

NSL - 8814

Revised March 23, 2017

ID NO. 389314

| | | | |
|---------------------------|-----------|-------|-------------------------------|
| RECEIVED: 10/02/24 | REVIEWER: | TYPE: | APP NO: pLEL2427838192 |
|---------------------------|-----------|-------|-------------------------------|

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. (16696) **OGRID Number:** 16696
Well Name: CHUCK SMITH MDP1 8-17 FEDERAL COM 3H **API:** 30-015-54096
Pool: PURPLE SAGE WOLFCAMP (GAS) **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

FOR OCD ONLY

☐ Notice Complete

☐ 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.

10/02/2024

Date

RONI MATHEW

Print or Type Name

713-215-7827

Phone Number

Roni Mathew

Signature

roni_mathew@oxy.com

e-mail Address



OXY USA Inc

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

October 2, 2024

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
Chuck Smith MDP1 8-17 Federal Com 3H – Purple Sage Wolfcamp
Surface – 361' FNL 2595' FWL Unit C Sec 8 T24S R31E
First Take Point – 100' FNL 2310' FEL Unit B, Sec 8 T24S R31E
Last Take Point – 100' FSL 2310' FEL Unit O, Sec 17 T24S R31E
Bottom Hole – 20' FSL 2310' FEL Unit O, Sec 17 T24S R31E
Eddy County, New Mexico***

Dear Mr. Lowe:

OXY USA Inc. respectfully requests administrative approval of a non-standard location on the Chuck Smith MDP1 8-17 Federal Com 3H well. The #3H well 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 – 361' FNL 2595' FWL Unit C Sec 8 T24S R31E
First Take Point – 100' FNL 2310' FEL Unit B, Sec 8 T24S R31E
Last Take Point – 100' FSL 2310' FEL Unit O, Sec 17 T24S R31E
Bottom Hole – 20' FSL 2310' FEL Unit O, Sec 17 T24S R31E

The Horizontal Spacing Unit will be 640-acres including the East ½ of section 8 and section 17, T24S R31E. The adjoining units which the completed interval, unorthodox location encroaches are located in the following areas:

- To the North the adjoining units which the unorthodox location encroaches are located in T24S R31E, Section 5 – Units I, J, O, and P.
- To the South the adjoining units which the unorthodox location encroaches are located in T24S R31E, Section 20 – Units A, B, G, and H, which is operated by XTO Permian Operating, LLC.

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 Area Reservoir Engineer.

If you need any additional information, please call me at 713-215-7827.

Sincerely,

Roni Mathew

Roni Mathew
Regulatory Advisor
roni_mathew@oxy.com



OXY USA Inc

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

October 2, 2024

CERTIFIED MAIL – RETURN RECEIPT REQUESTED

Re: ***Application for Administrative Approval of Non-Standard Location
Chuck Smith MDP1 8-17 Federal Com 3H – Purple Sage Wolfcamp
Surface – 361' FNL 2595' FWL Unit C Sec 8 T24S R31E
First Take Point – 100' FNL 2310' FEL Unit B, Sec 8 T24S R31E
Last Take Point – 100' FSL 2310' FEL Unit O, Sec 17 T24S R31E
Bottom Hole –20' FSL 2310' FEL Unit O, Sec 17 T24S R31E
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 – 361' FNL 2595' FWL Unit C Sec 8 T24S R31E
First Take Point – 100' FNL 2310' FEL Unit B, Sec 8 T24S R31E
Last Take Point – 100' FSL 2310' FEL Unit O, Sec 17 T24S R31E
Bottom Hole –20' FSL 2310' FEL Unit O, Sec 17 T24S R31E

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 me at 713-215-7827.

Thank you,

Roni Mathew

Roni Mathew
Regulatory Advisor
OXY USA Inc.

| | | |
|---|---|---|
| C-102 Submit Electronically Via OCD Permitting | State of New Mexico Energy, Minerals, & Natural Resources Department OIL CONSERVATION DIVISION | Revised July 9, 2024 PAGE 1 OF 2 |
| | | Submittal Type: <input checked="" type="checkbox"/> Initial Submittal <input type="checkbox"/> Amended Report <input type="checkbox"/> As Drilled |

WELL LOCATION INFORMATION

| | | |
|--|---|--|
| API Number 30-015-54096 | Pool Code 98220 | Pool Name PURPLE SAGE; WOLFCAMP |
| Property Code 334580 | Property Name CHUCK SMITH MDP1 8_17 FED COM | Well Number 3H |
| OGRID No. 16696 | Operator Name OXY USA INC. | Ground Level Elevation 3470' |
| Surface Owner: <input type="checkbox"/> State <input type="checkbox"/> Fee <input type="checkbox"/> Tribal <input checked="" type="checkbox"/> Federal | | Mineral Owner: <input type="checkbox"/> State <input type="checkbox"/> Fee <input type="checkbox"/> Tribal <input checked="" type="checkbox"/> Federal |

Surface Location

| | | | | | | | | | |
|----|---------|----------|-------|-----|--------------|--------------|------------------|-------------------|--------|
| UL | Section | Township | Range | Lot | Ft. from N/S | Ft. from E/W | Latitude (NAD83) | Longitude (NAD83) | County |
| C | 08 | 24S | 31E | | 361' FNL | 2595' FWL | 32.23812196 | -103.79999246 | EDDY |

Bottom Hole Location

| | | | | | | | | | |
|----|---------|----------|-------|-----|--------------|--------------|------------------|-------------------|--------|
| UL | Section | Township | Range | Lot | Ft. from N/S | Ft. from E/W | Latitude (NAD83) | Longitude (NAD83) | County |
| O | 17 | 24S | 31E | | 20' FSL | 2310' FEL | 32.21013167 | -103.79876315 | EDDY |

| | | | | |
|----------------------------------|--|--|--|--------------------|
| Dedicated Acres 640.00 | Infill or Defining Well INFILL | Defining Well API 30-015-54047 | Overlapping Spacing Unit (Y/N) | Consolidation Code |
| Order Numbers: | | | Well setbacks are under Common Ownership: <input type="checkbox"/> Yes <input type="checkbox"/> No | |

Kick Off Point (KOP)

| | | | | | | | | | |
|----|---------|----------|-------|-----|--------------|--------------|------------------|-------------------|--------|
| UL | Section | Township | Range | Lot | Ft. from N/S | Ft. from E/W | Latitude (NAD83) | Longitude (NAD83) | County |
| O | 05 | 24S | 31E | | 300' FSL | 2310' FEL | 32.23993832 | -103.79878832 | EDDY |

First Take Point (FTP)

| | | | | | | | | | |
|----|---------|----------|-------|-----|--------------|--------------|------------------|-------------------|--------|
| UL | Section | Township | Range | Lot | Ft. from N/S | Ft. from E/W | Latitude (NAD83) | Longitude (NAD83) | County |
| B | 08 | 24S | 31E | | 100' FNL | 2310' FEL | 32.23883881 | -103.79879382 | EDDY |

Last Take Point (LTP)

| | | | | | | | | | |
|----|---------|----------|-------|-----|--------------|--------------|------------------|-------------------|--------|
| UL | Section | Township | Range | Lot | Ft. from N/S | Ft. from E/W | Latitude (NAD83) | Longitude (NAD83) | County |
| O | 17 | 24S | 31E | | 100' FSL | 2310' FEL | 32.21035158 | -103.79876332 | EDDY |

| | | |
|---|---|--|
| Unitized Area or Area of Uniform Interest | Spacing Unit Type: <input checked="" type="checkbox"/> Horizontal <input type="checkbox"/> Vertical | Ground Floor Elevation 3470' |
|---|---|--|

OPERATOR CERTIFICATIONS

I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and, if the well is a vertical or directional well, 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 a working interest or unleased mineral interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.

If this well is a horizontal well, I further certify that this organization has received the consent of at least one lessee or owner of a working interest or unleased mineral interest in each tract (in the target pool or formation) in which any part of the well's completed interval will be located or obtained a compulsory pooling order from the division.

Roni Mathew 9/30/24
Signature Date
Roni Mathew
Printed Name
roni_mathew@oxy.com
Email Address

SURVEYOR CERTIFICATIONS

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.



Signature and Seal of Professional Surveyor
Certificate Number 21653 Date of Survey SEPTEMBER 18, 2024

ACREAGE DEDICATION PLATS

CHUCK SMITH MDP1 8_17 FED COM 3H

PAGE 2 OF 2

SHL (NAD83)
X:706239.13' / Y:450771.75'
LAT:32.23812196 / LON:-103.79999246

SHL (NAD27)
X:665055.22' / Y:450712.72'
LAT:32.23799875 / LON:-103.79950789

KOP (NAD83)
X:706608.15' / Y:451434.37'
LAT:32.23993832 / LON:-103.79878832

KOP (NAD27)
X:665424.26' / Y:451375.33'
LAT:32.23981512 / LON:-103.79830369

PPP-1 (NAD83)
X:706608.37' / Y:451134.37'
LAT:32.23911368 / LON:-103.79879245

PPP-1 (NAD27)
X:665424.47' / Y:451075.33'
LAT:32.23899048 / LON:-103.79830786

FTP (NAD83)
X:706608.44' / Y:451034.37'
LAT:32.23883881 / LON:-103.79879382

FTP (NAD27)
X:665424.54' / Y:450975.34'
LAT:32.23871560 / LON:-103.79830924

PPP-2 (NAD83)
X:706638.94' / Y:445852.44'
LAT:32.22459438 / LON:-103.79877858

PPP-2 (NAD27)
X:665454.85' / Y:445793.52'
LAT:32.22447104 / LON:-103.79829467

LTP (NAD83)
X:706669.43' / Y:440671.11'
LAT:32.21035158 / LON:-103.79876332

LTP (NAD27)
X:665485.16' / Y:440612.31'
LAT:32.21022811 / LON:-103.79828008

BHL (NAD83)
X:706669.88' / Y:440591.11'
LAT:32.21013167 / LON:-103.79876315

BHL (NAD27)
X:665485.61' / Y:440532.31'
LAT:32.21000820 / LON:-103.79827992

**CORNER COORDINATES
NAD 83, SPCS NM EAST**

A - X: 708918.82' / Y:451145.50'
B - X: 708910.09' / Y:448521.63'
C - X: 708950.29' / Y:445866.89'
D - X: 708965.12' / Y:443226.55'
E - X: 708979.94' / Y:440586.20'
F - X: 706335.13' / Y:440568.92'
G - X: 706322.46' / Y:443210.66'
H - X: 706309.79' / Y:445850.38'
I - X: 706295.17' / Y:448500.08'
J - X: 706280.65' / Y:451132.79'

**CORNER COORDINATES
NAD 27, SPCS NM EAST**

A - X: 667734.92' / Y:451086.46'
B - X: 667726.09' / Y:448462.66'
C - X: 667766.19' / Y:445807.98'
D - X: 667780.93' / Y:443167.69'
E - X: 667795.66' / Y:440527.41'
F - X: 665150.86' / Y:440510.12'
G - X: 665138.28' / Y:443151.81'
H - X: 665125.71' / Y:445791.46'
I - X: 665111.18' / Y:448441.10'
J - X: 665096.75' / Y:451073.75'

*FTP TO LTP LINE BEARINGS

| LINE | BEARING |
|------|---------------------------|
| L1 | S 00°20'14" E ~ 10363.44' |

*FTP TO LTP LEASE DISTANCES

| TRACT | DISTANCE |
|-------------|-----------|
| NMNM 142696 | 5182.02' |
| NMNM 089172 | 5181.42' |
| TOTAL | 10363.44' |



○ Drill Line Events ● Section Corners — Drill Line — Dimension Lines — Federal Leases — HSU ○ HSU Corners

All bearings and coordinates refer to New Mexico State Plane Coordinate System, East Zone, U.S. Survey Feet.

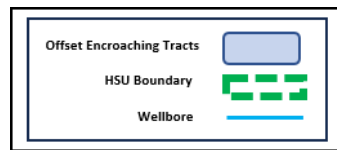
JOB No. R4289_003_13739
REV 3 NDS 9/18/2024

Distances/areas relative to NAD 83 grid measurements. Combined Scale Factor: 0.99977581 and a Convergence Angle: 0.27195833°

OXY USA Inc.

CHUCK SMITH MDP1 8_17 FED COM 3H

Section 8 Township 24 South, Range 31 East, N.M.P.M.
Eddy County, New Mexico



**OXY USA INC.**

A subsidiary of Occidental Petroleum Corporation

5 Greenway Plaza, Suite 110, Houston, Texas 77046
P.O. Box 4294, Houston, Texas 77210-4294

October 1, 2024

Re: Chuck Smith MDP1 8-17 Federal Com 1H, 2H, 3H, 31H, 32H - NSL**Section 8, T24S, R31E, Eddy County****Section 17, T24S, R31E, Eddy County**

To Whom It May Concern:

OXY USA INC. and OXY Y-1 Company, all subsidiaries of Occidental Petroleum Corporation, are the sole Working Interest Owners of the above described lands as to depths in the Wolfcamp Formation. If you have any questions, please contact me at the number listed below.

Best Regards,

OXY USA INC.

A handwritten signature in blue ink that reads "Leslie E. Mullin".

Leslie E. Mullin, CPL
Advisor Land Negotiator
713-497-2647



Occidental Oil and Gas Corporation
ATTN: Pablo Cabal
5 Greenway Plaza, Suite 110
Houston, TX 77046
713-215-7433
pablo_cabal@oxy.com

October 1, 2024

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.
Chuck Smith MDP1 8-17 Federal Com 1H, 2H, 31H, 32H
T24S R31E, Section 8 & 17 – West 1/2, Eddy County

Chuck Smith MDP1 8-17 Federal Com 3H
T24S R31E, Section 8 & 17 – East 1/2, Eddy County***

Dear Mr. Lowe:

Oxy USA Inc. respectfully seeks approval for a non-standard location, decreasing the first and last take point for the wells ***Chuck Smith MDP1 8-17 Federal Com 1H, 2H, 31H, 32H and Chuck Smith MDP1 8-17 Federal Com 3H*** 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 the 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 blue ink, appearing to read "P. Cabal", is placed over a light blue rectangular background.

Pablo Cabal
Development Engineer

Application Non-Standard Location - Service List
OXY USA Inc.
Chuck Smith MDP1 8-17 Federal Com 3H

Online Submission

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

Certified Mail # 9407 1118 9876 5488 5539 13

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

Offset Tracts Section 5 (T24S-R31E) - Units I, J, O, and P

Offset Tracts Section 20 (T24S-R31E) - Units A, B, G, and H

100% Working Interest Owner

OXY USA Inc.
5 Greenway Plaza, Suite 110
Houston, Texas 77046

Existing Horizontal Spacing Unit Sections 20 (T24S-R31E) - Units A, B, G, H, I, J, O, P (E 1/2 HSU)

Certified Mail # 9407 1118 9876 5488 5539 51

Operator:

XTO Permian Operating, LLC (373075)
22777 Springwoods Village Parkway
Spring, Texas 77389

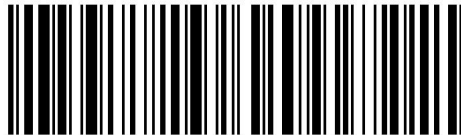
Copies of this application were mailed to the following individuals, companies and organizations
on or before October 2, 2024

Roni Mathew

Roni Mathew, Regulatory Advisor
OXY USA Inc.

OXY USA INC.
PO BOX 4294
HOUSTON TX 77210-4294

USPS CERTIFIED MAIL



9407 1118 9876 5488 5539 13

Bureau of Land Management Carlsbad
620 E GREENE ST
CARLSBAD NM 88220-6292



Chuck Smith Fed Com 3H-NSL Appl.

\$6.35 US POSTAGE
FIRST-CLASS

Oct 02 2024
Mailed from ZIP 77210
1 OZ FIRST-CLASS MAIL FLATS RATE
ZONE 4
11923275

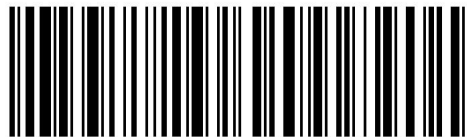


endicia

062S0010937442

OXY USA INC.
PO BOX 4294
HOUSTON TX 77210-4294

USPS CERTIFIED MAIL



9407 1118 9876 5488 5539 51

XTO Permian Operating, LLC
22777 SPRINGWOODS VILLAGE PKWY
SPRING TX 77389-1425



Chuck Smith Fed Com 3H-NSL Appl.

\$6.35 US POSTAGE
FIRST-CLASS

Oct 02 2024

Mailed from ZIP 77210

1 OZ FIRST-CLASS MAIL FLATS RATE
ZONE 2

11923275



endicia

062S0011718299

Sante Fe Main Office
Phone: (505) 476-3441

General Information
Phone: (505) 629-6116

Online Phone Directory
<https://www.emnrd.nm.gov/ocd/contact-us>

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

CONDITIONS

Action 389314

CONDITIONS

| | |
|--|--|
| Operator: OXY USA INC P.O. Box 4294 Houston, TX 772104294 | OGRID: 16696 |
| | Action Number: 389314 |
| | Action Type: [UF-NSL] Non-Standard Location (NSL) |

CONDITIONS

| | | |
|------------|-----------|----------------|
| Created By | Condition | Condition Date |
| llowe | None | 10/4/2024 |