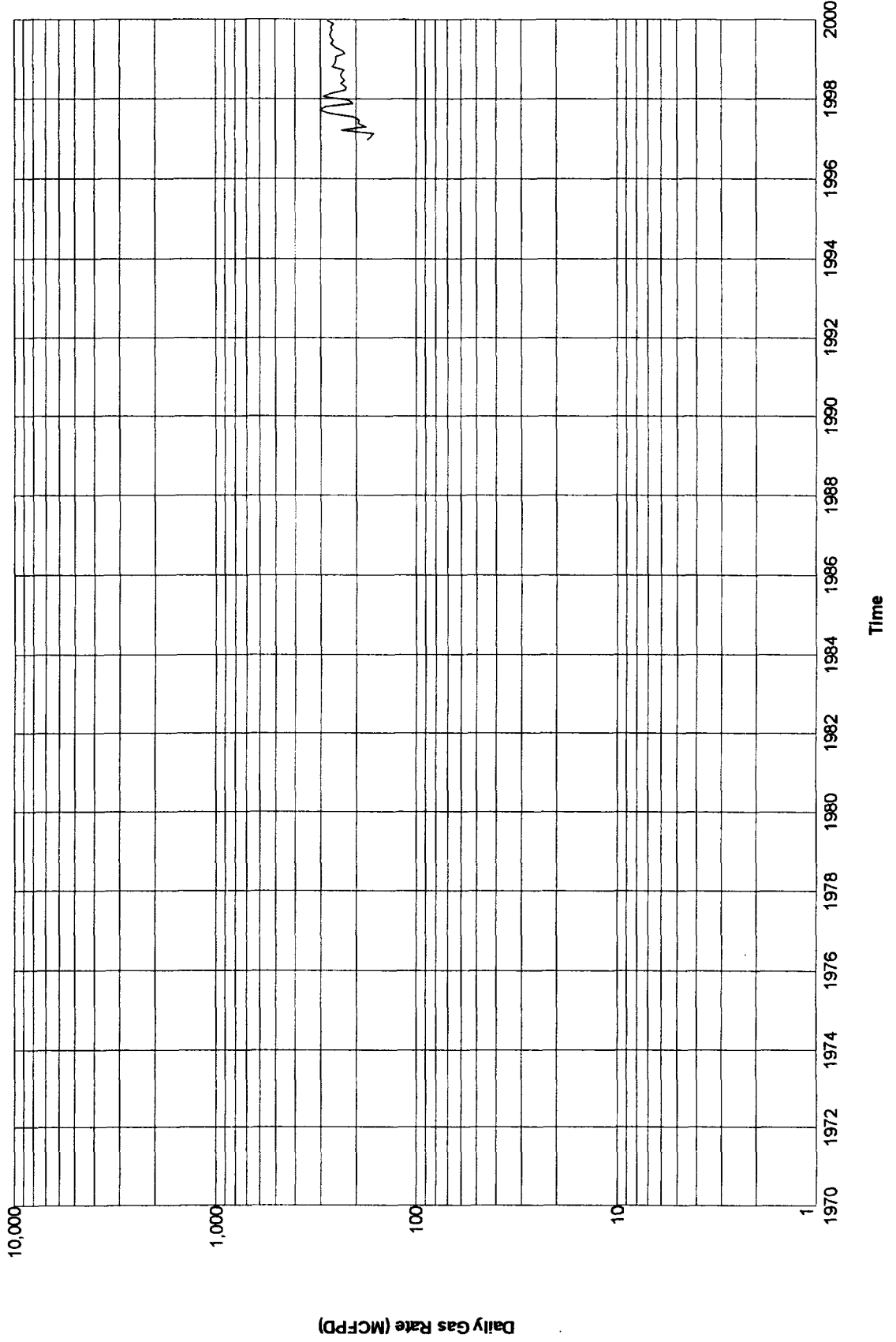
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County, ST: EDDY, NM  
Location: 20S-28E-11

Field Name: BURTON FLAT, NORTH  
Operator: OXY USA INCORPORATED

GOVERNMENT NBFD - BURTON FLAT, NORTH - OXY USA INCORPORATED



# Rate/Time Graph

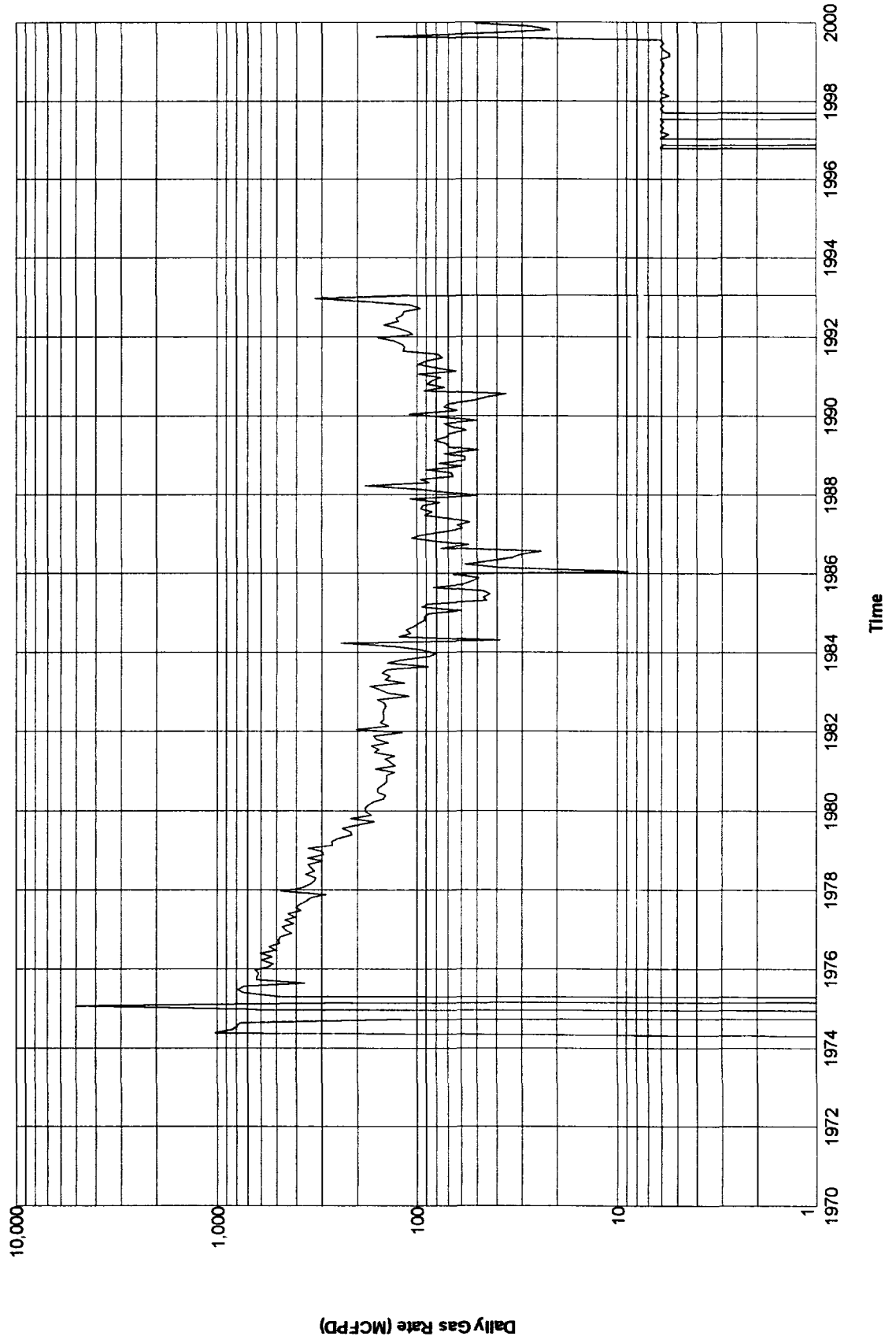
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Lease Name: GOVERNMENT T COM (001)  
County, ST: EDDY, NM  
Location: 20S-28E-14

Field Name: BURTON FLAT, NORTH  
Operator: OXY USA INCORPORATED

GOVERNMENT T COM - BURTON FLAT, NORTH - OXY USA INCORPORATED



# Rate/Time Graph

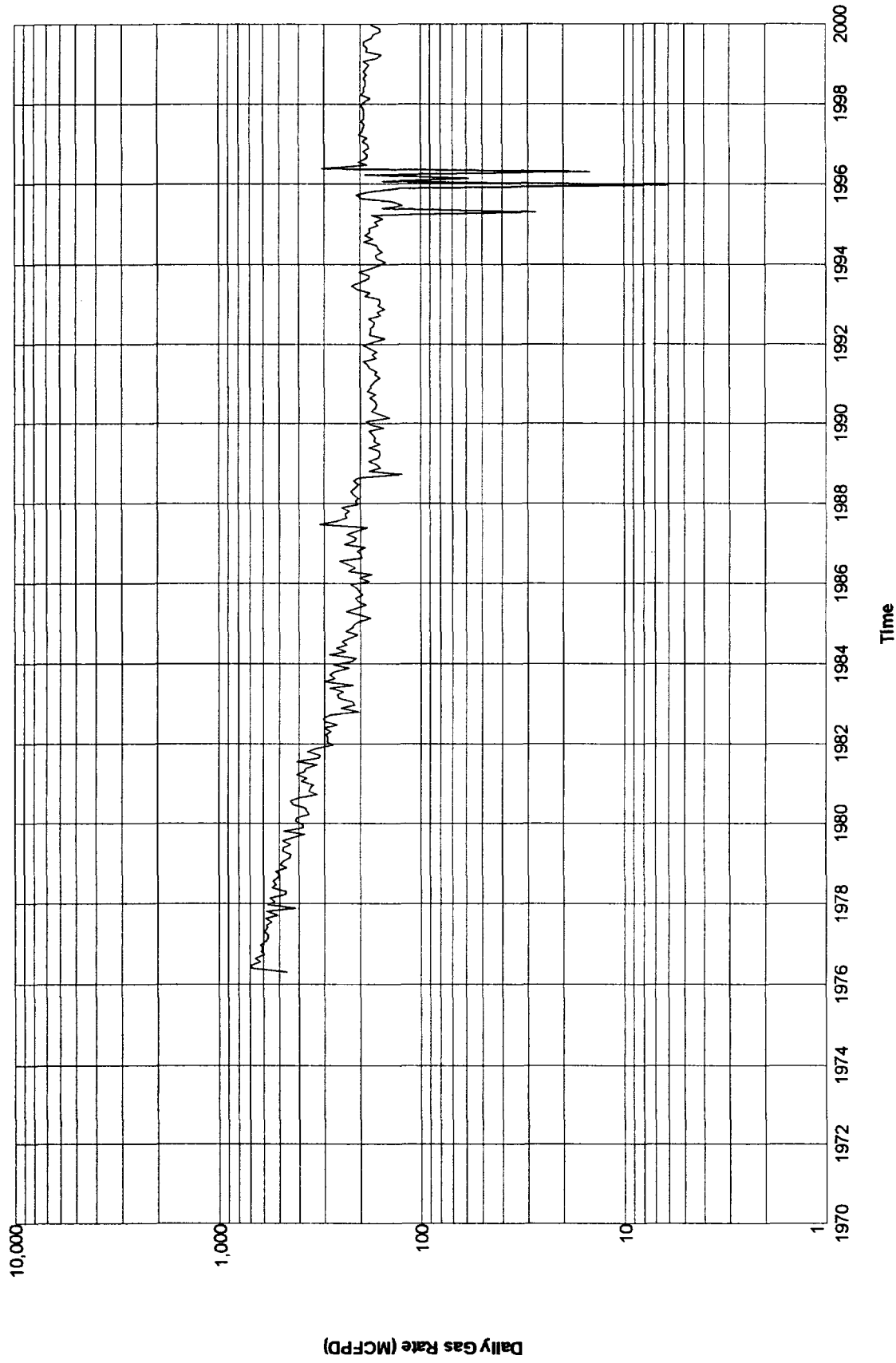
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Lease Name: GOVERNMENT T COM (002)  
County, ST: EDDY, NM  
Location: 20S-28E-15

Field Name: BURTON FLAT, NORTH  
Operator: OXY USA INCORPORATED

GOVERNMENT T COM - BURTON FLAT, NORTH - OXY USA INCORPORATED



# Rate/Time Graph

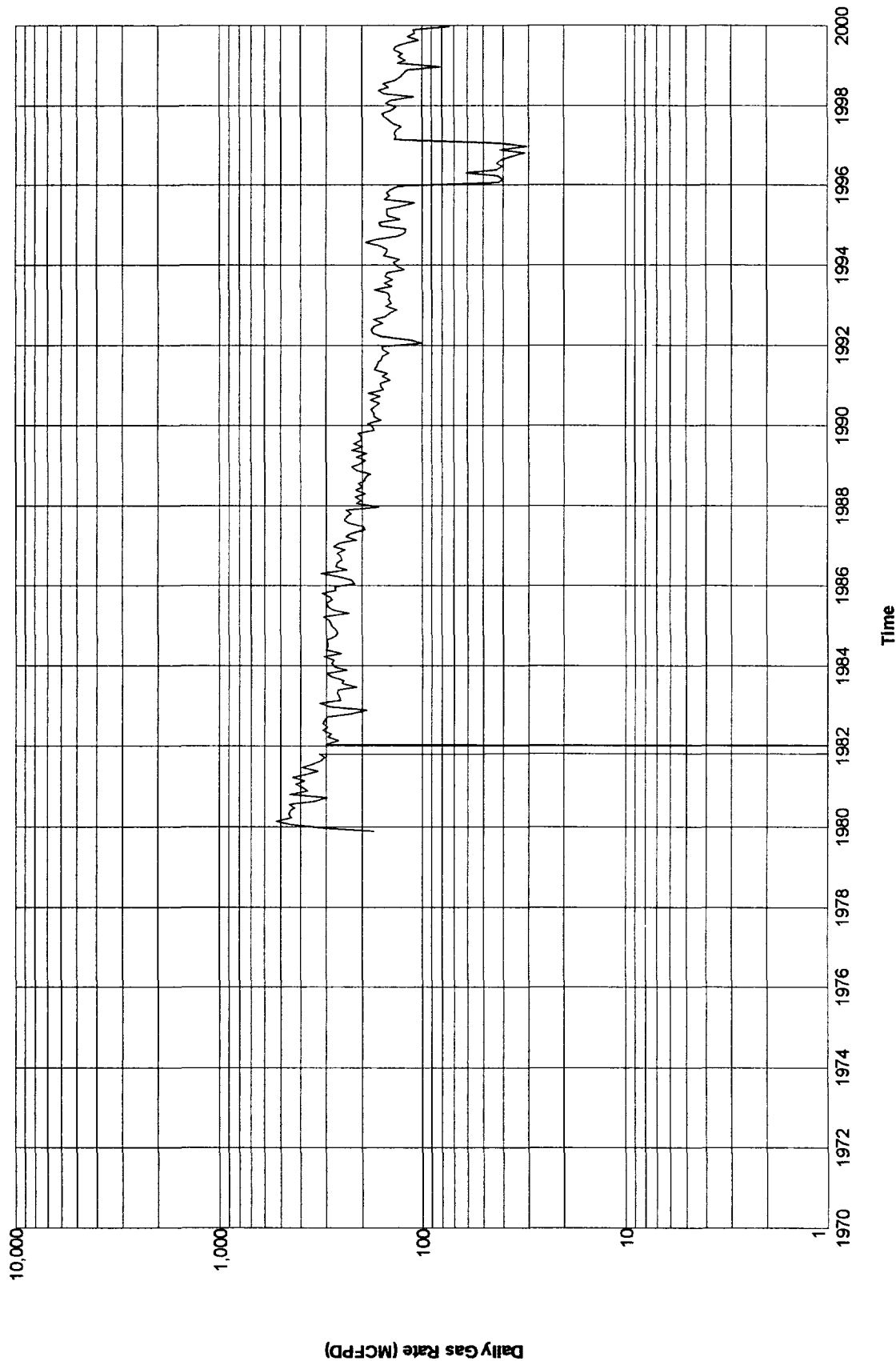
Project: C:\My Documents\ptools35\Projects\fop.MDB

Date: 7/11/2000  
Time: 11:48 AM

Lease Name: GOVERNMENT U COM (001)  
County, ST: EDDY, NM  
Location: 20S-28E-22

Field Name: BURTON FLAT, NORTH  
Operator: OXY USA INCORPORATED

GOVERNMENT U COM - BURTON FLAT, NORTH - OXY USA INCORPORATED



# Rate/Time Graph

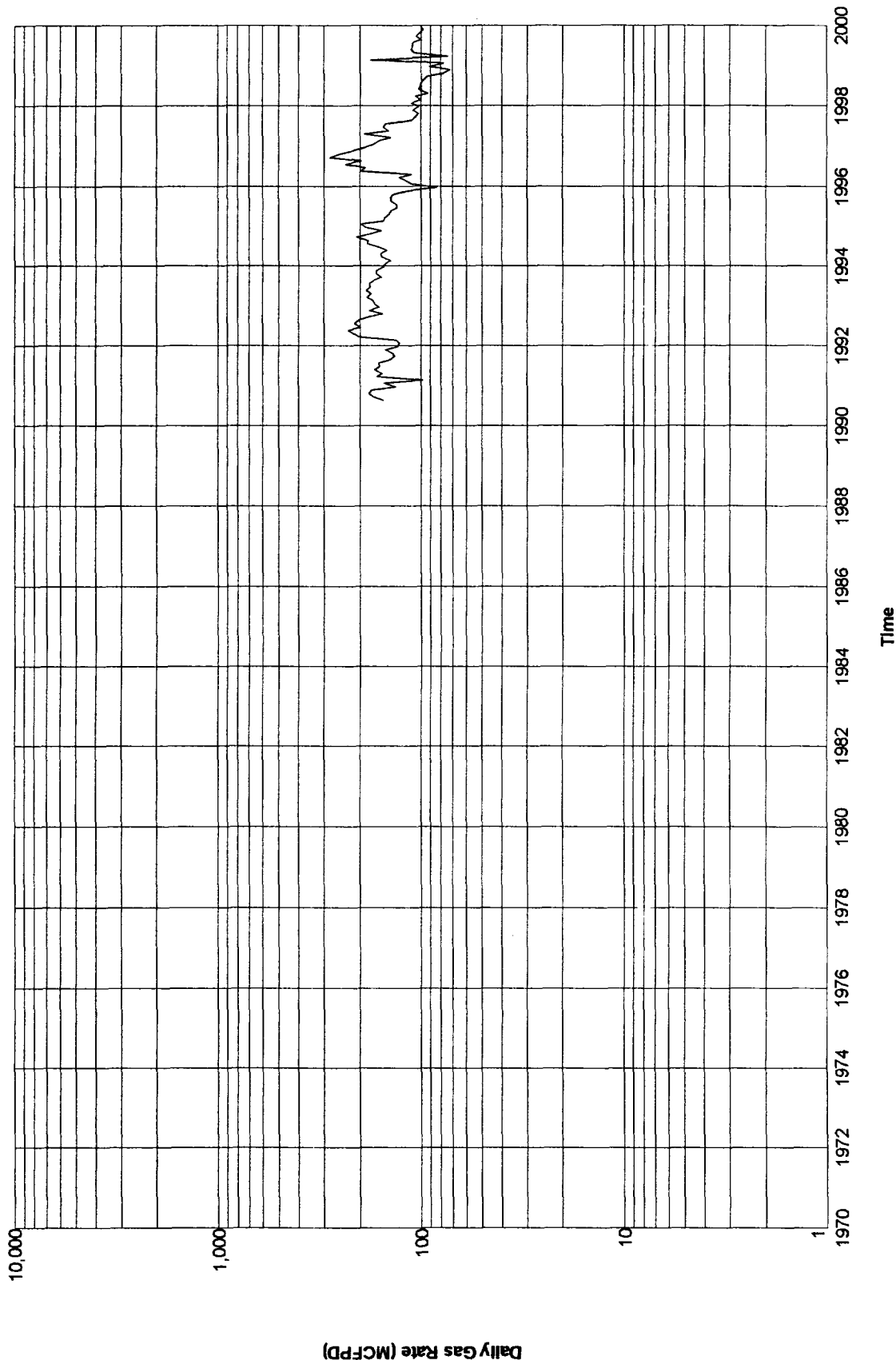
Project: C:\My Documents\ptools35\Projects\p.fop.MDB

Date: 7/11/2000  
Time: 11:48 AM

Lease Name: GOVERNMENT W COM (002)  
County, ST: EDDY, NM  
Location: 20S-28E-22

Field Name: BURTON FLAT, NORTH  
Operator: OXY USA INCORPORATED

GOVERNMENT W COM - BURTON FLAT, NORTH - OXY USA INCORPORATED





# Rate/Time Graph

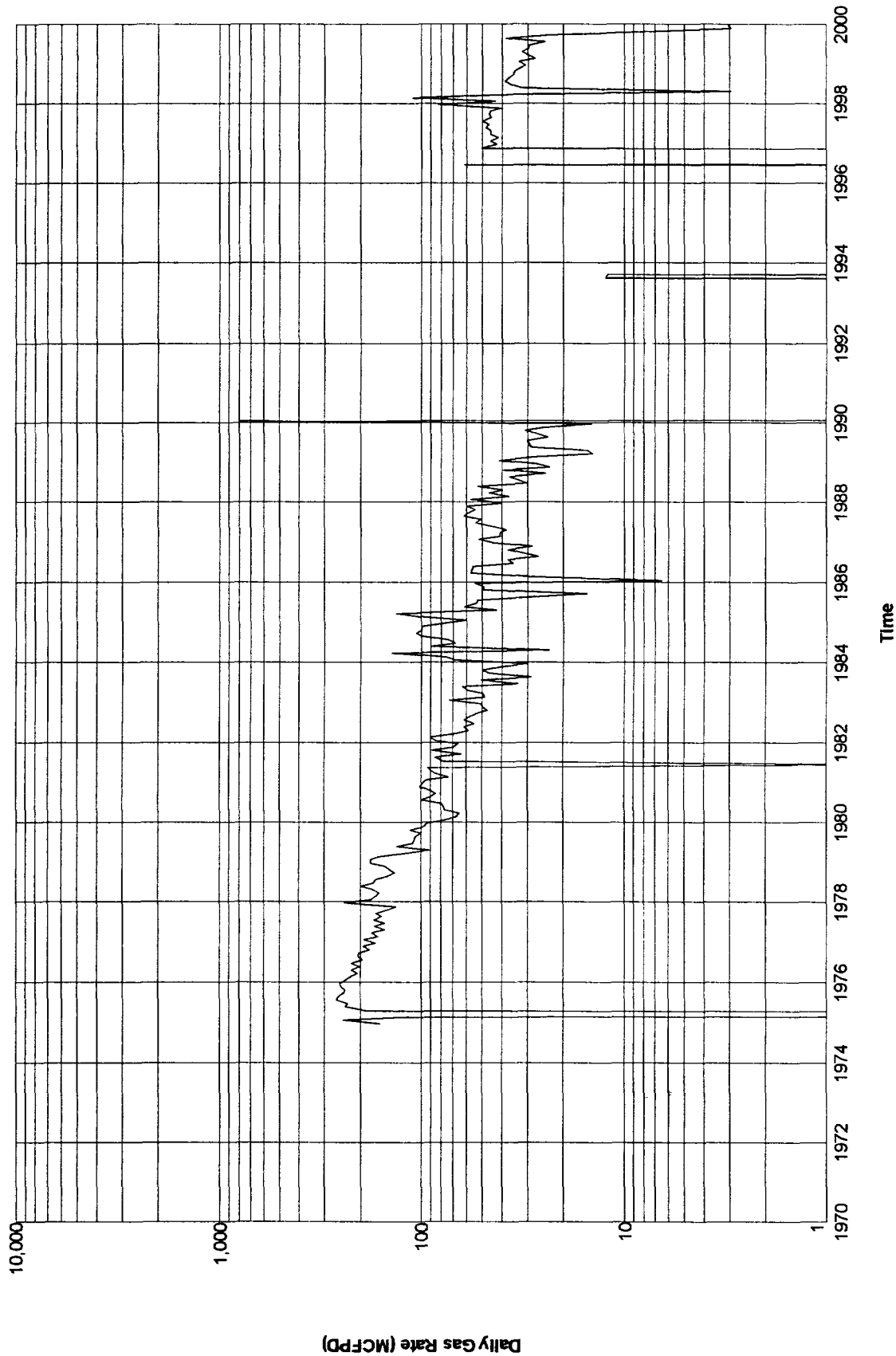
Project: C:\My Documents\ptools35\Projects\fop.MDB

Date: 7/11/2000  
Time: 11:48 AM

Lease Name: GOVERNMENT Z COM (001)  
County, ST: EDDY, NM  
Location: 20S-28E-23

Field Name: BURTON FLAT, NORTH  
Operator: OXY USA INCORPORATED

GOVERNMENT Z COM - BURTON FLAT, NORTH - OXY USA INCORPORATED



# Rate/Time Graph

Project: C:\My Documents\ptools35\Projects\pof.MDB

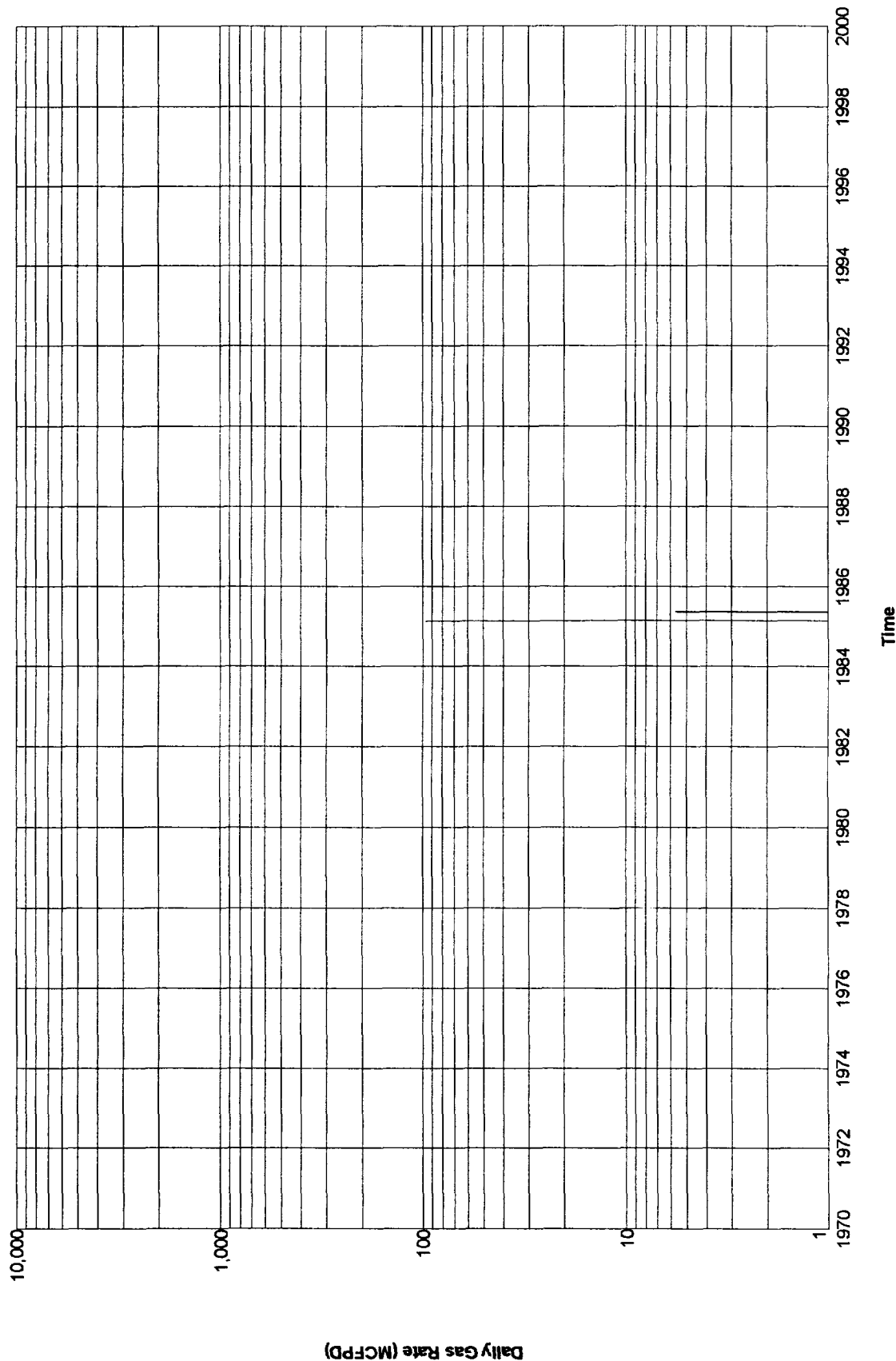
Date: 7/11/2000  
Time: 11:48 AM

Lease Name:  
County, ST:  
Location:

CITGO 5 FEDERAL COM (001)  
EDDY, NM  
20S-28E-5

Field Name:  
Operator:  
BURTON FLAT, NORTH  
SOUTHLAND ROYALTY COMPANY

CITGO 5 FEDERAL COM - BURTON FLAT, NORTH - SOUTHLAND ROYALTY COMPANY



# Rate/Time Graph

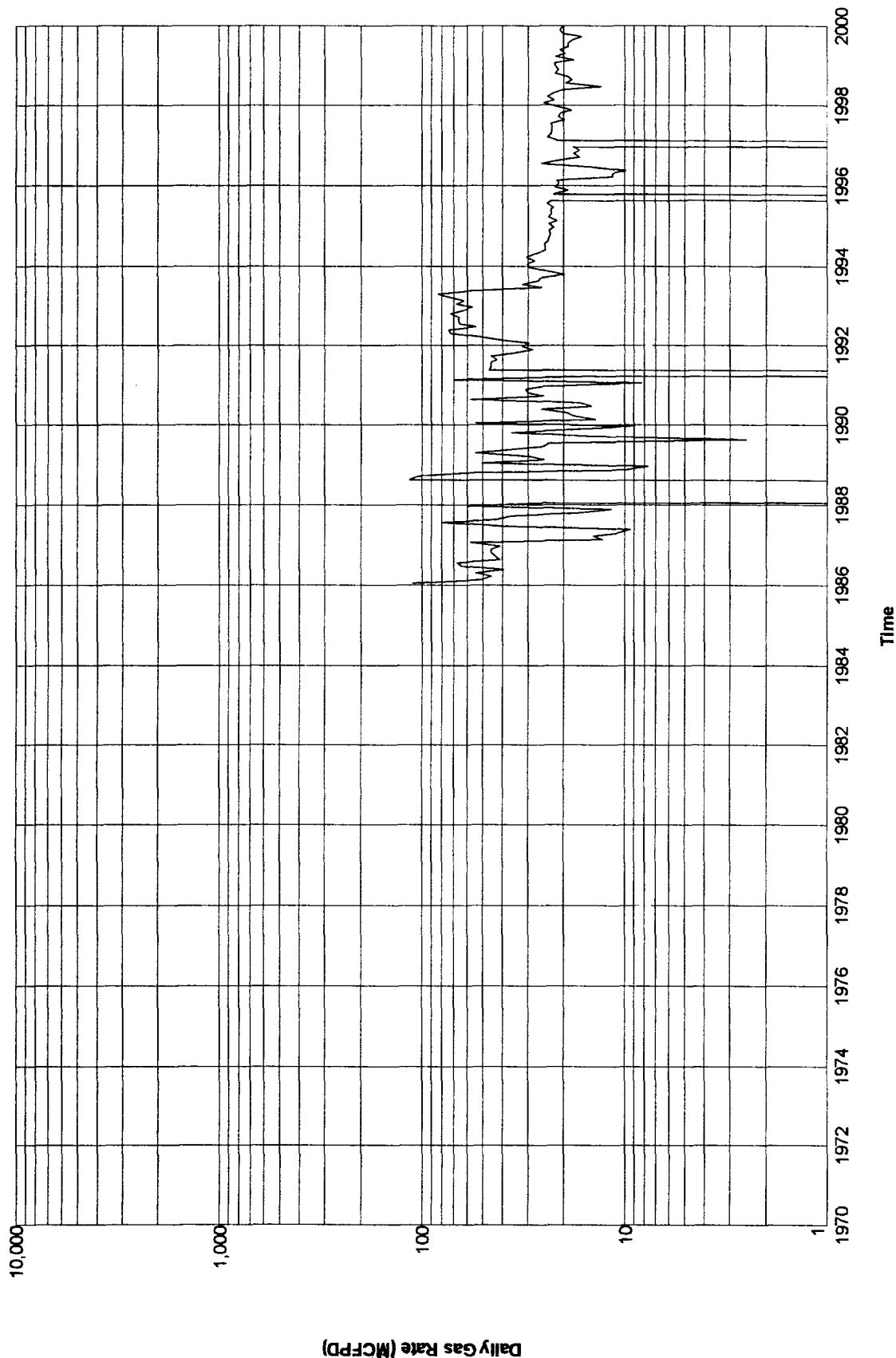
Project: C:\My Documents\ptools35\Projects\for.MDB

Date: 7/11/2000  
Time: 11:48 AM

Lease Name: STATE AC COM (001)  
County, ST: EDDY, NM  
Location: 20S-28E-21

Field Name: BURTON FLAT, NORTH  
Operator: VISION ENERGY INCORPORATED

STATE AC COM - BURTON FLAT, NORTH - VISION ENERGY INCORPORATED



# Rate/Time Graph

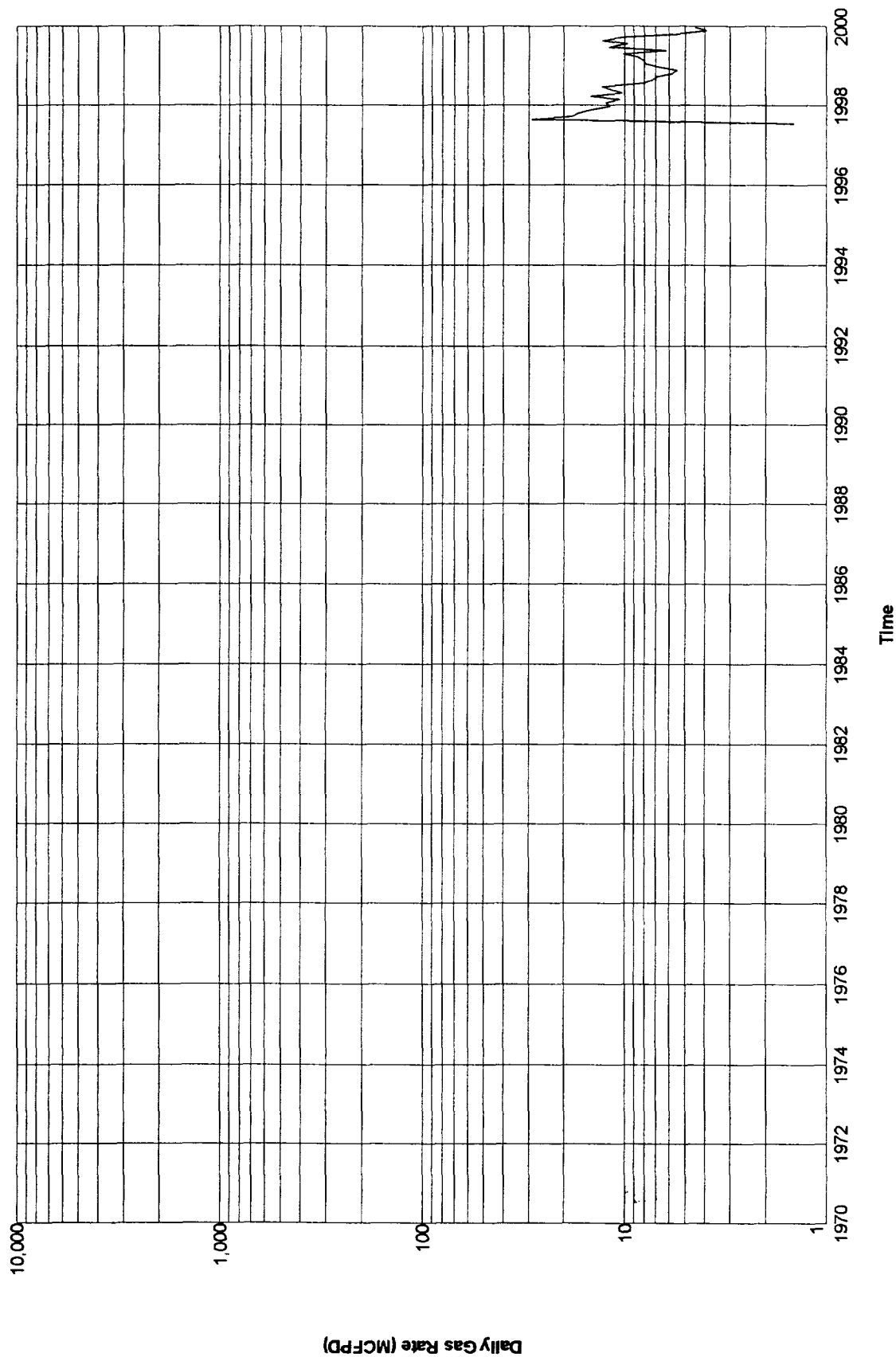
Project: C:\My Documents\ptools35\Projects\fop.MDB

Date: 7/11/2000  
Time: 11:48 AM

Lease Name: FEDERAL DC (001)  
County, ST: EDDY, NM  
Location: 20S-28E-29

Field Name: BURTON FLAT, NORTH  
Operator: YATES PETROLEUM CORPORATION

FEDERAL DC - BURTON FLAT, NORTH - YATES PETROLEUM CORPORATION



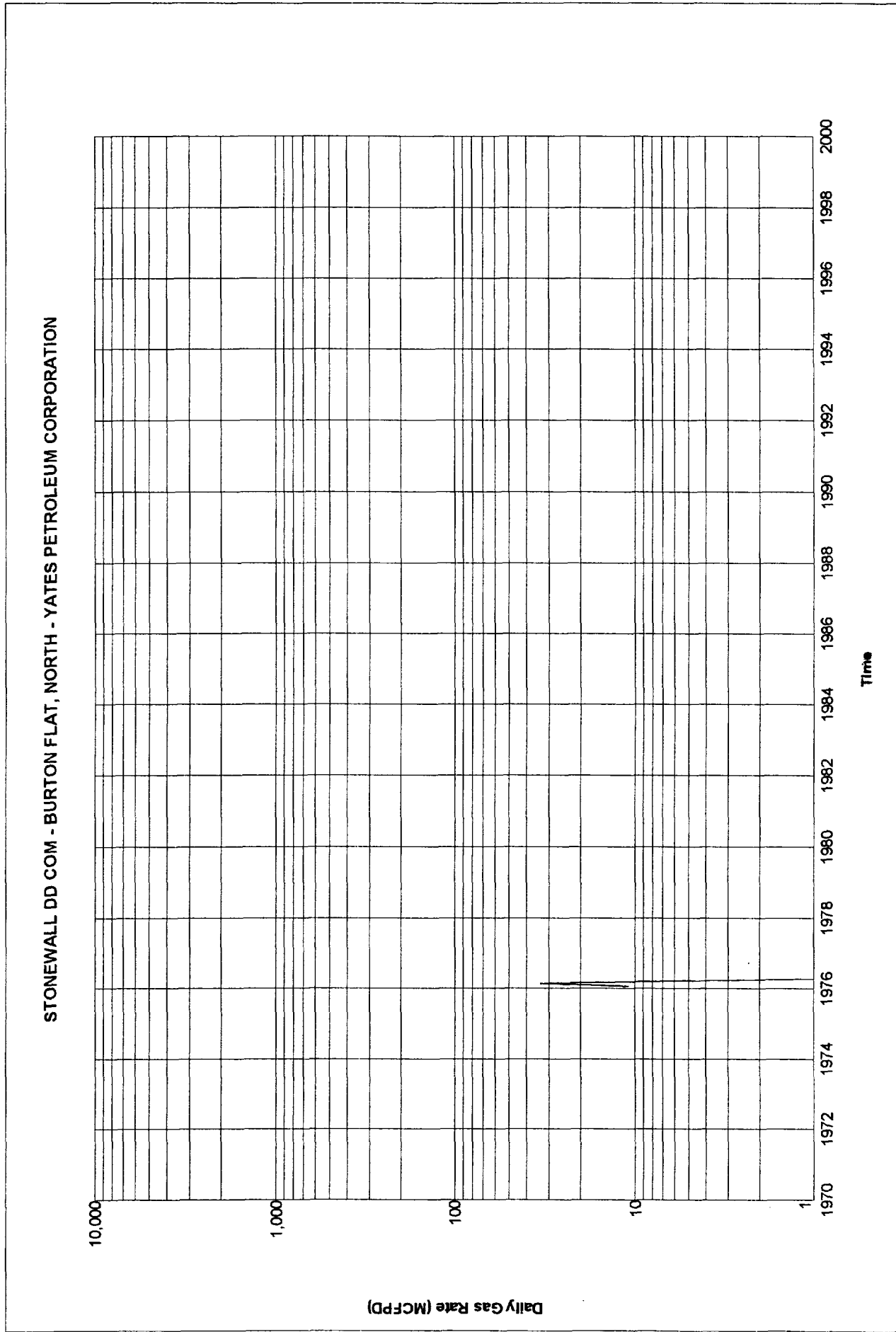
# Rate/Time Graph

Project: C:\My Documents\ptools35\Projects\fop.MDB

Date: 7/11/2000  
Time: 11:48 AM

Lease Name: STONEWALL DD COM (001)  
County, ST: EDDY, NM  
Location: 20S-28E-20

Field Name: BURTON FLAT, NORTH  
Operator: YATES PETROLEUM CORPORATION

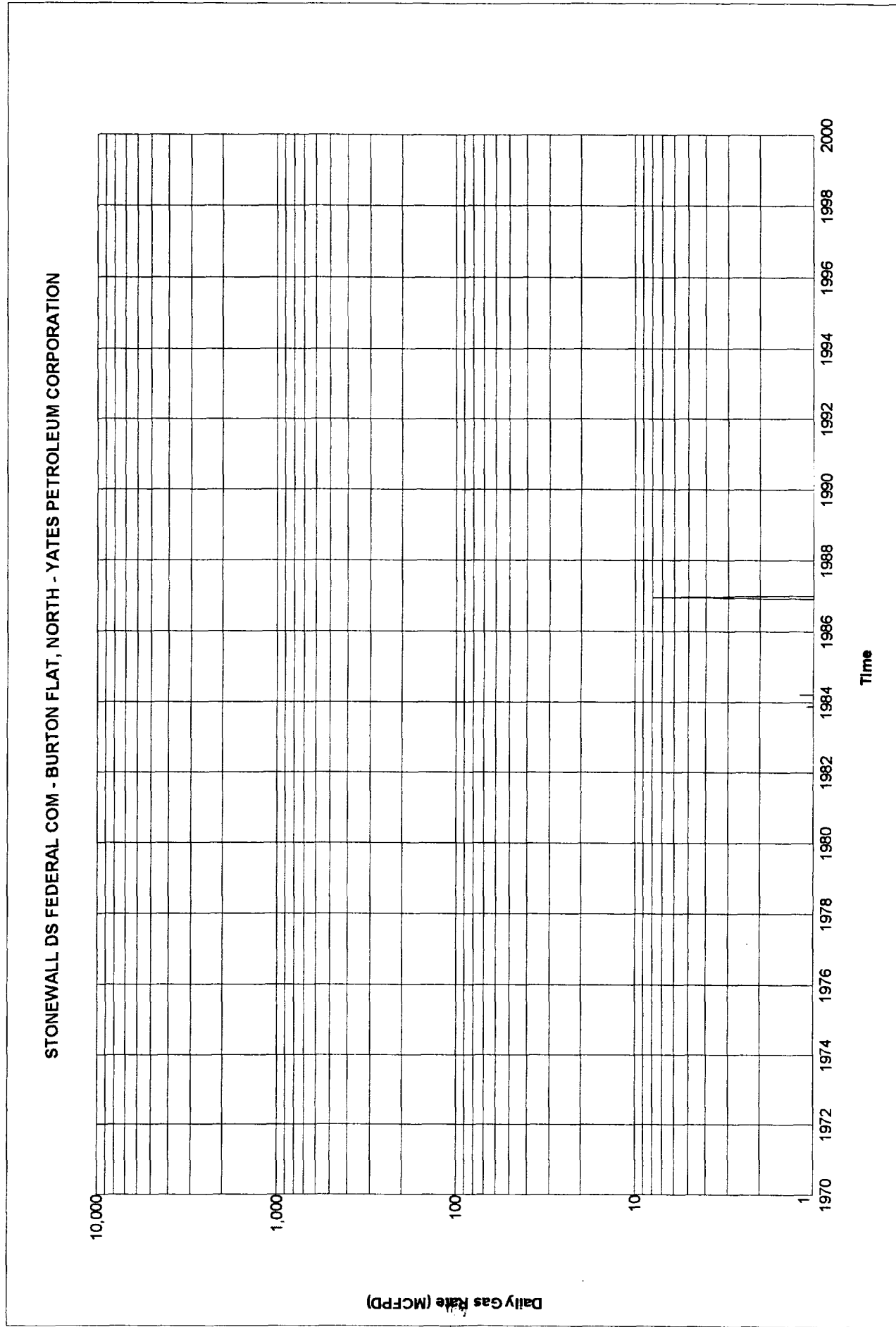


# Rate/Time Graph

Project: C:\My Documents\ptools35\Projects\top.MDB

Date: 7/11/2000  
Time: 11:48 AM

Lease Name: STONEWALL DS FEDERAL COM (002)      Field Name: BURTON FLAT, NORTH  
County, ST: EDDY, NM                                      Operator: YATES PETROLEUM CORPORATION  
Location: 20S-28E-29



# Rate/Time Graph

Project: C:\My Documents\lptools35\Projects\lfp.MDB

Date: 7/11/2000  
Time: 11:48 AM

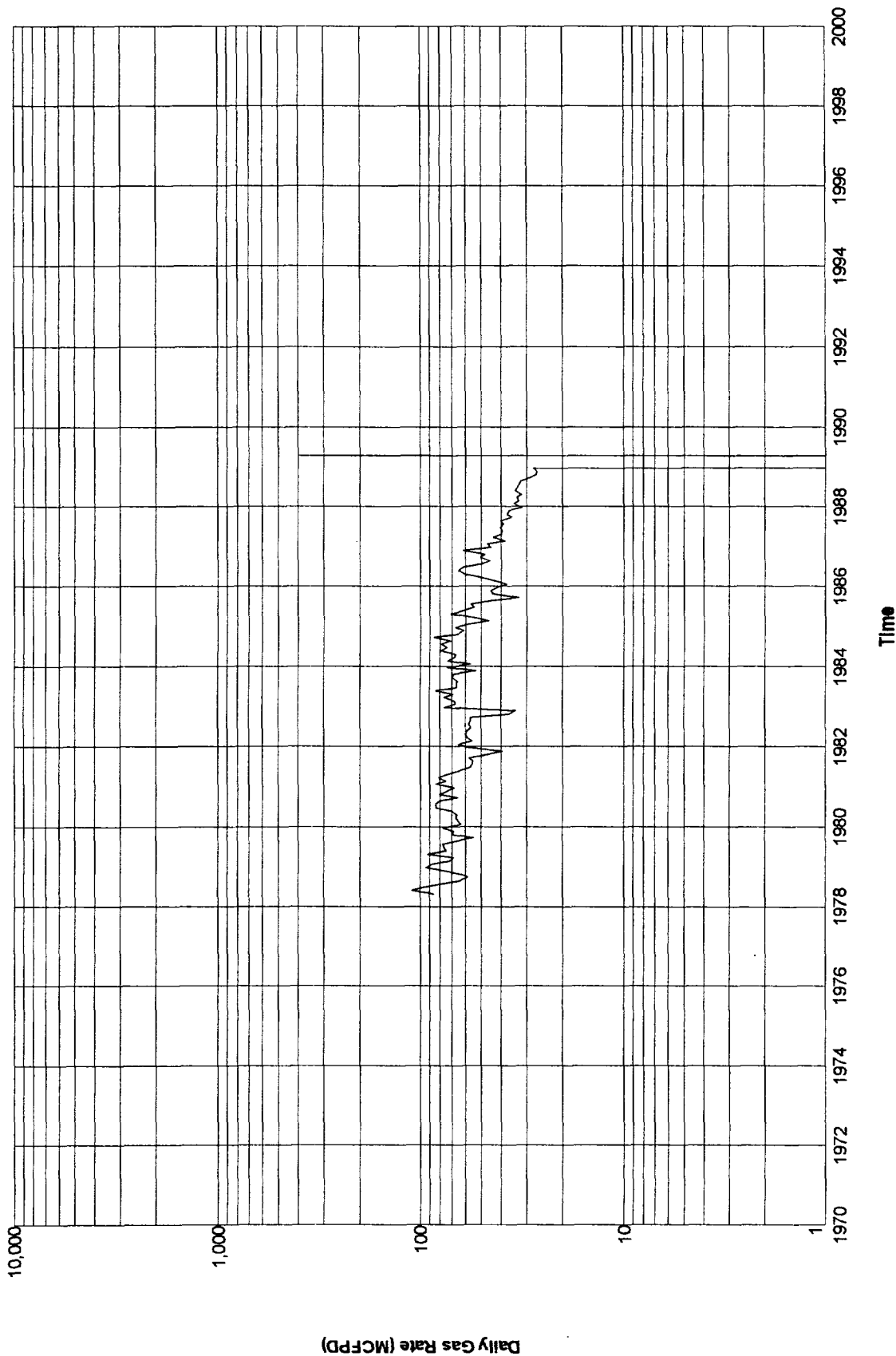
Lease Name:  
County, ST:  
Location:

GOVERNMENT AB (004)  
EDDY, NM  
20S-28E-9

Field Name:  
Operator:

BURTON FLAT, NORTH  
OXY USA INCORPORATED

GOVERNMENT AB - BURTON FLAT, NORTH - OXY USA INCORPORATED



# Rate/Time Graph

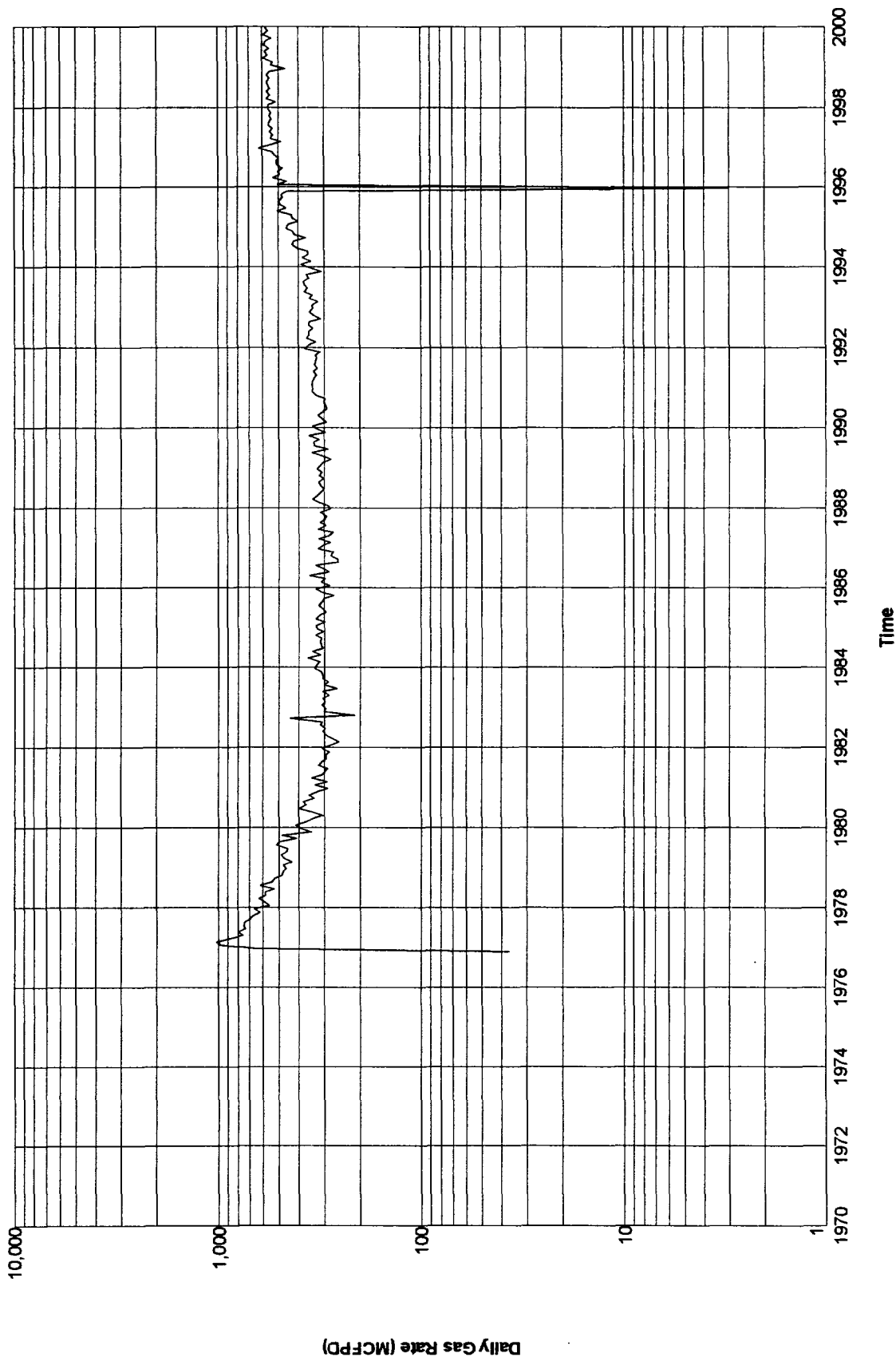
Project: C:\My Documents\ptools35\Projects\fop.MDB

Date: 7/11/2000  
Time: 11:48 AM

Lease Name: GOVERNMENT AB (003)  
County, ST: EDDY, NM  
Location: 20S-28E-10

Field Name: BURTON FLAT, NORTH  
Operator: OXY USA INCORPORATED

GOVERNMENT AB - BURTON FLAT, NORTH - OXY USA INCORPORATED



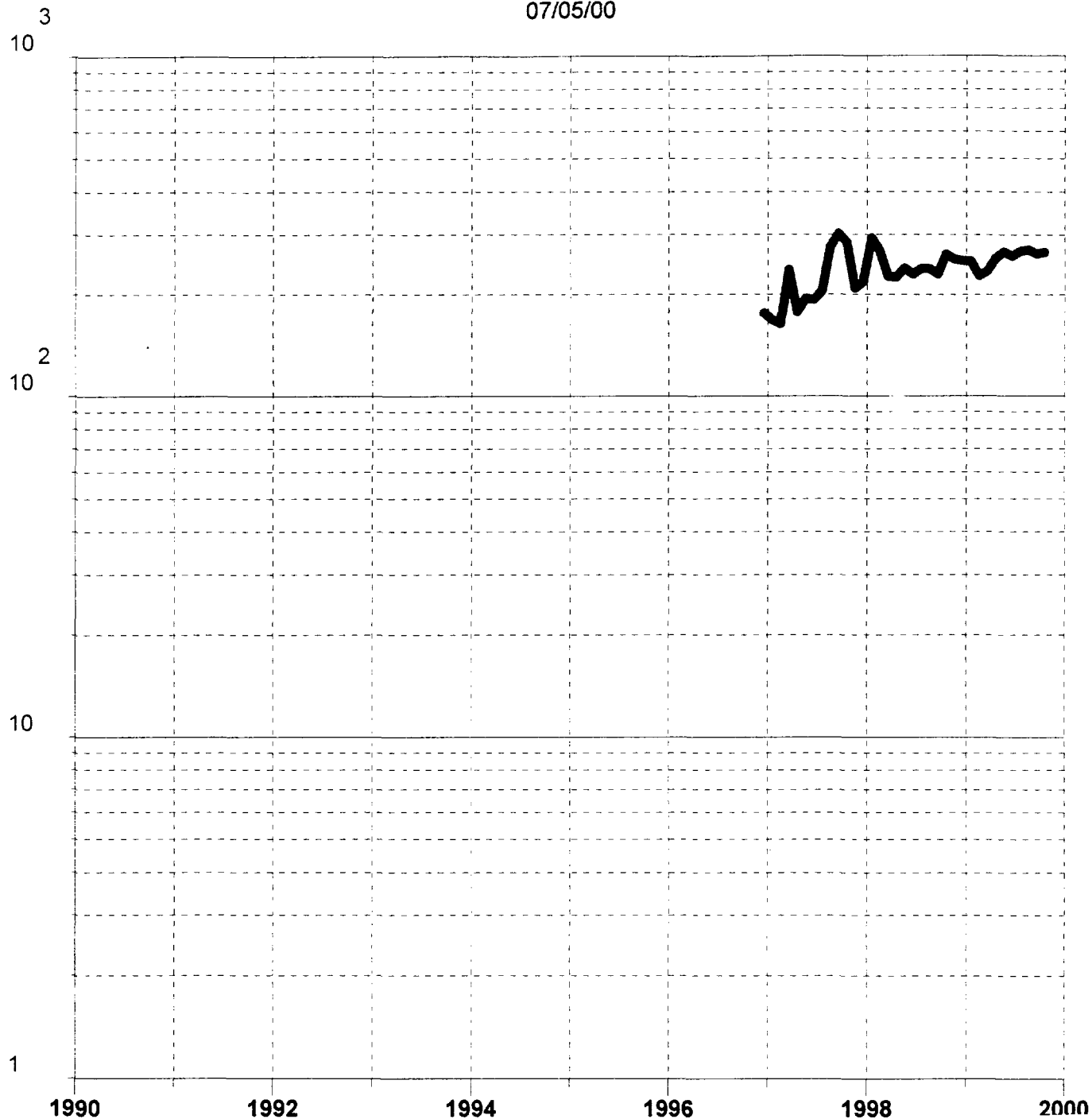


Lease: GOVERNMENT NBFD (1)

Dwights

Retrieval Code: 250,015,0152884173520

07/05/00



Gas (mcf/day)

County: EDDY, NM

F.P. Date: 06/96

Field: BURTON FLAT NORTH ( Oil Cum: 16.17 mbbl

Reservoir: WOLFCAMP

Gas Cum: 252.5 mmcf

Operator: OXY U S A INC

Location: 11M 20S 28E

BEFORE THE  
OIL CONSERVATION DIVISION  
Case No. 12447 Exhibit No. 5

Submitted By:

OXY USA, Inc.

Hearing Date: July 13, 2000

Dwights

NBFD Offsets

Retrieval Code: Summary

07/05/00



Gas (mcf/day)

County: EDDY, NM

F.P. Date: 04/74

Field: BURTON FLAT NORTH ( Oil Cum: 1432 mbbl

Reservoir: WOLFCAMP

Gas Cum: 11.02 bcf

Operator: OXY U S A INC

Location: 20S 28E

BEFORE THE  
OIL CONSERVATION DIVISION

Case No. 12447 Exhibit No. **6**

Submitted By:

OXY USA, Inc.

Hearing Date: July 13, 2000



OXY USA Inc.  
5 Greenway Plaza, Suite 2400  
P.O. Box 27570, Houston, TX 77227-7570

June 6, 2000

To: Operators on Attached Service List

Gentlemen:

ONGARD records indicate that you are the operator of at least one active well in the North Burton Flat (Wolfcamp) Pool. OXY USA Inc. also operates wells in this pool, and we are contemplating an application before the New Mexico Oil Conservation Division to rescind Order No. R-4949 that established field rules for this pool. These field rules were adopted in 1976 and provide for a single well on a 320-acre spacing unit located no closer than 660 feet to the nearest side boundary or 1980 feet to the nearest end boundary of the 320-acre tract. The North Burton Flat (Wolfcamp) Pool is also prorated with a fixed allowable of 1500 MCFPD per well.

OXY believes that additional reserves can be recovered from this pool before it is abandoned if the pool was regulated under statewide rules. Before we proceed with the regulatory phase of this project, however, we would like to find out if any operators in the pool would oppose an application to rescind these rules, and the reasons for such. This will allow us to work out any differences before we file the application. Accordingly, if your company has no objection to this proposal, please indicate such by executing the waiver of protest below and returning to the undersigned at the letterhead address. Thank you for your consideration, and if you have any questions please call me at 713-215-7317.

Sincerely,

Richard E. Foppiano, P.E.  
Senior Advisor - Regulatory Affairs

REF: ref  
Attachment

BEFORE THE  
OIL CONSERVATION DIVISION  
Case No. 12447 Exhibit No. 7-A  
Submitted By:  
OXY USA, Inc.  
Hearing Date: July 13, 2000

\*\*\*\*\* WAIVER OF PROTEST \*\*\*\*\*

My company has no objection to rescinding the existing pool rules for the North Burton Flat (Wolfcamp) Pool.

Name

President

Title

Vision Energy, Inc.

Company

June 27, 2000

Date



OXY USA Inc.  
5 Greenway Plaza, Suite 2400  
P.O. Box 27570, Houston, TX 77227-7570

June 6, 2000

To: Operators on Attached Service List

Gentlemen:

ONGARD records indicate that you are the operator of at least one active well in the North Burton Flat (Wolfcamp) Pool. OXY USA Inc. also operates wells in this pool, and we are contemplating an application before the New Mexico Oil Conservation Division to rescind Order No. R-4949 that established field rules for this pool. These field rules were adopted in 1976 and provide for a single well on a 320-acre spacing unit located no closer than 660 feet to the nearest side boundary or 1980 feet to the nearest end boundary of the 320-acre tract. The North Burton Flat (Wolfcamp) Pool is also prorated with a fixed allowable of 1500 MCFPD per well.

OXY believes that additional reserves can be recovered from this pool before it is abandoned if the pool was regulated under statewide rules. Before we proceed with the regulatory phase of this project, however, we would like to find out if any operators in the pool would oppose an application to rescind these rules, and the reasons for such. This will allow us to work out any differences before we file the application. Accordingly, if your company has no objection to this proposal, please indicate such by executing the waiver of protest below and returning to the undersigned at the letterhead address. Thank you for your consideration, and if you have any questions please call me at 713-215-7317.

Sincerely,

Richard E. Foppiano, P.E.  
Senior Advisor - Regulatory Affairs

REF: ref  
Attachment

BEFORE THE  
OIL CONSERVATION DIVISION  
Case No. 12447 Exhibit No. 7-B  
Submitted By:  
OXY USA, Inc.  
Hearing Date: July 13, 2000

\*\*\*\*\* WAIVER OF PROTEST \*\*\*\*\*

My company has no objection to rescinding the existing pool rules for the North Burton Flat (Wolfcamp) Pool.

*Randolph Foppiano*  
Name

*Gates Petroleum Corporation*  
Company

*Atty-in-Fact*  
Title

*6/15/2000*  
Date



**OXY USA Inc.**  
5 Greenway Plaza, Suite 2400  
P.O. Box 27570, Houston, TX 77227-7570

June 6, 2000

To: Operators on Attached Service List

Gentlemen:

*Bill*

ONGARD records indicate that you are the operator of at least one active well in the North Burton Flat (Wolfcamp) Pool. OXY USA Inc. also operates wells in this pool, and we are contemplating an application before the New Mexico Oil Conservation Division to rescind Order No. R-4949 that established field rules for this pool. These field rules were adopted in 1976 and provide for a single well on a 320-acre spacing unit located no closer than 660 feet to the nearest side boundary or 1980 feet to the nearest end boundary of the 320-acre tract. The North Burton Flat (Wolfcamp) Pool is also prorated with a fixed allowable of 1500 MCFPD per well.

OXY believes that additional reserves can be recovered from this pool before it is abandoned if the pool was regulated under statewide rules. Before we proceed with the regulatory phase of this project, however, we would like to find out if any operators in the pool would oppose an application to rescind these rules, and the reasons for such. This will allow us to work out any differences before we file the application. Accordingly, if your company has no objection to this proposal, please indicate such by executing the waiver of protest below and returning to the undersigned at the letterhead address. Thank you for your consideration, and if you have any questions please call me at 713-215-7317.

Sincerely,

*Rich*

Richard E. Foppiano, P.E.  
Senior Advisor - Regulatory Affairs

REF: ref  
Attachment

\*\*\*\*\* WAIVER OF PROTEST \*\*\*\*\*

My company has no objection to rescinding the existing pool rules for the North Burton Flat (Wolfcamp) Pool.

*Wump*  
Name

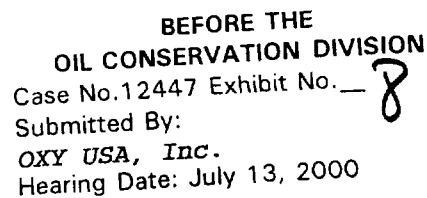
*President*  
Title

*Chi Operating, Inc.*  
Company

*7/6/00*  
Date

An Occidental Oil and Gas company

BEFORE THE  
OIL CONSERVATION DIVISION  
Case No. 12447 Exhibit No. 7-C  
Submitted By:  
OXY USA, Inc.  
Hearing Date: July 13, 2000



**KELLAHIN AND KELLAHIN**

ATTORNEYS AT LAW

EL PATIO BUILDING

117 NORTH GUADALUPE

POST OFFICE BOX 2265

SANTA FE, NEW MEXICO 87504-2265

TELEPHONE (505) 982-4285  
TELEFAX (505) 982-2047

W. THOMAS KELLAHIN\*

\*NEW MEXICO BOARD OF LEGAL SPECIALIZATION  
RECOGNIZED SPECIALIST IN THE AREA OF  
NATURAL RESOURCES-OIL AND GAS LAW

JASON KELLAHIN (RETIRED 1991)

June 21, 1999

TO: NOTICE OF THE HEARING OF THE FOLLOWING NEW MEXICO  
OIL CONSERVATION DIVISION CASE:

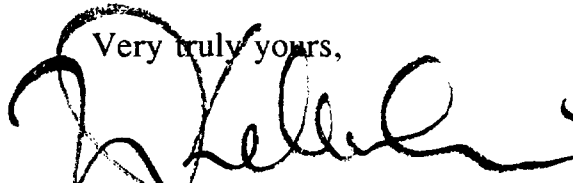
**Re:** *Application of OXY USA Inc. to rescind Division Order R-4949 for the  
North Burton Flats-Wolfcamp Gas Pool, Eddy County, New Mexico.*

On behalf of OXY USA Inc., please find enclosed our referenced application which has been set for hearing on the New Mexico Oil Conservation Division Examiner's docket now scheduled for July 13, 2000. The hearing will be held at the Division hearing room located in Santa Fe, New Mexico.

As an interest owner who may be affected by this application, we are notifying you of your right to appear at the hearing and participate in this case, including the right to present evidence either in support of or in opposition to the application. Failure to appear at the hearing may preclude you from any involvement in this case at a later date.

Pursuant to the Division's Memorandum 2-90, you are further notified that if you desire to appear in this case, then you are requested to file a Pre-Hearing Statement with the Division not later than 4:00 PM on Friday, July 7, 2000, with a copy delivered to the undersigned.

Very truly yours,



W. Thomas Kellahin

**cc:** BY CERTIFIED MAIL-RETURN RECEIPT REQUESTED  
to all parties listed in application

**SENDER: COMPLETE THIS SECTION**

OXY USA  
Rule 4949  
July 13, 2000  
6/21/00

Exxon-Mobil  
PO Box 4358  
Houston, TX 77201-4358  
Att: Bill Duncan

**COMPLETE THIS SECTION ON DELIVERY**

A. Received by (Please Print Clearly) Bill B. Date of Delivery JUN 26 2000

C. Signature Bill ☒ Agent ☐ Addressee

D. Is delivery address different from item 1? ☐ Yes ☐ No  
If YES, enter delivery address below:

3. Service Type ☐ Certified Mail ☐ Express Mail ☐ Registered ☐ Return Receipt for Merchandise ☐ Insured Mail ☐ C.O.D.

4. Restricted Delivery? (Extra Fee) ☐ Yes

2. Article Number (Copy from service label)

PS Form 3811 July 1999 Domestic Return Receipt

102595-99 M-1789

2 181 555 170

**SENDER: COMPLETE THIS SECTION**

OXY USA  
Rule 4949  
July 13, 2000  
6/21/00

1. Article Addressed to:  
nroc Oil Corp.  
Box 5970  
bbbs, NM 88241

**COMPLETE THIS SECTION ON DELIVERY**

A. Received by (Please Print Clearly) Bill B. Date of Delivery JUN 23 2000

C. Signature Bill ☒ Agent ☐ Addressee

D. Is delivery address different from item 1? ☐ Yes ☐ No  
If YES, enter delivery address below:

3. Service Type ☐ Certified Mail ☐ Express Mail ☐ Registered ☐ Return Receipt for Merchandise ☐ Insured Mail ☐ C.O.D.

4. Restricted Delivery? (Extra Fee) ☐ Yes

2. Article Number (Copy from service label)

2 181 555 170

**SENDER: COMPLETE THIS SECTION**

OXY USA  
Rule 4949  
July 13, 2000  
6/21/00

/ision Energy Inc.  
PO Box 2459  
Carlsbad, NM 88221

**COMPLETE THIS SECTION ON DELIVERY**

A. Received by (Please Print Clearly) Bill B. Date of Delivery JUN 23 2000

C. Signature Bill ☒ Agent ☐ Addressee

D. Is delivery address different from item 1? ☐ Yes ☐ No  
If YES, enter delivery address below:

3. Service Type ☐ Certified Mail ☐ Express Mail ☐ Registered ☐ Return Receipt for Merchandise ☐ Insured Mail ☐ C.O.D.

4. Restricted Delivery? (Extra Fee) ☐ Yes

2. Article Number (Copy from service label)

PS Form 3811, July 1999 Domestic Return Receipt

102595-99 M-1789

2 181 555 169

**SENDER: COMPLETE THIS SECTION**

OXY USA  
Rule 4949  
July 13, 2000  
6/21/00

1. Article Addressed to:  
Chi Operating Inc.  
PO Box 1709  
Midland, TX 79702  
Att: Bill Bergman

**COMPLETE THIS SECTION ON DELIVERY**

A. Received by (Please Print Clearly) Bill B. Date of Delivery JUN 23 2000

C. Signature Bill ☒ Agent ☐ Addressee

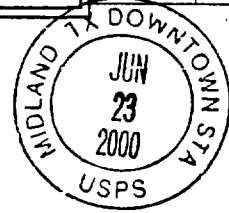
D. Is delivery address different from item 1? ☐ Yes ☐ No  
If YES, enter delivery address below:

3. Service Type ☐ Certified Mail ☐ Express Mail ☐ Registered ☐ Return Receipt for Merchandise ☐ Insured Mail ☐ C.O.D.

4. Restricted Delivery? (Extra Fee) ☐ Yes

2. Article Number (Copy from service label)

2 181 555 169





SENDER: COMPLETE THIS SECTION

**COMPLETE THIS SECTION ON DELIVERY**

A. Received by (Please Print Clearly) **JOANN GRIGGS** B. Date of Delivery **6-23-00**

C. Signature *Jo Ann Griggs* ☒ Agent ☐ Addressee

D. Is delivery address different from item 1? ☒ Yes ☐ No

If YES, enter delivery address below:

1. Article Addressed to:

**MWJ Producing Co.**  
**400 W. Illinois Suite 1100**  
**Midland, TX 79701**

3. Service Type ☐ Certified Mail ☐ Express Mail ☐ Registered ☐ Return Receipt for Merchandise ☐ Insured Mail ☐ C.O.D.

4. Restricted Delivery? (Extra Fee) ☐ Yes

2. Article Number (Copy from service label) **2181 555 173**

PS Form 3811, July 1999 102595-99-M-1789

SENDER: COMPLETE THIS SECTION

**COMPLETE THIS SECTION ON DELIVERY**

A. Received by (Please Print Clearly) **JOANN GRIGGS** B. Date of Delivery **6-23-00**

C. Signature *Jo Ann Griggs* ☒ Agent ☐ Addressee

D. Is delivery address different from item 1? ☒ Yes ☐ No

If YES, enter delivery address below:

1. Article Addressed to:

**Saga Petroleum LLC**  
**415 South Wall**  
**Midland, TX 79701**

3. Service Type ☐ Certified Mail ☐ Express Mail ☐ Registered ☐ Return Receipt for Merchandise ☐ Insured Mail ☐ C.O.D.

4. Restricted Delivery? (Extra Fee) ☐ Yes

2. Article Number (Copy from service label) **2181 555 173**

PS Form 3811, July 1999 102595-99-M-1789

SENDER: COMPLETE THIS SECTION

**COMPLETE THIS SECTION ON DELIVERY**

A. Received by (Please Print Clearly) **JOANN GRIGGS** B. Date of Delivery **6-23-00**

C. Signature *Jo Ann Griggs* ☒ Agent ☐ Addressee

D. Is delivery address different from item 1? ☒ Yes ☐ No

If YES, enter delivery address below:

1. Article Addressed to:

**Yates Petroleum Corp.**  
**105 South 4th Street**  
**Artesia, NM 88210**  
**Attn: Randy Patterson**

3. Service Type ☐ Certified Mail ☐ Express Mail ☐ Registered ☐ Return Receipt for Merchandise ☐ Insured Mail ☐ C.O.D.

4. Restricted Delivery? (Extra Fee) ☐ Yes

2. Article Number (Copy from service label) **2181 555 163**

PS Form 3811, July 1999 102595-99-M-1789

SENDER: COMPLETE THIS SECTION

**COMPLETE THIS SECTION ON DELIVERY**

A. Received by (Please Print Clearly) **SANDRA WILSON** B. Date of Delivery **6-23-00**

C. Signature *Sandra Wilson* ☒ Agent ☐ Addressee

D. Is delivery address different from item 1? ☒ Yes ☐ No

If YES, enter delivery address below:

1. Article Addressed to:

**Billy R. Wilson**  
**Robinson Bro. Drilling Co.**  
**112 Tanglewood**  
**New Braunfels, TX 78130**

3. Service Type ☐ Certified Mail ☐ Express Mail ☐ Registered ☐ Return Receipt for Merchandise ☐ Insured Mail ☐ C.O.D.

4. Restricted Delivery? (Extra Fee) ☐ Yes

2. Article Number (Copy from service label) **2181 555 174**

PS Form 3811, July 1999 102595-99-M-1789