

BEFORE THE
OIL CONSERVATION DIVISION
Case No. 12630 Exhibit No. —
Submitted By:
OXY USA, Inc.
Hearing Date: April 5, 2001

CASE NO. 12630

AFFIDAVIT OF DOUGLAS W. HURLBUT

C. My expert opinions are based on the following facts and events:

CHRONOLOGICAL SUMMARY OF SIGNIFICANT EVENTS

1. OXY USA, Inc. ("OXY") has a working interest ownership in the oil and gas minerals underlying the W/2 of Section 21, T17S, R28E, NMPM, Eddy County, New Mexico.

2. OXY has drilled and complete its Bug State Well No. N at a standard gas well location in Unit N of this section to test any and all formations in the pooled interval from the surface to the base of the Morrow formation.

3. The W/2 of this section consists of three tracts:

Tract 1 is a federal lease covering the SW/4NW/4

Tract 2 is a federal lease covering the N/2NW/4 and SW/4NW/4

Tract 3 is a state lease covering the SW/4

4. Based upon an oil & gas title opinion, OXY believes that the Walter Granberry, Jr. is one of the record title owners of Tract 1 and Tract 3 and has a 6.25 % overriding royalty interest covering the NE/4SW/4. He has no working interest in the spacing unit.

5. Because the spacing unit consists of multiple leases a communitization agreement is necessary to consolidate the interests.

6. On February 5, 2001, OXY submitted a written request to Walter Granberry, Jr. to execute a communitization agreement or a ratification of the communitization agreement for this unit.

7. On prior occasions for a different well, OXY has attempted and failed to obtain the ratification of a communitization agreement by Walter Granberry, Jr.

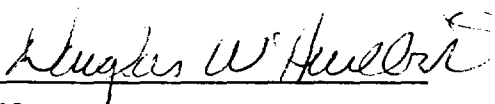
8. Despite its good faith efforts, OXY has been unable to obtain a ratification by Walter Granberry, Jr. for this well.

9. Pursuant to Section 70-2-17(c) NMSA (1978) and in order to obtain its just and equitable share of potential production underlying this spacing unit, OXY needs an order of the Division pooling the identified and described mineral interests involved in order to protect correlative rights and prevent waste.

10. In accordance with Division Rule 1207.A(1)(b) attached are the following statements and exhibits in support of this case:

- (i) written request to Mr. Granberry requesting ratification
See Exhibit 1
- (ii) communitization agreement
See Exhibit 2.
- (iii) BLM approval of communitization
See Exhibit 3
- (iv) certificate of notice of hearing
See Exhibit 4

FURTHER AFFIANT SAYETH NOT:


Name

State of New Mexico)

) SS

County of Santa Fe)

SUBSCRIBED AND SWORN TO before me this 5th day of April, 2001 by
Douglas W. Hurlbut


Notary Public

(SEAL)

My Commission Expires: April 17, 2002



Douglas W. Hurlbut, CPL
Contract Landman

OXY USA WTP LP

Box 50250, Midland, TX 79710

Phone (915) 685-5729
Fax (915) 685-5742

February 5, 2001

To: Working Interest Owners

RE: OXY The Bug State Com #1
W/2 Section 21, T17S-R28E
Eddy County, New Mexico

Gentlemen:

Please find enclosed five (5) originals of either captioned Communitization Agreement signature page or Ratification of Communitization Agreement. Also enclosed and for your files is one copy of the OXY executed Communitization Agreement covering the Morrow formation under the above-described acreage.

At your earliest convenience, please execute, have acknowledged and return the five (5) enclosed signature pages or Ratifications to the undersigned at the letterhead address.

Feel free to contact me at 915/685-5729 should you have any questions. Thank you for your attention to this matter.

Very truly yours,

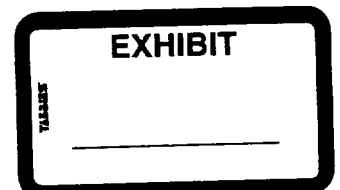
OXY USA WTP Limited Partnership

A handwritten signature in cursive script, reading "Douglas W. Hurlbut".

Douglas W. Hurlbut

DWH/bic

Enclosure



NOTE TO WALTER E. GRANBERRY, JR.:

If you fail to sign and return the signature pages to the communitization agreement then your interest will be placed in suspense and no revenues will be paid.

Walter E. Granberry, Jr.
3801 24th St.
Lubbock, TX 79410



United States Department of the Interior

BUREAU OF LAND MANAGEMENT
ROSWELL FIELD OFFICE
2909 West Second Street
Roswell, New Mexico 88201-2019

IN REPLY REFER
NMNM105351
3105.2 (06300)

MAR 12 2001

OXY USA WTP LP
Attention: Douglas W. Hurlbut
Box 50250
Midland, TX 79710

Gentlemen:

Enclosed is one approved copy of Communitization Agreement NMNM105351, involving 40.00 acres of land in Federal lease LC-046250-A, 120.00 acres of land in Federal lease NM-048343, and 160.00 acres of State land in Eddy County, New Mexico, comprising a 320.00 acre well spacing unit.


The agreement communitizes all rights as to natural gas and associated liquid hydrocarbons producible from the Morrow, Chester, Strawn, and Atoka formations in the W1/2 section 21, T. 17 S., R. 28 E., NMPM, and is effective January 6, 2001.

Approval of this agreement does not warrant or certify that the operator, thereof, and other working interest owners hold legal or equitable title to the leases which are committed hereto.

If this well is producing, this approval requires the submission of a Payor Information Form MMS-4025 to the Minerals Management Service (MMS) within 30 days (30 CFR 210.51). Please notify the designated payor or payors (purchasers, working interest owners, or others) as soon as possible regarding this requirement. Any production royalties that are due must be reported and paid within 90 days of the Bureau of Land Management's approval date or the payors will be assessed interest for late payment under the Federal Oil and Gas Royalty Management Act of 1982 (See 30 CFR 218.54). If you need assistance or clarification, please contact the Minerals Management Service at 1-800-525-9167 or 303-231-3504.

Please furnish all interested principals with appropriate evidence of this approval.

Sincerely,


Larry D. Bray
Assistant Field Manager,
Lands and Minerals

Enclosure:
1 - Communitization Agreement

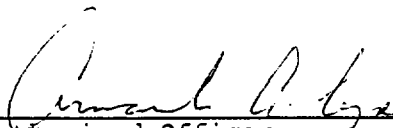
EXHIBIT

Determination - Approval - Certification

Pursuant to the authority vested in the Secretary of the Interior under Section 17(j) of the Mineral Leasing Act of 1920, as amended (74 Stat. 784; 30 U.S.C. 226(j)), and delegated to the authorized officer of the Bureau of Land Management, I do hereby:

- A. Determine that the Federal lease or leases as to the lands committed to the attached agreement cannot be independently developed and operated in conformity with the well-spacing program established for the field or area in which said lands are located, and that consummation and approval of the agreement will be in the public interest. Approval of this agreement does not warrant or certify that the operator thereof and other holders of operating rights hold legal or equitable title to those rights in the subject leases which are committed hereto.
- B. Approve the attached communitization agreement covering W1/2 section 21, T. 17 S., R. 28 E., NMPM, Eddy County, New Mexico, as to natural gas and associated liquid hydrocarbons producible from the Morrow, Chester, Strawn, and Atoka formations. This approval will become invalid if the public interest requirements under section 3105.2-3(e) are not met.
- C. Certify and determine that the drilling, producing, rental, minimum royalty and royalty requirements of the Federal lease or leases committed to said agreement are hereby established, altered, changed, or revoked to conform with the terms and conditions of the agreement.

Approved: March 12, 2001



Authorized Officer

Effective: January 6, 2001

Contract No.: Com. Agr. NMNM105351



2. Attached hereto, and made a part of this agreement for all purposes, is Exhibit B, designating the operator of the communitized area and showing the acreage, percentage and ownership of oil and gas interests in all lands within the communitized area, and the authorization, if any, for communitizing or pooling any patented or fee lands within the communitized area.
3. All matters of operation shall be governed by the operator under and pursuant to the terms and provisions of this agreement. A successor operator may be designated by the owners of the working interest in the communitized area, and four executed copies of a designation of successor operator shall be filed with the Authorized Officer.
4. Operator shall furnish the Secretary of the Interior, or his authorized representative, with a log and history of any well drilled on the communitized area, monthly reports of operations, statements of oil and gas sales and royalties and such other reports as are deemed necessary to compute monthly the royalty due the United States, as specified in the applicable oil and gas operating regulations.
5. The communitized area shall be developed and operated as an entirety, with the understanding and agreement between the parties hereto that all communitized substances produced therefrom shall be allocated among the leaseholds comprising said area in the proportion that the acreage interest of each leasehold bears to the entire acreage interest committed to this agreement.

All proceeds, 8/8ths, attributed to unleased Federal, State or fee land included within the Communitization Agreement area are to be placed in an interest earning escrow or trust account by the designated operator until the land is leased or ownership is established.

6. The royalties payable on communitized substances allocated to the individual leases comprising the communitized area and the rentals provided for in said leases shall be determined and paid on the basis prescribed in each of the individual leases. Payments of rentals under the terms of leases subject to this agreement shall not be affected by this agreement except as provided for under the terms and provisions of said leases or as may herein be otherwise provided. Except as herein modified and changed, the oil and gas leases subject to this agreement shall remain in full force and effect as originally made and issued. It is agreed that for any Federal lease bearing a sliding- or step-scale rate of royalty, such rate shall be determined separately as to production from each communitization agreement to which such lease may be committed, and separately as to any noncommunitized lease production, provided, however, as to leases where the rate of royalty for gas is based on total lease production per day, such rate shall be determined by the sum of all communitized production allocated to such a lease plus any noncommunitized lease production.
7. There shall be no obligation on the lessees to offset any well or wells completed in the same formation as covered by this agreement on separate component tracts into which the communitized area is now or may hereafter be divided, nor shall any lessee be required to measure separately communitized substances by reason of the diverse ownership thereof, but the lessees hereto shall not be released from their obligation to

protect said communitized area from drainage of communitized substances by a well or wells which may be drilled offsetting said area.

8. The commencement, completion, continued operation, or production of a well or wells for communitized substances on the communitized area shall be construed and considered as the commencement, completion, continued operation, or production on each and all of the lands within and comprising said communitized area, and operations or production pursuant to this agreement shall be deemed to be operations or production as to each lease committed hereto.
9. Production of communitized substances and disposal thereof shall be in conformity with allocations, allotments, and quotas made or fixed by any duly authorized person or regulatory body under applicable Federal or State statutes. This agreement shall be subject to all applicable Federal and State laws or executive orders, rules and regulations and no party hereto shall suffer a forfeiture or be liable in damages for failure to comply with any of the provisions of this agreement if compliance is prevented by, or if such failure results from, compliance with any such laws, orders, rules or regulations.
10. The date of this agreement is January 6, 2001 and it shall become effective as of this date or from the onset of production of communitized substances, whichever is earlier upon execution by the necessary parties, notwithstanding the date of execution, and upon approval by the Secretary of the Interior or by his duly authorized representative, and shall remain in force and effect as to the Morrow, Strawn, Chester and Atoka formations, individually, for a period of 2 years and for as long as communitized substances are, or can be, produced from the communitized area in paying quantities: Provided, that prior to production in paying quantities from the communitized area and upon fulfillment of all requirements of the Secretary of the Interior, or his duly authorized representative, with respect to any dry hole or abandoned well, this agreement may be terminated at any time by mutual agreement of the parties hereto. This agreement shall not terminate upon cessation of production if, within sixty (60) days thereafter, reworking or drilling operations on the communitized area are commenced and are thereafter conducted with reasonable diligence during the period of nonproduction. As to the lands owned by the State of New Mexico, written notice of intention to commence such operations shall be filed with the Commissioner within thirty (30) days after the cessation of such capability of production, and a report of the status of such operations shall be made by the Operator to the Commissioner every thirty (30) days, and the cessation of such operations for more than twenty (20) consecutive days shall be considered as an abandonment of such operations as to any lease from the State of New Mexico included in this agreement. The 2-year term of this agreement will not in itself serve to extend the term of any Federal lease which would otherwise expire during said period.
11. The covenants herein shall be construed to be covenants running with the land with respect to the communitized interests of the parties hereto and their successors in interests until this agreement terminates and any grant, transfer, or conveyance of any such land or interest subject hereto, whether voluntary or not, shall be and hereby is conditioned upon the assumption of all obligations hereunder by the grantee, transferee, or other successor in interest, and as to Federal land shall be subject to approval by the Secretary of the Interior, or his duly authorized representative, and as to State of New Mexico lands shall be subject to approval by the Commissioner.

12. It is agreed between the parties hereto that the Secretary of the Interior, or his duly authorized representative, shall have the right of supervision over all operations within the communitized area to the same extent and degree as provided in the oil and gas leases under which the United States of America is lessor, and in the applicable oil and gas operating regulations of the Department of the Interior. It is further agreed between the parties hereto that the Commissioner shall have the right of supervision over all operations to the same extent and degree as provided in the oil and gas leases under which the State of New Mexico is lessor and in the applicable oil and gas statutes and regulations of the State of New Mexico.
13. This agreement shall be binding upon the parties hereto and shall extend to and be binding upon their respective heirs, executors, administrators, successors, and assigns.
14. This agreement may be executed in any number of counterparts, no one of which needs to be executed by all parties, or may be ratified or consented to by separate instrument, in writing, specifically referring hereto, and shall be binding upon all parties who have executed such a counterpart, ratification or consent hereto with the same force and effect as if all parties had signed the same document.
15. Nondiscrimination: In connection with the performance of work under this agreement, the operator agrees to comply with all of the provisions of Section 202(1) to (7) inclusive, of Executive Order 11246 (30 F.R. 12319), as amended, which are hereby incorporated by reference in this agreement.

IN WITNESS WHEREOF, the parties hereto have executed this agreement as of the day and year first above written and have set opposite their respective names the date of execution.

OPERATOR
OXY USA WTP Limited Partnership by
OXY USA Inc., General Partner

DATE OF EXECUTION: 01-24-01

By: [Signature]

Terry S. Lindquist, Attorney-in-Fact

STATE OF TEXAS

§

§

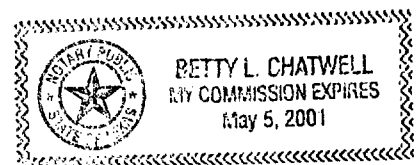
COUNTY OF MIDLAND

§

The foregoing instrument was acknowledged before me this 24th day of January, 2001

By Terry S. Lindquist, as Attorney in Fact for OXY USA Inc., General Partner, a Delaware corporation, acting as General Partner for OXY USA WTP Limited Partnership.

Betty L. Chatwell
Notary Public



LESSEES OF RECORD

PETCO LIMITED

By: *Fred F. Dueser*
Fred F. Dueser, General Partner

By: Breck Operating Corp.
General Partner

By: *John H. Connally*
John H. Connally, President

CONOCO, INC.

By: _____

By: _____
WALTER GRANBERRY, JR.

FENIX ROYLATY, LLC

By: _____

STATES, INC.

By: *John H. Connally*
John H. Connally, President

STATES,
INC.
APPROVED
AS TO FORM
AS TO CONTENT
AS TO INTEREST
ADMINISTRATION
gm
7

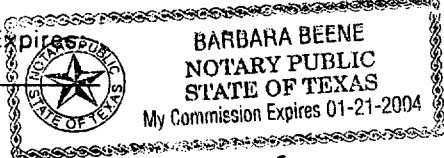
STATE OF TEXAS §

COUNTY OF STEPHENS §

The foregoing instrument was acknowledged before me this 27th day of Feb., 2001

by Fred F. Dueser as General Partner of PETCO LIMITED, a Texas limited partnership, on behalf of said partnership.

My Commission Expires



Barbara Beene
Notary Public

STATE OF _____ §

COUNTY OF _____ §

The foregoing instrument was acknowledged before me this _____ day of _____, 2001

by _____ as _____ for Conoco, Inc.

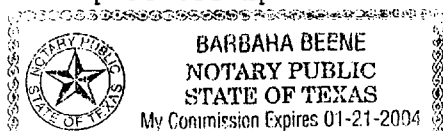
My Commission Expires:

Notary Public

STATE OF TEXAS

COUNTY OF STEPHENS

The foregoing instrument was acknowledged before me on this 27th day of Feb., 2001 by John H. Connally, President of BRECK OPERATING CORP., a Texas corporation acting in its capacity as General Partner of PETCO LIMITED, a Texas limited partnership, on behalf of said partnership.



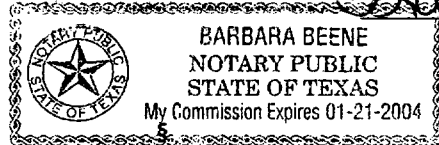
Barbara Beene
Notary Public

STATE OF TEXAS §
COUNTY OF STEPHENS §

The foregoing instrument was acknowledged before me this 27th day of Feb., 2001

by John H. Connally as President for STATES, INC., a Texas corporation,
on behalf of said corporation.

My Commission Expires: _____



Barbara Beene
Notary Public

STATE OF _____ §
COUNTY OF _____ §

The foregoing instrument was acknowledged before me this _____ day of _____, 2001

by _____ as _____ for Fenix Royalty, LLC.

My Commission Expires: _____

Notary Public

STATE OF _____ §
COUNTY OF _____ §

The foregoing instrument was acknowledged before me this _____ day of _____, 2001

by Walter Granberry, Jr.

My Commission Expires: _____

Notary Public

LESSEES OF RECORD

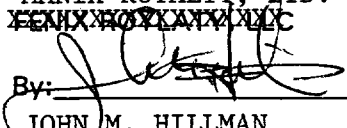
PC, LTD

By: _____

By: _____
WALTER GRANBERRY, JR.

PETCO LIMITED

By: _____

MANIX ROYALTY, LTD.
~~PENIX ROYALTY, LLC~~
By:  _____
JOHN M. HILLMAN
PARTNER

CONOCO, INC.

By: _____

STATE OF _____ §

§

COUNTY OF _____ §

The foregoing instrument was acknowledged before me this _____ day of _____, 2001

by _____ as _____ for PC, Ltd.

My Commission Expires: _____

Notary Public

STATE OF _____ §

§

COUNTY OF _____ §

The foregoing instrument was acknowledged before me this _____ day of _____, 2001

by _____ as _____ for Conoco, Inc.

My Commission Expires: _____

Notary Public

STATE OF _____ §
COUNTY OF _____ §

The foregoing instrument was acknowledged before me this _____ day of _____, 2001
by _____ as _____ for Petco Limited.

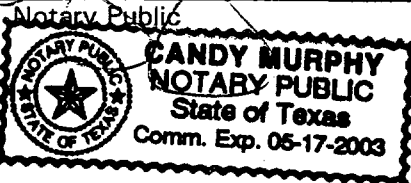
My Commission Expires:

Notary Public

STATE OF TEXAS §
COUNTY OF MIDLAND §

The foregoing instrument was acknowledged before me this 8th day of February, 2001
by John M. Hillman as Partner for Manix Royalty, Ltd.
~~for Manix Royalty, Ltd.~~

My Commission Expires:
5-17-2003



STATE OF _____ §
COUNTY OF _____ §

The foregoing instrument was acknowledged before me this _____ day of _____, 2001
by Walter Granberry, Jr.

My Commission Expires:

Notary Public

LESSEES OF RECORD

PC, LTD

By: _____

By: _____
WALTER GRANBERRY, JR.

PETCO LIMITED

By: _____

FENIX ROYLATY, LLC

By: _____

CONOCO, INC.

By: John L. Sutey
cs

STATE OF _____ §

COUNTY OF _____ §

The foregoing instrument was acknowledged before me this _____ day of _____, 2001
by _____ as _____ for PC, Ltd.

My Commission Expires: _____

Notary Public

STATE OF Texas §

COUNTY OF Midland §

The foregoing instrument was acknowledged before me this 15th day of February 2001
by John L. Sutey as Attorney-in-Fact for Conoco, Inc.

My Commission Expires: _____

Sharon K. Gibson
Notary Public



EXHIBIT A

Plat of communitized area covering W/2, Sec. 21,
T 17 S, R 28 E, N.M.P.M., Eddy County, New Mexico.

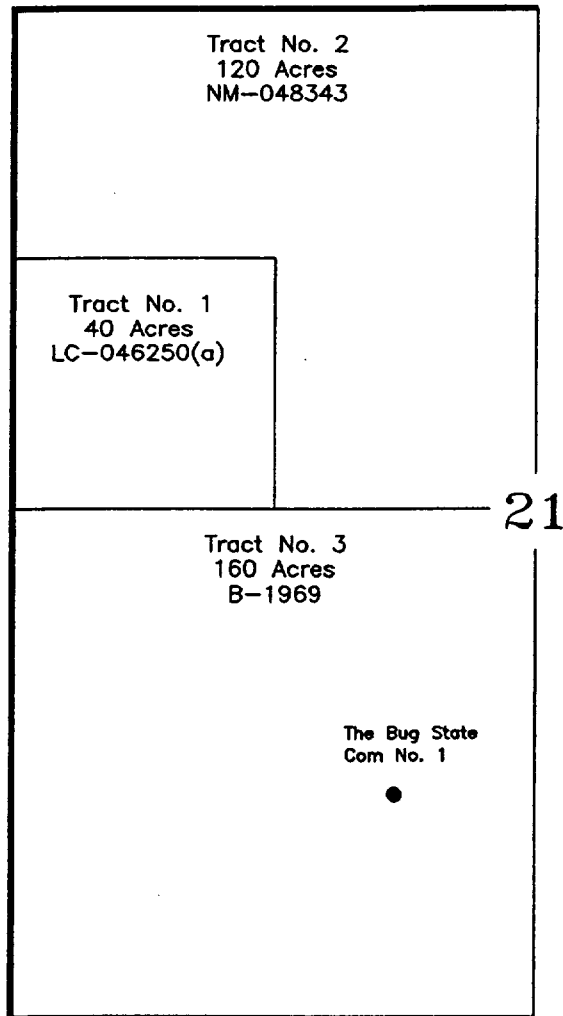


EXHIBIT "B"

To Communitization Agreement dated January 6, 2001, embracing the W/2 of
 Section 21, T 17 S, R 28 E, N.M.P.M., Eddy County, New Mexico.

Operator of Communitized Area: OXY USA WTP Limited Partnership

DESCRIPTION OF LEASES COMMITTED

TRACT NO. 1

Lease Serial No.:	LC-046250(a)	
Lease Date:	April 1, 1968	
Lease Term:	20 Years (Renewal)	
Lessor:	United States of America	
Original Lessee:	American Petrofina Company of Texas	7/8
	Petroleum Corporation of Texas	7/8
Present Lessee:	PC, Ltd	1/8
	Walter Granberry, Jr.	7/8

Description of Land Committed:

Township 17 South, Range 28 East, Section 21: SW/4 NW/4

Number of Acres: 40

Royalty Rate: 12.5%

Name and Percent ORRI Owners:	Wilson Oil Company	0.675%
	Nadine P. Loveless	0.225%
	Gretchen Nearburg	0.225%
	Nearburg Producing Company	0.225%
	Tr. u/w/o of Harold B. Wright	5.500%
	Heirs of Mary E. Nellis	0.312%
	Margaret N. Dunn	0.093%
	Thelma Hancox	0.023%
	Sharon K. Rubin	0.023%
	Mary Lou N. Rotella	0.023%
	Rose Ann N. Johnson	0.023%
	Brooks T. Moleen	0.500%
	Tr. of Wilma D. Moleen Foundation	<u>1.000%</u>
	TOTAL	8.847%

Name and Percent WI Owners:	OXY USA WTP Limited Partnership	33.40%
	McCombs Energy, LLC	29.23%
	Andrews & Corkran, LLC	4.17%
	Richard K. Barr	8.35%
	Scott E. Wilson	8.35%
	Occidental Permian Limited Partnership	<u>16.50%</u>
	TOTAL	100.00%

TRACT NO. 2

Lease Serial No.:	NM-048343
Lease Date:	April 1, 1998
Lease Term:	20 Years
Lessor:	United States of America
Original Lessee:	Fina Oil and Chemical 7/8
	Petco Limited 1/8
Present Lessee:	Petco Limited 1/8
	Fenix Royalty, LLC 7/8

Description of Land Committed:

Township 17 South, Range 28 East, Section 21: N/2 NW/4 and SE/4 NW/4

Number of Acres: 120.00

Pooling Clause:

Basic Royalty Rate: 12.50%

	<u>N/2NW/4</u>	<u>SE/4NW/4</u>
Name and Percent ORRI Owners:		
Tr. u/w/o of Harold B. Wright	5.500%	5.500%
Heirs of Mary E. Nellis	0.312%	0.312%
Margaret N. Dunn	0.093%	0.093%
Thelma Hancox	0.023%	0.023%
Sharon K. Rubin	0.023%	0.023%
Mary Lou N. Rotella	0.023%	0.023%
Rose Ann N. Johnson	0.023%	0.023%
Brooks T. Moleen	0.500%	0.500%
Tr. of Wilma D. Moleen	1.000%	1.000%
Wilson Oil Company	-0-	0.675%
Nadine P. Loveless	-0-	0.225%
Gretchen B. Nearburg	-0-	0.225%
Nearburg Production Company	<u>-0-</u>	<u>0.225%</u>
Total	7.497%	8.847%

Name and Percent WI Owners:	OXY USA WTP Limited Partnership	35.05%
	McCombs Energy, LLC	30.67%
	Scott E. Wilson	8.76%
	Richard K. Barr	8.76%
	Andrews & Corkran, LLC	4.38%
	Occidental Permian Limited Partnership	<u>12.38%</u>
	TOTAL	100.0%

TRACT NO. 3

Lease Serial No.: B-1969

Lease Date: June 10, 1933

Lease Term: 5 Years

Lessor: State of New Mexico

Original Lessee: Van P. Welch, Jr.

Present Lessee: Walter Granberry, Jr. S/2 SW/4 and NW/4 SW/4
Conoco, Inc. and Walter Granberry, Jr. NE/4 SW/4

Description of Land Committed:

Township 17 South, Range 28 East, Section 21: SW/4

Number of Acres: 160.00

Pooling Clause:

Basic Royalty Rate:	12.50%			
		<u>NW/4SW/4</u>	<u>NE/4SW/4</u>	<u>S/2SW/4</u>
Name and Percent ORRI Owners:	Conoco, Inc.	6.25%		
	Walter Granberry, Jr.	6.25%		
	Wilson Oil Company			0.75%
	Nadine P. Loveless			0.25%
	Gretchen B. Nearburg			0.25%
	Randolph Richardson			0.13%
	Rolla R. Hinkle, III			0.06%
	Madison M. Hinkle			<u>0.06%</u>
	Total		12.50%	1.50%

Name and Percentage of WI Owners:

OXY USA WTP Limited Partnership	35.05%
Scott E. Wilson	8.76%
Richard K. Barr	8.76%
Occidental Permian Limited Partnership	12.38%
McCombs Energy, LLC	30.67%
Andrews & Corkran, LLC	<u>4.38%</u>
Total	100.00%

RECAPITULATION

Tract No.	No. of Acres Committed	Percentage of Interest in Communitized Area
1	40.00	12.5%
2	120.00	37.5%
3	<u>160.00</u>	<u>50.0%</u>
 TOTAL	 320.0000	 100.0%

CONSENT AND RATIFICATION
TO
COMMUNITIZATION AGREEMENT

For the purposes and considerations stated in that certain Communitization Agreement dated January 26, 2001, covering natural gas and associated liquid hydrocarbons produced from the Morrow, Chester, Strawn & Atoka Formations under W/2 of Section 21, Township 17 South, Range 28 East, N.M.P.M., Eddy County, New Mexico, the undersigned (whether one or more) hereby ratifies, confirms and joins in the execution of said Communitization Agreement, which is incorporated herein and made a part hereof, to the same extent and effect as if the undersigned had executed the original of said Communitization Agreement.

The undersigned acknowledges receipt of a copy of said Communitization Agreement and acknowledges that no representations not incorporated herein or in said Communitization Agreement have been made to the undersigned, and that this instrument has been signed and delivered unconditionally.

Date: 01-24-01

Occidental Permian Limited Partnership
By OXY USA Inc., General Partner

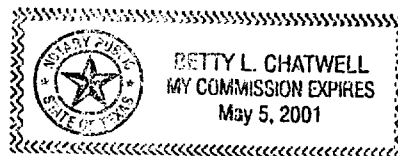
By: [Signature]
Terry S. Lindquist, Attorney-in-Fact

STATE OF Texas)
) ss
COUNTY OF Midland)

By Terry S. Lindquist, as Attorney in Fact for OXY USA Inc., General Partner, a Delaware corporation, acting as General Partner for Occidental Permian Limited Partnership. *Dated 1-24-01*

Witness my hand and official seal.

[Signature]
Notary Public



CONSENT AND RATIFICATION
TO
COMMUNITIZATION AGREEMENT

For the purposes and considerations stated in that certain Communitization Agreement dated January 26, 2001, covering natural gas and associated liquid hydrocarbons produced from the Morrow, Chester, Strawn & Atoka Formations under W/2 of Section 21, Township 17 South, Range 28 East, N.M.P.M., Eddy County, New Mexico, the undersigned (whether one or more) hereby ratifies, confirms and joins in the execution of said Communitization Agreement, which is incorporated herein and made a part hereof, to the same extent and effect as if the undersigned had executed the original of said Communitization Agreement.

The undersigned acknowledges receipt of a copy of said Communitization Agreement and acknowledges that no representations not incorporated herein or in said Communitization Agreement have been made to the undersigned, and that this instrument has been signed and delivered unconditionally.

Date: 2/8/01

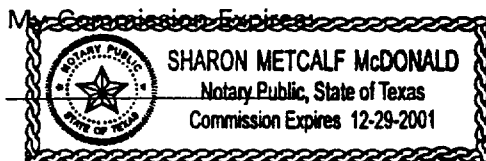
McCOMBS ENERGY LLC

By: *Ricky Haikin*
RICKY HAIKIN
VICE PRESIDENT

STATE OF TEXAS)
) ss
COUNTY OF HARRIS)

The foregoing instrument was acknowledged before me this 8 day of February, 2001 by Ricky Haikin as Vice President of McCombs Energy LLC.

Witness my hand and official seal.



Sharon K. McDonald
Notary Public

CONSENT AND RATIFICATION
TO
COMMUNITIZATION AGREEMENT

For the purposes and considerations stated in that certain Communitization Agreement dated January 26, 2001, covering natural gas and associated liquid hydrocarbons produced from the Morrow, Chester, Strawn & Atoka Formations under W/2 of Section 21, Township 17 South, Range 28 East, N.M.P.M., Eddy County, New Mexico, the undersigned (whether one or more) hereby ratifies, confirms and joins in the execution of said Communitization Agreement, which is incorporated herein and made a part hereof, to the same extent and effect as if the undersigned had executed the original of said Communitization Agreement.

The undersigned acknowledges receipt of a copy of said Communitization Agreement and acknowledges that no representations not incorporated herein or in said Communitization Agreement have been made to the undersigned, and that this instrument has been signed and delivered unconditionally.

Date: 03-05-01

RICHARD K. BARR

By: *Richard K. Barr*

STATE OF TEXAS)
COUNTY OF MIDLAND) ss

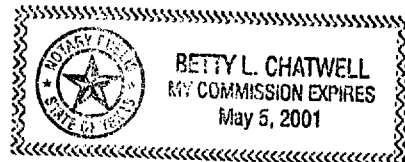
The foregoing instrument was acknowledged before me this 5th day of March, 2001 by Richard K. Barr.

Witness my hand and official seal.

My Commission Expires:

05-05-01

Betty L. Chatwell
Notary Public



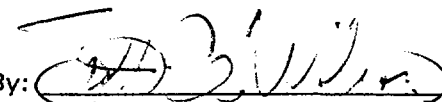
CONSENT AND RATIFICATION
TO
COMMUNITIZATION AGREEMENT

For the purposes and considerations stated in that certain Communitization Agreement dated January 26, 2001, covering natural gas and associated liquid hydrocarbons produced from the Morrow, Chester, Strawn & Atoka Formations under W/2 of Section 21, Township 17 South, Range 28 East, N.M.P.M., Eddy County, New Mexico, the undersigned (whether one or more) hereby ratifies, confirms and joins in the execution of said Communitization Agreement, which is incorporated herein and made a part hereof, to the same extent and effect as if the undersigned had executed the original of said Communitization Agreement.

The undersigned acknowledges receipt of a copy of said Communitization Agreement and acknowledges that no representations not incorporated herein or in said Communitization Agreement have been made to the undersigned, and that this instrument has been signed and delivered unconditionally.

Date: 03-05-01

SCOTT E. WILSON

By: 

STATE OF TEXAS)
COUNTY OF MIDLAND) ss

The foregoing instrument was acknowledged before me this 5th day of March, 2001 by Scott E. Wilson.

Witness my hand and official seal.

My Commission Expires:

050501


Notary Public



CONSENT AND RATIFICATION
TO
COMMUNITIZATION AGREEMENT

For the purposes and considerations stated in that certain Communitization Agreement dated January 26, 2001, covering natural gas and associated liquid hydrocarbons produced from the Morrow, Chester, Strawn & Atoka Formations under W/2 of Section 21, Township 17 South, Range 28 East, N.M.P.M., Eddy County, New Mexico, the undersigned (whether one or more) hereby ratifies, confirms and joins in the execution of said Communitization Agreement, which is incorporated herein and made a part hereof, to the same extent and effect as if the undersigned had executed the original of said Communitization Agreement.

The undersigned acknowledges receipt of a copy of said Communitization Agreement and acknowledges that no representations not incorporated herein or in said Communitization Agreement have been made to the undersigned, and that this instrument has been signed and delivered unconditionally.

Date: 3-2-01

ANDREWS & CORKRAN, LLC

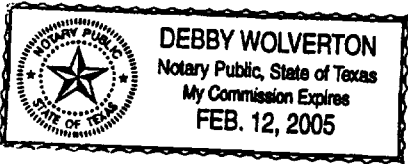
By: [Signature]
As: _____

STATE OF Texas)
COUNTY OF Travis) ss

The foregoing instrument was acknowledged before me this 2 day of March, 2001 by David J. Andrews as _____ of Andrews & Corkran, LLC.

Witness my hand and official seal.
My Commission Expires:
2-12-2005

[Signature]
Notary Public



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)

March 13, 2001

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

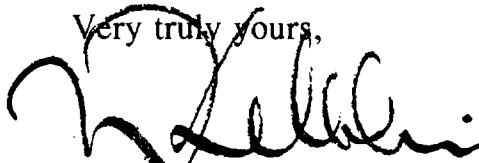
*Re: Application of OXY USA WTP Limited Partnership
for Compulsory Pooling, Eddy County, New Mexico*

On behalf of OXY USA WTP Limited Partnership, please find enclosed our application for an compulsory pooling for its Bug State Well No. 1 which has been set for hearing on the New Mexico Oil Conservation Division Examiner's docket now scheduled for 8:15 AM April 5, 2001. The hearing will be held at the Division hearing room located at 1220 South St. Francis Drive, 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, March 31, 2001, 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

NMOCD Application
Oxy USA, Inc.
Page 3

- (2) Provisions for pooling Walter Granberry, Jr.'s interest in this spacing unit
- (3) For such other and further relief as may be proper.

RESPECTFULLY SUBMITTED:

A handwritten signature in black ink, appearing to read 'W. Thomas Kellahin', with a stylized, flowing script.

W. THOMAS KELLAHIN
KELLAHIN & KELLAHIN
P. O. Box 2265
Santa Fe, New Mexico 87504
(505) 982-4285

NAME AND LAST KNOWN ADDRESS

Walter Granberry, Jr.
3801 24th Street
Lubbock, Texas 79410

SENDER: COMPLETE THIS SECTION

- Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired.
- 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. At **Walter Granberry, Jr.**
3801 24th Street
Lubbock, TX 79410

COMPLETE THIS SECTION ON DELIVERY

A. Received by (Please Print Clearly)	B. Date of Delivery
C. Signature X	<input type="checkbox"/> Agent <input type="checkbox"/> Addressee
Is delivery address different from item 1? <input type="checkbox"/> Yes If YES, enter delivery address below: <input type="checkbox"/> No	

2. Article Number (Copy from service label)
Kelly Greba

PS Form 3811, July 1999

Domestic

7000 0520 0022 8754 3551 952

Service Type

☐ Certified Mail ☐ Express Mail

OXY

WTP Compulsory pooling

April 5, 2001

3/14/01