

RECEIVED: 11/04/21	REVIEWER: LRL	TYPE: NSL	APP NO: pLEL2130834024
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ABOVE THIS TABLE FOR OCD DIVISION USE ONLY

NEW MEXICO OIL CONSERVATION DIVISION
 - Geological & Engineering Bureau -
 1220 South St. Francis Drive, Santa Fe, NM 87505



ADMINISTRATIVE APPLICATION CHECKLIST

THIS CHECKLIST IS MANDATORY FOR ALL ADMINISTRATIVE APPLICATIONS FOR EXCEPTIONS TO DIVISION RULES AND REGULATIONS WHICH REQUIRE PROCESSING AT THE DIVISION LEVEL IN SANTA FE

Applicant: OXY USA INC. **OGRID Number:** 16696
Well Name: TAILS CC 10-3 FEDERAL COM 38H **API:** 30-015-48877
Pool: PURPLE SAGE WOLFCAMP **Pool Code:** 98220

SUBMIT ACCURATE AND COMPLETE INFORMATION REQUIRED TO PROCESS THE TYPE OF APPLICATION INDICATED BELOW

- 1) **TYPE OF APPLICATION:** Check those which apply for [A]
 A. Location – Spacing Unit – Simultaneous Dedication
 NSL NSP (PROJECT AREA) NSP (PRORATION UNIT) SD
- B. Check one only for [I] or [II]
 [I] Commingling – Storage – Measurement
 DHC CTB PLC PC OLS OLM
 [II] Injection – Disposal – Pressure Increase – Enhanced Oil Recovery
 WFX PMX SWD IPI EOR PPR

- 2) **NOTIFICATION REQUIRED TO:** Check those which apply.
 A. Offset operators or lease holders
 B. Royalty, overriding royalty owners, revenue owners
 C. Application requires published notice
 D. Notification and/or concurrent approval by SLO
 E. Notification and/or concurrent approval by BLM
 F. Surface owner
 G. For all of the above, proof of notification or publication is attached, and/or,
 H. No notice required

<u>FOR OCD ONLY</u>	
<input type="checkbox"/>	Notice Complete
<input type="checkbox"/>	Application Content Complete

3) **CERTIFICATION:** I hereby certify that the information submitted with this application for administrative approval is **accurate** and **complete** to the best of my knowledge. I also understand that **no action** will be taken on this application until the required information and notifications are submitted to the Division.

Note: Statement must be completed by an individual with managerial and/or supervisory capacity.

LESLIE REEVES

Print or Type Name

Leslie T. Reeves

Signature

11/3/2021
Date

713-497-2492
Phone Number

LESLIE_REEVES@OXY.COM
e-mail Address



OXY USA Inc

5 Greenway Plaza, Suite 110
Houston, TX 77046-0521

November 3, 2021

New Mexico Oil Conservation Division
1220 South St. Francis Dr.
Santa Fe, NM 87505

Attention: Leonard Lowe

Re: ***Application for Administrative Approval of Non-Standard Location
Tails CC 10-3 Federal Com 38H – Purple Sage Wolfcamp
Surface – 340’ FNL 1880’ FEL Unit B Sec 15 T24S R29E
First Take Point – 100’ FSL 2333’ FWL Unit N, Sec 10 T24S R29E
Last Take Point – 100’ FNL 2333’ FWL Unit C, Lot 3, Sec 3 T24S R29E
Bottom Hole – 20’ FNL 2333’ FWL Unit C, Lot 3, Sec 3 T24S R29E
Eddy County, New Mexico***

Dear Mr. Lowe:

OXY USA Inc. respectfully requests administrative approval of a non-standard location on the Tails CC 10-3 Federal Com 38H well, API Number-30-015-48877, Property Code 329988. The #38H well will be the defining well for the 1280-acre HSU and is proposed to be completed in the Purple Sage Wolfcamp pool, Pool Code 98220 which has special pool rules specifying the completed interval must be located 330 feet from the exterior boundary of the applicable spacing unit. The proposed completed interval is projected as follows:

Surface – 340’ FNL 1880’ FEL Unit B Sec 15 T24S R29E
First Take Point – 100’ FSL 2333’ FWL Unit N, Sec 10 T24S R29E
Last Take Point – 100’ FNL 2333’ FWL Unit C, Lot 3, Sec 3 T24S R29E
Bottom Hole – 20’ FNL 2333’ FWL Unit C, Lot 3, Sec 3 T24S R29E

The Horizontal Spacing Unit is all of Section 10 and Section 3 located in T24S R29E. The adjoining units towards which the unorthodox location encroaches are located in T23S R29E, Section 34 – (HSU) Units A, B, G, H, I, J, O, P and Section 34 – (HSU) Units C, D, E, F, K, L, M, N. Also, T24S R29E, Section 15 – Units A.

Approval of the unorthodox completed interval will allow for efficient spacing of horizontal wells and thereby prevent waste.

To support this request, the following information has been submitted for your review:

1. C-102 Plat for the proposed well and additional plats with offsetting well and affected spacing units.
2. List of affected offset parties in each adjoining spacing unit in the same pool or formation located closer to the unorthodox well location than the minimum distance prescribed by applicable rule or order, copies of the signed certified return receipts will be furnished upon request.
3. Statement from Oxy Development Manager.

If you need any additional information, please call me at 713-497-2492.

Sincerely,

Leslie Reeves
Regulatory Analyst

Attachments
CC: Service List



OXY USA Inc

5 Greenway Plaza, Suite 110
Houston, TX 77046-0521

November 3, 2021

CERTIFIED MAIL – RETURN RECEIPT REQUESTED

Re: ***Application for Administrative Approval of Non-Standard Location
Tails CC 10-3 Federal Com 38H – Purple Sage Wolfcamp
Surface – 340' FNL 1880' FEL Unit B Sec 15 T24S R29E
First Take Point – 100' FSL 2333' FWL Unit N, Sec 10 T24S R29E
Last Take Point – 100' FNL 2333' FWL Unit C, Lot 3, Sec 3 T24S R29E
Bottom Hole – 20' FNL 2333' FWL Unit C, Lot 3, Sec 3 T24S R29E
Eddy County, New Mexico***

To Whom it May Concern:

Enclosed is a copy of an application, filed with the New Mexico Oil Conservation Division by OXY USA Inc., requesting administrative approval for a non-standard location. As an affected party, notice is being provided to you pursuant to Rule 19.15.4.12(A)(2)(a), 19.15.15.9(A) and 19.15.16.15(B). The well is located as follows:

Surface – 340' FNL 1880' FEL Unit B Sec 15 T24S R29E
First Take Point – 100' FSL 2333' FWL Unit N, Sec 10 T24S R29E
Last Take Point – 100' FNL 2333' FWL Unit C, Lot 3, Sec 3 T24S R29E
Bottom Hole – 20' FNL 2333' FWL Unit C, Lot 3, Sec 3 T24S R29E

If you object to the well's location, you must notify the Division in writing no later than 20 days from the date the application is received by the NMOCD (1220 South St. Francis Drive, Santa Fe, NM 87505; Attention: Leonard Lowe).

If you need any additional information, you can contact Peter Van Liew at 713-985-6972 or myself at 713-497-2492.

Thank you,

A handwritten signature in blue ink that reads "Leslie Reeves". The signature is written in a cursive, flowing style.

Leslie Reeves
Regulatory Advisor
OXY USA Inc.

DISTRICT I
1625 N. FRENCH DR., HOBBS, NM 88240
Phone: (575) 393-6161 Fax: (575) 393-0720

DISTRICT II
811 S. FIRST ST., ARTESIA, NM 88210
Phone: (575) 746-1283 Fax: (575) 746-9720

DISTRICT III
1000 RIO BRAZOS RD., AZTEC, NM 87410
Phone: (505) 334-6178 Fax: (505) 334-6170

DISTRICT IV
1220 S. ST. FRANCIS DR., SANTA FE, NM 87505
Phone: (505) 476-3460 Fax: (505) 476-3462

State of New Mexico
Energy, Minerals & Natural Resources Department
OIL CONSERVATION DIVISION
1220 SOUTH ST. FRANCIS DR.
Santa Fe, New Mexico 87505

Form C-102
Revised August 1, 2011
Submit one copy to appropriate
District Office

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number 30-015-48877	Pool Code 98220	Pool Name PURPLE SAGE WOLFCAMP (GAS)
Property Code 329988	Property Name TAILS CC 10_3 FEDERAL COM	
OGRID No. 16696	Operator Name OXY USA INC.	
		Well Number 38H
		Elevation 2937.8'

Surface Location

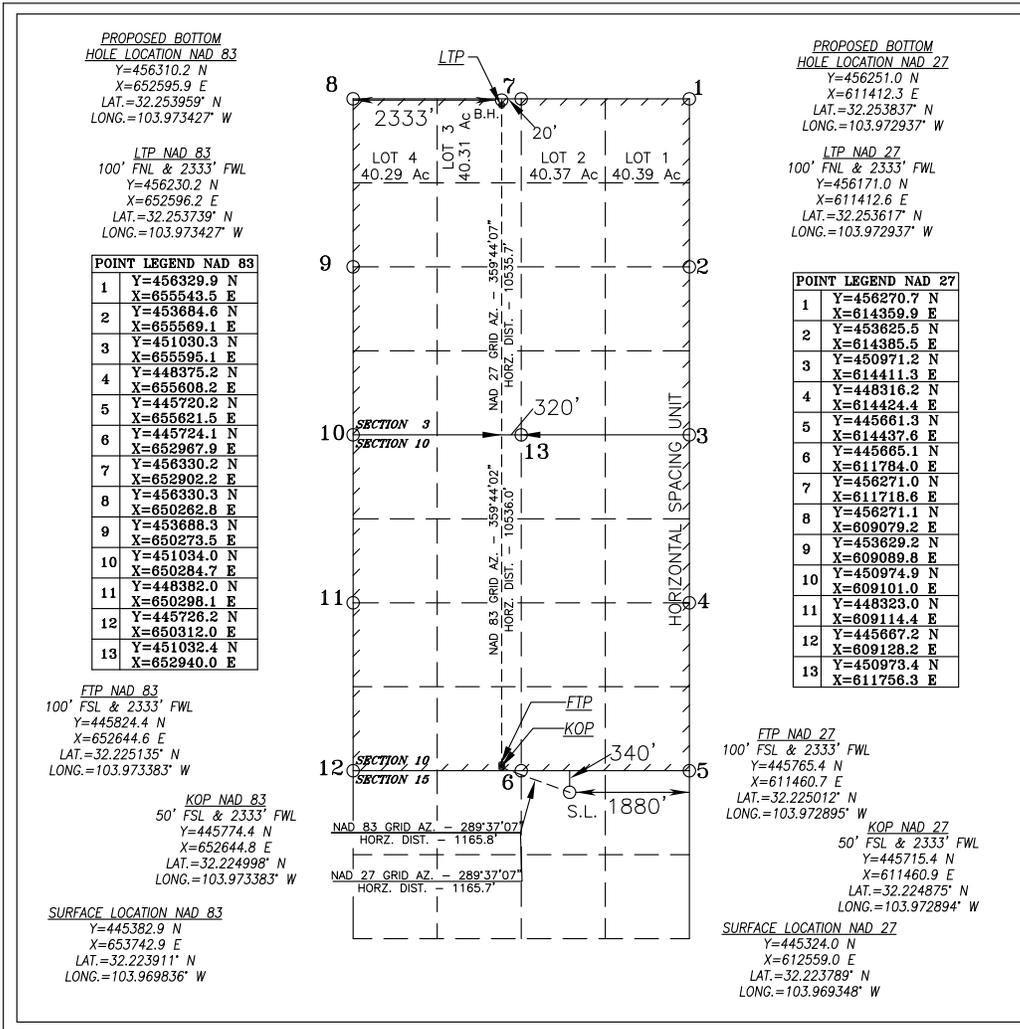
UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
B	15	24-S	29-E		340	NORTH	1880	EAST	EDDY

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
3	3	24-S	29-E		20	NORTH	2333	WEST	EDDY

Dedicated Acres 1280	Joint or Infill	Consolidation Code	Order No.
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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



OPERATOR CERTIFICATION

I hereby certify that the information herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.

Leslie T. Reeves 10/25/2021
Signature Date

LESLIE REEVES
Printed Name

LESLIE_REEVES@OXY.COM
E-mail Address

SURVEYOR CERTIFICATION

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.

MAY 30, 2019
Date of Survey

Signature & Seal of Professional Surveyor

Chad L. Harcrow 10/15/21

Certificate No. **CHAD HARCROW 17777**
W.O. # 21-874 DRAWN BY: AH

Intent As Drilled

API # 30-015-48877		
Operator Name: OXY USA Inc.	Property Name: Tails CC 10-3 Federal Com	Well Number 38H

Kick Off Point (KOP)

UL N	Section 10	Township 24S	Range 29E	Lot	Feet 50	From N/S FSL	Feet 2333	From E/W FWL	County EDDY
Latitude 32.224998					Longitude -103.973383				NAD NAD83

First Take Point (FTP)

UL N	Section 10	Township 24S	Range 29E	Lot	Feet 100	From N/S FSL	Feet 2333	From E/W FWL	County EDDY
Latitude 32.225135					Longitude -103.973383				NAD NAD83

Last Take Point (LTP)

UL C	Section 3	Township 24S	Range 29E	Lot 3	Feet 100	From N/S FNL	Feet 2333	From E/W FWL	County EDDY
Latitude 32.253739					Longitude -103.973427				NAD NAD83

Is this well the defining well for the Horizontal Spacing Unit?

Is this well an infill well?

If infill is yes please provide API if available, Operator Name and well number for Defining well for Horizontal Spacing Unit.

API #		
Operator Name:	Property Name:	Well Number

KZ 06/29/2018

OXY USA Inc.

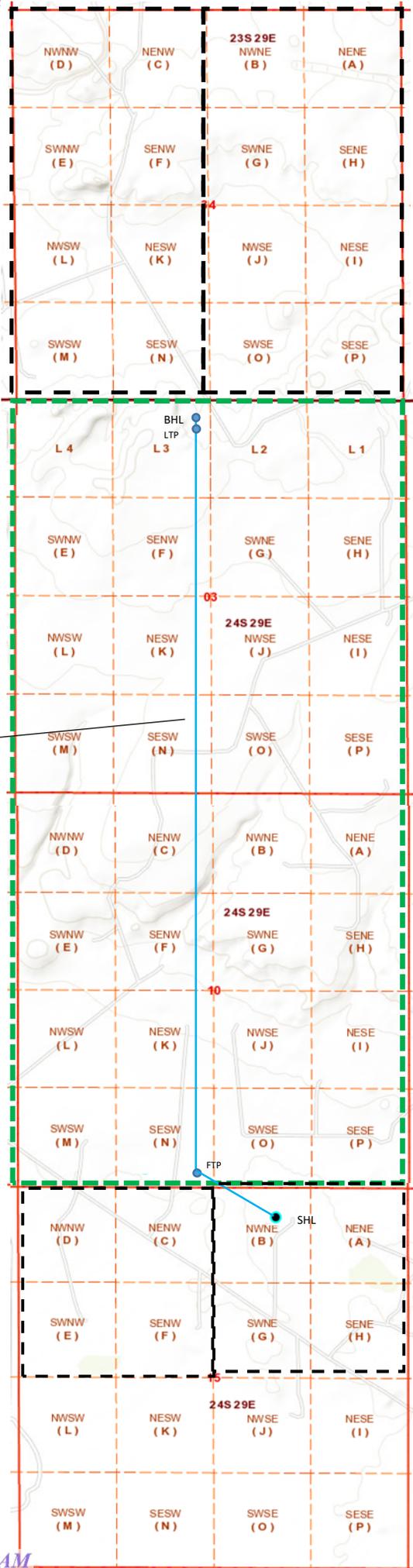
Tails CC 10-3 Federal Com 38H

Section 15 Township 24 South,

Range 29 East, N.M.P.M.

Eddy County, New Mexico

Tails CC 10-3 Federal Com 38H





Occidental Oil and Gas Corporation
ATTN: Trey Fournier
5 Greenway Plaza, Suite 110
Houston, TX 77046
832-291-5426
Trey_fournier@oxy.com

November 3, 2021

Mr. Leonard Lowe
New Mexico Oil Conservation Division
1220 South Francis Drive
Santa Fe, New Mexico 87505

RE: ***Application for Nonstandard Location—Engineering Justification***
OXY USA Inc.
Tails CC 10-3 Federal Com 38H
T24S R29E, Section 10 – ALL, Eddy County
T24S R29E Section 3 – ALL, Eddy County

Dear Mr. Lowe:

Oxy USA Inc. respectfully seeks approval for a non-standard location, decreasing the first and last take point for Tails CC 10-3 Federal Com 38H in the Wolfcamp formation of the Purple Sage Pool from 330 feet to 100 feet. It is Oxy's responsibility as a prudent operator to maximize lateral length and minimize reserves left in the ground. Decreasing the first and last take point will increase this well's effective lateral length by 460 feet and increase the estimated ultimate recovery of the well by approximately 5%. Any increase in first or last take point would result in untapped reserves left in the reservoir, and waste of a resource that would otherwise go undeveloped.

Sincerely,

A handwritten signature in black ink, appearing to read "Trey Fournier". The signature is fluid and cursive, with a long horizontal stroke extending to the right.

Trey Fournier
Development Manager

Application Non-Standard Location - Service List

OXY USA Inc.

Tails CC 10-3 Federal Com #38H

Online Submission

New Mexico Oil Conservation Division
1220 South St. Francis Dr.
Santa Fe, NM 87505

Certified Mail # 7013 1090 0000 6870 9320

Bureau of Land Management Carlsbad
620 E. Greene Street
Carlsbad, NM 88220-6292

Existing Horizontal Spacing Unit Section 34 (T23S-R29E) - Units C, D, E, F, K, L, M, N (W 1/2 HSU)

Certified Mail #7013 1090 0000 6870 9337

Tap Rock Resources, LLC
523 Park Point Drive, Suite 200
Golden, CO 80401
Attn: Matt Phillips

T24S-R29E

No Existing Spacing Unit: Section 15 - Units A, B, C, D, E, F, G, H

OXY USA Inc.
P.O. Box 50250
Midland, TX 79710

Copies of this application were mailed to the following individuals, companies and organizations on or before November 3, 2021



Leslie Reeves, Regulatory Advisor
OXY USA Inc.



OXY USA Inc.

A subsidiary of Occidental Petroleum Corporation

5 Greenway Plaza, Suite 110, Houston, Texas 77046-0521

P.O. Box 4294, Houston, Texas 77210-4294

Direct: 713.985.6972 Fax: 713.985.1278

Peter_VanLiew@Oxy.com

November 3, 2021

New Mexico Oil Conservation Division
1220 South St. Francis Drive
Santa Fe, New Mexico 87505

Re: **Tails CC 10-3 Fed Com 31H – 38H, 312H**
Section 3 & 10, T24S-R29E
Eddy County, New Mexico

To Whom it May Concern,

OXY USA Inc., OXY Y-1 Company and Occidental Permian, LP, all subsidiaries of Occidental Petroleum Corporation, are the sole working interest owners of section units A, B, C, D, E, F, G and H of Section 15, T24S-R29E, Eddy County, New Mexico as to the Bone Spring and Wolfcamp formations. Please contact me should you have any questions or need anything further.

Sincerely,

OXY USA Inc.

Peter Van Liew, RPL
Land Negotiator Senior

District I
 1625 N. French Dr., Hobbs, NM 88240
 Phone:(575) 393-6161 Fax:(575) 393-0720

District II
 811 S. First St., Artesia, NM 88210
 Phone:(575) 748-1283 Fax:(575) 748-9720

District III
 1000 Rio Brazos Rd., Aztec, NM 87410
 Phone:(505) 334-6178 Fax:(505) 334-6170

District IV
 1220 S. St Francis Dr., Santa Fe, NM 87505
 Phone:(505) 476-3470 Fax:(505) 476-3462

State of New Mexico
Energy, Minerals and Natural Resources
Oil Conservation Division
1220 S. St Francis Dr.
Santa Fe, NM 87505

CONDITIONS
 Action 55916

CONDITIONS

Operator: OXY USA INC P.O. Box 4294 Houston, TX 772104294	OGRID: 16696
	Action Number: 55916
	Action Type: [UF-NSL] Non-Standard Location (NSL)

CONDITIONS

Created By	Condition	Condition Date
llowe	None	11/4/2021