

**BEFORE THE OIL CONSERVATION DIVISION
EXAMINER HEARING JULY 01, 2021**

CASE NO. 21996

*CEDAR CANYON 16 Injection Project (Cedar
Canyon STATE WELL NO. 7 H and 12H wells)*

EDDY COUNTY, NEW MEXICO



**STATE OF NEW MEXICO
DEPARTMENT OF ENERGY, MINERALS AND NATURAL RESOURCES
OIL CONSERVATION DIVISION**

**APPLICATION OF OXY USA INC. TO RE-OPEN CASE NO. 15616
TO REINSTATE, MODIFY AND MAKE PERMAMENT THE
INJECTION AUTHORITY GRANTED BY ORDER R-14322,
EDDY COUNTY, NEW MEXICO.**

**CASE NO. 21996
(formerly Case 15616)**

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**STATE OF NEW MEXICO
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT
OIL CONSERVATION DIVISION**

**APPLICATION OF OXY USA INC. TO RE-OPEN CASE NO. 15616 TO REINSTATE,
MODIFY AND MAKE PERMANENT THE INJECTION AUTHORITY GRANTED BY
ORDER R-14322, EDDY COUNTY, NEW MEXICO.**

**CASE NO. 21966
Previously Case No. 15616 (re-opened)**

APPLICATION

OXY USA Inc. (“Oxy”) through its undersigned attorneys, hereby files this application with the Oil Conservation Division to re-open Case No. 15616 to (1) reinstate and make permanent the injection authority granted under Order No. R-14322; (2) authorize the injection of carbon dioxide in the project area; and (3) authorize Oxy to add additional injection wells to the project area by administrative application. In support of its application, Oxy states:

1. Division Order No. R-14322, entered on April 10, 2017, approved Oxy’s Cedar Canyon Pressure Maintenance Pilot Project. The project area is defined as the Bone Spring formation underlying Section 16, Township 24 South, Range 29 East, NMPM, Eddy County, New Mexico.

2. The Order approved a two-year period of injection of produced water and produced gas into the Cedar Canyon 16 State Well No. 7H (API No. 30-015-41251) and the Cedar Canyon 16 State Well No. 12H (API No. 30-015-42683) wells.

3. Paragraph 19, page 7 of Order R-14322 required Oxy to apply to the Division two years after commencement of injection to report on the results of the pilot project and to make permanent the injection authority authorized by the Order R-14322.

**BEFORE THE OIL CONSERVATION DIVISION
Santa Fe, New Mexico
Exhibit No. A
Submitted by: OXY USA INC.
Hearing Date: July 01, 2021
Case No. 21996**

4. In accordance with paragraph 19 of Order R-14322, Oxy appeared before a Division Examiner on January 11, 2019, in Case No. 15616 (reopened). At the January 11, 2019 hearing Oxy:

- Presented testimony demonstrating the success of the Cedar Canyon pilot project and requested that the project be established as a permanent pressure maintenance project;
- Requested and presented testimony supporting expanding the injection authority to include carbon dioxide in addition to produced water and produced gas; and
- Requested and presented testimony supporting the allowance of additional injection wells for the project area through administrative applications.

5. On February 18, 2019, the Division issued a letter temporarily extending the injection authority for the Cedar Canyon 16 State Well No. 7H and 12H wells “until such time the Division issues a final order for the re-opened case.” In the February 18th letter, the Division found the following with respect to the evidence presented at the January 11th hearing:

“At this hearing, the operator presented testimony and evidence that the pilot project has successfully increased the hydrocarbon production of adjacent horizontal wells in the same formation. The operator also demonstrated that the injected fluid entered only the injection interval, did not escape to other formations and did not impair any correlative rights.”

6. The Division has not yet issued the “final order for the re-opened case” as contemplated by the Division’s February 18, 2019, letter.

7. In addition, due to the advent of COVID 19 and the economic downturn that followed Oxy has not operated the Cedar Canyon injection project since September of 2019, resulting in an unintentional termination of the injection authority for the two authorized injection wells. *See* NMAC 19.15.26.12.C.

8. Oxy desires to proceed with the injection project and has been informed by the Division's Engineering Bureau to file for a hearing to get the Cedar Canyon injection project into compliance.

9. Reinstatement of the injection authority granted by Order R-14322 and the issuance of a final order for the re-opened case as contemplated by the Division's February 18, 2019, letter will result in the production of more hydrocarbons from the project area, will prevent waste, and will protect correlative rights.

WHEREFORE, OXY USA, Inc. requests that this application be set for hearing before an Examiner of the Oil Conservation Division on July 1, 2021, and after notice, hearing and review of the evidence previously presented in this matter, the Division:

- (1) reinstate and make permanent the injection authority granted by Order R-14322;
- (2) authorize the injection of carbon dioxide in the project area; and
- (3) authorize Oxy to add additional injection wells to the project area by administrative application.

Respectfully submitted,

HOLLAND & HART LLP

By: 

Michael H. Feldewert
Adam G. Rankin
Julia Broggi
Kaitlyn A. Luck
Post Office Box 2208
Santa Fe, NM 87504
505-998-4421
505-983-6043 Facsimile
mfeldewert@hollandhart.com
agrarkin@hollandhart.com
jbroggi@hollandhart.com
kaluck@hollandhart.com

ATTORNEYS FOR OXY USA INC.

**STATE OF NEW MEXICO
DEPARTMENT OF ENERGY, MINERALS AND NATURAL RESOURCES
OIL CONSERVATION DIVISION**

**APPLICATION OF OXY USA INC. TO RE-OPEN CASE NO. 15616 TO
REINSTATE, MODIFY AND MAKE PERMANENT THE INJECTION
AUTHORITY GRANTED BY ORDER R-14322, EDDY COUNTY, NEW MEXICO.**

**CASE NO. 21996
(formerly Case 15616)**

AFFIDAVIT OF STEPHEN JANACEK

Stephen Janacek, of lawful age and being first duly sworn, declares as follows:

1. My name is Stephen Janacek and I am employed by Oxy USA Inc. (“Oxy”) as a regulatory engineer.

2. This is my first time testifying before the New Mexico Oil Conservation Division. **Oxy Exhibit B-1** provides my educational background and work history since joining Oxy in 2014. My responsibilities have included the New Mexico Permian Basin since the beginning of 2020. I believe my credentials qualify me to testify as an expert witness in petroleum engineering.

3. I am familiar with the application filed by Oxy in this case, the “Cedar Canyon 16” injection project and the regulatory background associated with this injection project.

4. Oxy seeks an order to (1) reinstate and make permanent the injection authority granted under by Division Order No. R-14322 issued in Case 15616; (2) authorize the injection of carbon dioxide in the project area; and (3) authorize Oxy to add additional injection wells to the project area by administrative application.

5. Division Order No. R-14322, entered on April 10, 2017 in Case 15616, approved Oxy’s Cedar Canyon 16 injection project as a pressure maintenance pilot project. The project area is defined as the Bone Spring formation underlying Section 16, Township 24 South, Range 29 East, NMPM, Eddy County, New Mexico. The Order

BEFORE THE OIL CONSERVATION DIVISION
Santa Fe, New Mexico
Exhibit No. B
Submitted by: OXY USA INC.
Hearing Date: July 01, 2021
Case No. 21996

approved a two-year period of injection of produced water and produced gas into the Cedar Canyon 16 State Well No. 7H (API No. 30-015-41251) and the Cedar Canyon 16 State Well No. 12H (API No. 30-015-42683) wells. Paragraph 19 on page 7 of Order R-14322 required Oxy to return to the Division two years after commencement of injection to report on the results of the pilot project to ascertain whether the injection authority authorized by the Order R-14322 should continue.

6. In accordance with paragraph 19 of Order R-14322, Oxy appeared before a Division Examiner on January 11, 2019, in Case No. 15616 (reopened). At the January 11, 2019 hearing Oxy:

- Presented testimony demonstrating the success of the Cedar Canyon 16 injection project and requested that the project be established as a permanent pressure maintenance project;
- Requested and presented testimony supporting expanding the injection authority to include carbon dioxide in addition to produced water and produced gas; and
- Requested and presented testimony supporting the allowance of additional injection wells for the project area through administrative applications.

7. **Oxy Exhibit B-2** is a letter from the Division dated February 18, 2019, wherein the Division extended the injection authority for the Cedar Canyon 16 State Well No. 7H and 12H wells “until such time the Division issues a final order for the re-opened case.” In this letter the Division expressed the following about the evidence presented at the January 11th hearing:

At this hearing, the operator presented testimony and evidence that the pilot project has successfully increased the hydrocarbon production of adjacent horizontal wells in the same formation. The operator also demonstrated that the injected fluid entered only the injection interval, did not escape to other formations and did not impair any correlative rights.

8. **Oxy Exhibit B-3** is an accurate timeline of the events since the issuance of Order R-14322 in 2017 and the Division letter in 2019. It reflects that Oxy has not operated the Cedar Canyon 16 injection project since September of 2019. This extended period of non-injection was due to Oxy's acquisition of Anadarko in 2019, the advent of COVID 19 and the economic downturn that followed in 2020.

9. As a result of this continuous period of non-injection for over a year, I understand Oxy has unintentionally lost the injection authority for the two authorized injection wells.

10. Oxy desires to proceed with the injection project in 2021 and has been informed by the Division's Engineering Bureau to file for a hearing to get the Cedar Canyon 16 injection project back into compliance.

11. **Oxy Exhibit B-4** contains an updated Area of Review Map followed by a tabulation of well data for the 26 wells identified on the first page of this exhibit. The Area of Review Map shows in the center the two existing 7H and 12H horizontal injection wells with red lines and the corresponding area of review shaded in blue within one-half mile of the wellbore trajectory of these injection wells. This exhibit identifies 26 circles reflecting individual wells that have either been added to this area of review or have experienced a change in status since Oxy conducted and filed a similar area of review analysis with the Division in late 2016. The 26 wells identified include horizontal wells that have surface locations outside the one-half mile area of review but a portion of the completed interval within the area of review.

12. My review of the well information available from Division records or from Oxy's records demonstrates that the new active wells within this area of review are sufficiently cased and cemented to prevent fluid migration out of the injection zone.

13. **Oxy Exhibit B-5** contains the well diagrams for the wells within the area of review that have been plugged and abandoned since 2016. My review of the available information from these wells indicates that they are sufficiently plugged and cemented to prevent fluid migration out of the injection zone.

14. Reinstatement of the injection authority granted by Order R-14322 and the issuance of a final order for the re-opened case as contemplated by the Division's February 18, 2019, letter, will not pose a threat to the public health or the environment, will promote the efficient recovery of oil underlying these state lands and prevent waste.

15. **Oxy Exhibit B-6** contains the names and addresses of each leasehold operator and other affected persons within any tract wholly or partially contained within one-half mile of the injection wells, and lists the New Mexico State Land Office as the surface owner where the injection wells are located. Oxy provided the law firm of Holland & Hart LLP with this list to provide notice in advance of this hearing. In compiling this list, Oxy conducted a diligent search of the public records in the county where the property is located, reviewed phone directories and conducted computer searches.

16. **Oxy Exhibits B-1 through B-6** were either prepared by me or compiled under my direction and supervision.

FURTHER AFFIANT SAYETH NOT.

Stephen Janacek

Texas A&M University, Graduate 2014

- Petroleum Engineering B.S.
- Geology minor

Oxy, 2014- Present

- Production and Well Servicing Engineer in Texas for 6 years
- Regulatory Engineer in New Mexico for 1 year

BEFORE THE OIL CONSERVATION DIVISION
Santa Fe, New Mexico
Exhibit No. B1
Submitted by: OXY USA INC.
Hearing Date: July 01, 2021
Case No. 21996

State of New Mexico
Energy, Minerals and Natural Resources Department

Michelle Lujan Grisham
Governor

Sarah Cottrell Propst
Cabinet Secretary

Todd E. Leahy, JD, PhD
Deputy Secretary

Gabriel Wade, Acting Director
Oil Conservation Division



February 18, 2019

Mr. Michael Feldewert, Holland & Hart, on behalf of:
OXY USA Inc.
P. O. Box 4294
Houston, TX 77210

RE: Case No. 15616 (Re-opened); Extension of Authority to Inject for Cedar Canyon Pressure Maintenance Pilot Project Approved in Division Order No. R-14322

Horizontal wells approved for injection during the pilot project:

- (a) Cedar Canyon 16 State Well No. 7H (API No. 30-015-41251) with a surface location of 2485 feet from the North line and 330 feet from the West line (Unit letter E) of Section 15, Township 24 South, Range 29 East, NMPM, and a terminus of 2037 feet from the North line and 535 feet from the West line (Unit letter E) of Section 16, Township 24 South, Range 29 East, NMPM.
- (b) Cedar Canyon 16 State Well No. 12H (API No. 30-015-42683) with a surface location of 900 feet from the South line and 860 feet from the West line (Unit letter M) of Section 15, Township 24 South, Range 29 East, NMPM, and a terminus of 901 feet from the South line and 133 feet from the West line (Unit letter M) of Section 16, Township 24 South, Range 29 East, NMPM.

Dear Mr. Feldewert:

Reference is made to your request on behalf of OXY USA, Inc. (the "operator") to extend the deadline stipulated in Division Order No. R-14322 for the authority to inject for the above referenced wells. Ordering Paragraph (19) of Order No. R-14322 states the limitation for authority to inject for the pilot project as follows:

(19) Two years following the commencement of injection in either injection well, the authority for injection under this order shall terminate. The operator shall make an application for a Division hearing to present the results of the pilot project and to make permanent the injection authority of this order. If the operator requires additional time for completion of the pilot project, the Division, upon written request by the operator filed prior to the expiration of the two-year period, may grant an extension for good cause.

BEFORE THE OIL CONSERVATION DIVISION

Santa Fe, New Mexico

Exhibit No. B2

Submitted by: OXY USA INC.

Hearing Date: July 01, 2021

Case No. 21996

1220 South St. Francis Drive • Santa Fe, New Mexico 87505
Phone (505) 476-3441 • Fax (505) 476-3462 • www.emnrd.state.nm.us

Order No. R-14322: Extension of Authority to Inject for the Cedar Canyon Pressure Maintenance Pilot Project
OXY USA Inc.
February 18, 2019
Page 2 of 2

The determination of the two-year period was based on the commencement of injection for the Cedar Canyon 16 State Well No. 7H (API No. 30-015-41251) which occurred on April 28, 2017 [Form C-103 dated May 19, 2017]. Pursuant to Ordering Paragraph (19), the cessation of injection authority for the referenced wells would occur on April 28, 2019.

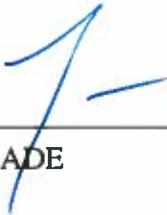
The request for the extension was presented during testimony for the case at the Division Examiner Hearing of January 11, 2019 [Case No. 15616 (re-opened)]. The operator made the application to re-open the case with the intent to establish the pilot project as a permanent pressure maintenance project. At this hearing, the operator presented testimony and evidence that the pilot project has successfully increased the hydrocarbon production of adjacent horizontal wells in the same formation. The operator also demonstrated that the injected fluid entered only the injection interval, did not escape to other formations and did not impair any correlative rights.

No other party appeared at the hearing or otherwise opposed the application.

The Division finds that granting this request to extend the authority to inject of the exiting order for the pilot project is in the interest of conservation, will prevent waste, and will protect the environment.

The authority to inject for the two referenced wells is hereby extended until such time the Division issues a final order for the re-opened case. All requirements of Division Order No. R-14322 remain in full force and effect. Please contact Phillip Goetze, Engineering Bureau, Santa Fe (phillip.goetze@state.nm.us) with any questions regarding the content of this correspondence.

Sincerely,

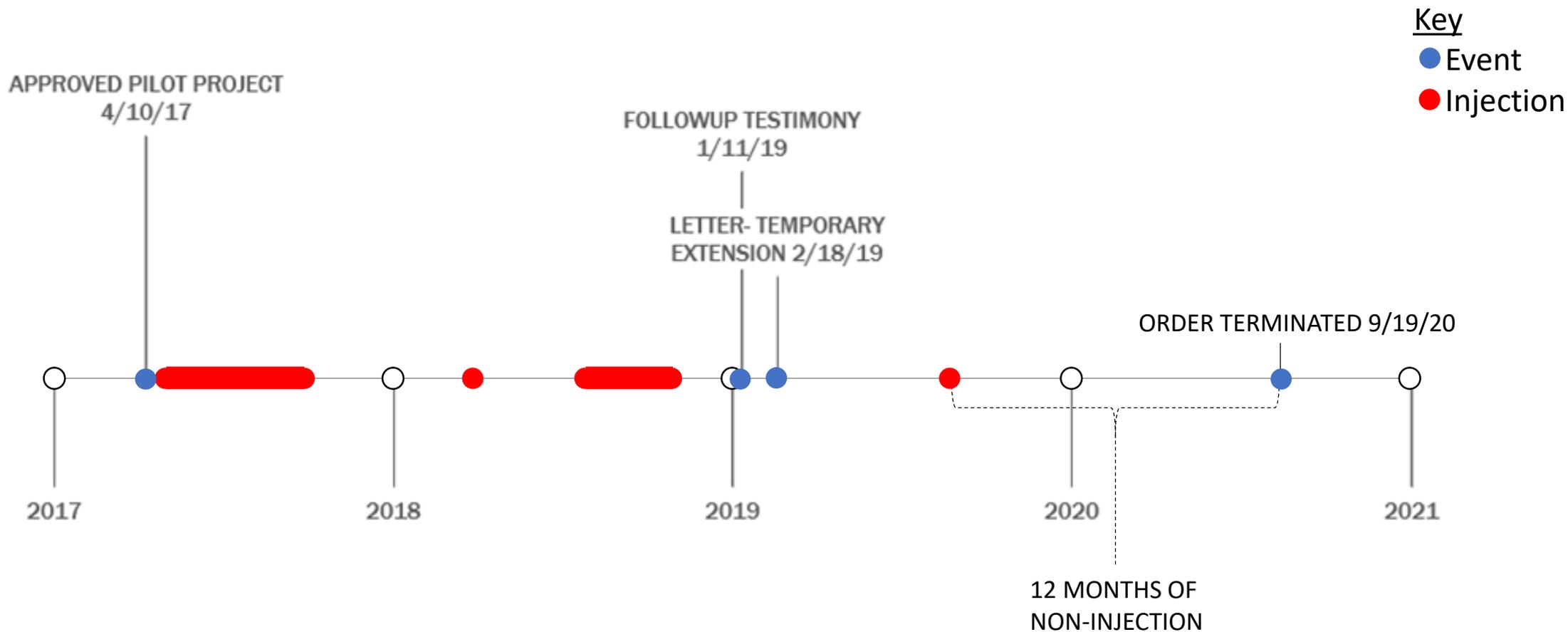


GABRIEL WADE
Director

GW/prg

cc: Oil Conservation Division – Artesia District Office
Well file 30-015-41251
Well file 30-015-42683
Case No. 15616

Timeline



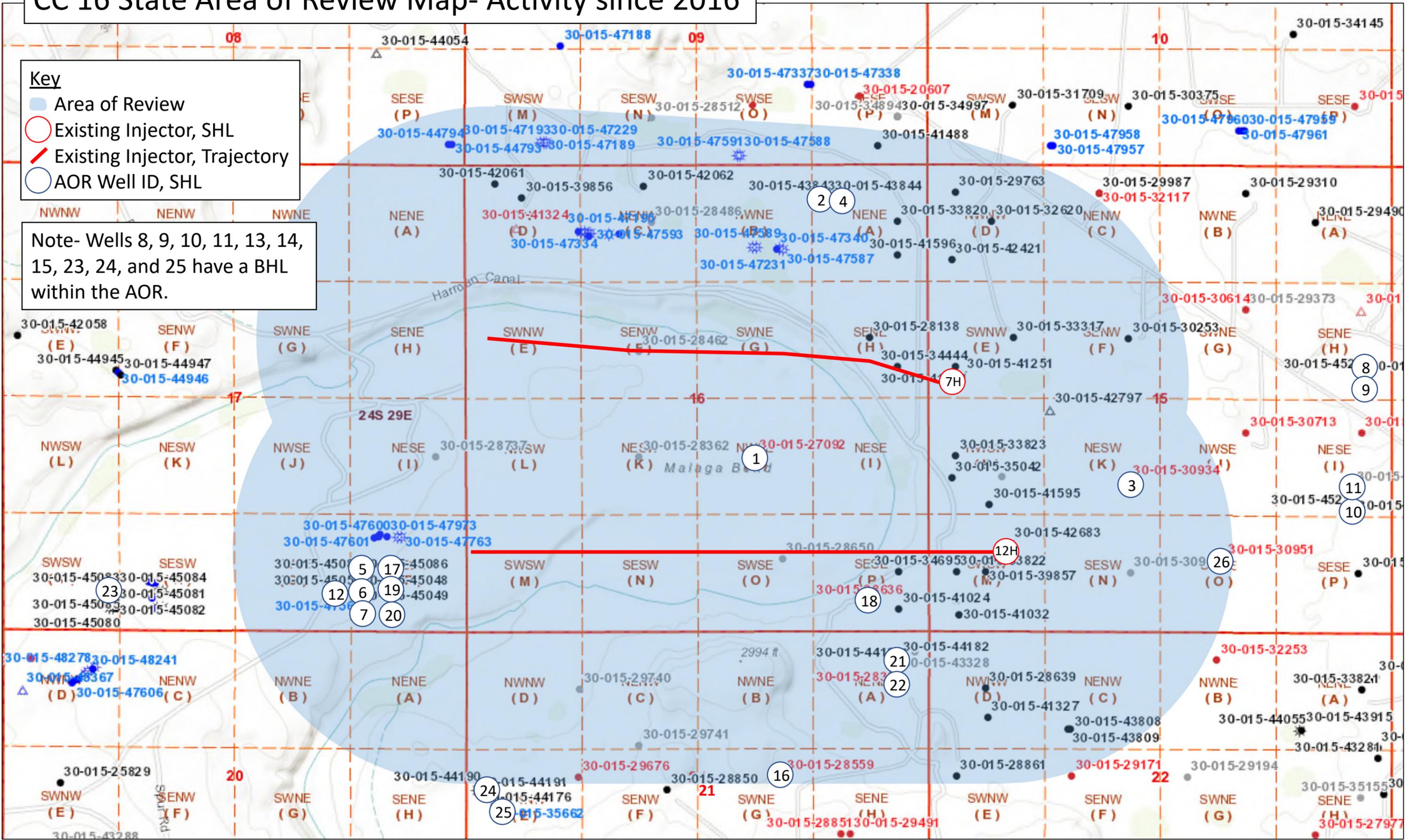
BEFORE THE OIL CONSERVATION DIVISION
 Santa Fe, New Mexico
 Exhibit No. B3
 Submitted by: OXY USA INC.
 Hearing Date: July 01, 2021
 Case No. 21996

CC 16 State Area of Review Map- Activity since 2016

Key

- Area of Review
- Existing Injector, SHL
- Existing Injector, Trajectory
- AOR Well ID, SHL

Note- Wells 8, 9, 10, 11, 13, 14, 15, 23, 24, and 25 have a BHL within the AOR.



Well ID	API NUMBER	Current Operator	LEASE NAME	WELL NUMBER	Well Type:	Status:	Footages		Footages		Surface	Surface	Surface	Surface	Spud:	Total TVD	Total MD	HOLE SIZE	CSG SIZE	SET AT	SX CMT	CMT TO	HOW MEASURED	Current Completion, MD	Comment	Current Producing Pool
							N/S	N/S	E/W	E/W	Unit	Location Section	Location TShip	Location Range												
1	30-015-27092	OXY USA INC	H BUCK STATE	001	Oil	PA	1982 S	1961 E	J	16	24S	29E	9/26/1992	7850	7850	12.250	8.625	660	425	Surf	Circ	NA	recent PA	NA		
2	30-015-43843	OXY USA INC	CEDAR CANYON 16 STATE	034H	Gas	Active	402 N	1083 E	A	16	24S	29E	10/2/2016	10038	14545	14.750	10.750	447	364	Surf	Circ	10125-14360	recent drill	[98220] PURPLE SAGE; WOLFCAMP (GAS)		
3	30-015-30934	OXY USA INC	HARROUN 15	010	Oil	PA	1700 S	2310 W	K	15	24S	29E	1/26/2000	6880	6880	14.75	10.750	593	540	Surf	Circ	NA	recent PA	NA		
4	30-015-43844	OXY USA INC	CEDAR CANYON 16 STATE	033H	Gas	Active	402 N	1123 E	A	16	24S	29E	10/1/2016	10034	14695	10.75	10.75	447	252	Surf	Circ	10100-14335	recent drill	[98220] PURPLE SAGE; WOLFCAMP (GAS)		
5	30-015-45086	OXY USA INC	OXBOW CC 17 8 FEDERAL COM	034H	Gas	Active	601 S	1271 E	P	17	24S	29E	9/30/2019	10064	20560	17.5	13.375	429	650	Surf	Circ	10204-20452	recent drill. 5.5" frac string above liner.	[98220] PURPLE SAGE; WOLFCAMP (GAS)		
6	30-015-45087	OXY USA INC	OXBOW CC 17 8 FEDERAL COM	035H	Gas	Active	601 S	1236 E	P	17	24S	29E	10/1/2019	9860	20344	17.500	13.375	419	650	Surf	Circ	10038-20219	recent drill. 5.5" frac string above liner.	[98220] PURPLE SAGE; WOLFCAMP (GAS)		
7	30-015-45088	OXY USA INC	OXBOW CC 17 8 FEDERAL COM	036H	Gas	Active	601 S	1201 E	P	17	24S	29E	10/2/2019	10138	20560	17.5	13.375	420	650	Surf	Circ	10199-20415	recent drill. 5.5" frac string above liner.	[98220] PURPLE SAGE; WOLFCAMP (GAS)		
8	30-015-45215	OXY USA INC	REFRIED BEANS CC 15 16 STATE COM	012H	Oil	Active	2365 N	280 E	H	15	24S	29E	10/14/2018	7804	16490	14.750	10.750	455	600	Surf	Circ	7899-16356	recent drill	[96473] PIERCE CROSSING; BONE SPRING, EAST		
9	30-015-45216	OXY USA INC	REFRIED BEANS CC 15 16 STATE COM	013H	Oil	Active	2400 N	280 E	H	15	24S	29E	10/15/2018	7831	16370	14.750	10.750	465	600	Surf	Circ	7775-16091	recent drill	[96473] PIERCE CROSSING; BONE SPRING, EAST		
10	30-015-45217	OXY USA INC	REFRIED BEANS CC 15 16 STATE COM	014H	Oil	Active	1330 S	420 E	I	15	24S	29E	10/13/2018	7834	16820	14.750	10.750	455	600	Surf	Circ	8027-16731	recent drill	[96473] PIERCE CROSSING; BONE SPRING, EAST		
11	30-015-45218	OXY USA INC	WHOMPING WILLOW CC 15 16 STATE COM	044H	Gas	Active	1365 S	420 E	I	15	24S	29E	10/12/2018	10844	21170	14.750	10.750	455	600	Surf	Circ	10512-20714	recent drill	[98220] PURPLE SAGE; WOLFCAMP (GAS)		
12	30-015-46401	OXY USA INC	OXBOW CC 17 8 FEDERAL COM	038H	Gas	Active	255 S	1835 W	N	17	24S	29E	10/24/2019	9871	20446	17.5	13.375	489	650	Surf	Circ	10309-20285	recent drill	[98220] PURPLE SAGE; WOLFCAMP (GAS)		
13	30-015-44519	OXY USA INC	CEDAR CANYON 20 FEDERAL COM	025H	Oil	Active	110 N	1390 E	B	29	24S	29E	5/17/2018	8671	16200	14.750	10.750	412	1138	Surf	Circ	8605-16042	recent drill	[50371] PIERCE CROSSING; BONE SPRING		
14	30-015-44520	OXY USA INC	CEDAR CANYON 20 FEDERAL COM	026H	Oil	Active	110 N	1360 E	B	29	24S	29E	5/20/2018	8662	16365	14.750	10.750	572	862	Surf	Circ	8662-16213	recent drill	[50371] PIERCE CROSSING; BONE SPRING		
15	30-015-44545	OXY USA INC	CEDAR CANYON 20 FEDERAL COM	024H	Oil	Active	110 N	1420 E	B	29	24S	29E	5/14/2018	8631	16222	14.750	10.750	419	600	Surf	Circ	8365-16116	recent drill	[50371] PIERCE CROSSING; BONE SPRING		
16	30-015-28559	OXY USA INC	MITCHELL 21 FEDERAL	001	Oil	PA	1650 N	1650 E	G	21	24S	29E	8/15/1995	8900	8900	17.5	13.375	580	680	Surf	Circ	NA	recent PA	NA		
17	30-015-45048	OXY USA INC	SALT FLAT CC 20 29 FEDERAL COM	034H	Gas	Active	421 S	1271 E	P	17	24S	29E	9/26/2019	9981	20456	17.5	13.375	419	550	Surf	Circ	10208-20185	recent drill. 5.5" frac string above 5.5" liner	[98220] PURPLE SAGE; WOLFCAMP (GAS)		
18	30-015-28636	OXY USA INC	H BUCK STATE	006	Oil	PA	330 S	660 E	P	16	24S	29E	12/26/1995	7815	7815	14.75	10.75	529	510	Surf	Circ	NA	recent PA	NA		
19	30-015-45049	OXY USA INC	SALT FLAT CC 20 29 FEDERAL COM	035H	Oil	Active	421 S	1236 E	P	17	24S	29E	9/27/2019	9772	20220	17.5	13.375	420	650	Surf	Circ	9676-19857	recent drill. 5.5" frac string above 5.5" liner	[50371] PIERCE CROSSING; BONE SPRING		
20	30-015-45050	OXY USA INC	SALT FLAT CC 20 29 FEDERAL COM	036H	Gas	Active	421 S	1201 E	P	17	24S	29E	9/29/2019	10010	20342	17.5	13.375	421	650	Surf	Circ	10158-20135	recent drill. 5.5" frac string above 5.5" liner	[98220] PURPLE SAGE; WOLFCAMP (GAS)		
21	30-015-44182	OXY USA INC	CEDAR CANYON 21 FEDERAL COM	031H	Gas	Active	339 N	368 E	A	21	24S	29E	7/31/2017	9950	14734	14.750	10.750	456	674	Surf	Circ	9966-14562	recent drill	[98220] PURPLE SAGE; WOLFCAMP (GAS)		
22	30-015-44181	OXY USA INC	CEDAR CANYON 21 FEDERAL COM	021H	Oil	Active	369 N	368 E	A	21	24S	29E	7/30/2017	8550	13503	14.750	10.750	463	329	Surf	Circ	8751-13302	recent drill	[96238] CORRAL DRAW; BONE SPRING		

23	30-015-46399	OXY USA INC	SALT FLAT CC 20 29 FEDERAL COM	038H	Gas	Active	435 S	1835 W	N	17 24S	29E	10/21/2019	9879	20489	17.5	13.375	500	650	Surf	Circ	10358-20335	recent drill. 5.5" frac string above 5.5" liner	[98220] PURPLE SAGE; WOLFCAMP (GAS)
															9.875	7.625	9310	2839	Surf	Circ			
															6.75	5.500	9210-20478	806	9210	Circ			
24	30-015-44176	OXY USA INC	CEDAR CANYON 21 22 FEDERAL COM	032H	Gas	Active	1794 N	141 W	E	21 24S	29E	8/9/2017	9979	19940	17.500	13.375	451	580	Surf	Circ	9920-19771	recent drill	[96473] PIERCE CROSSING; BONE SPRING, EAST
															12.250	9.625	9260	2707	Surf	Circ			
															8.500	5.500	19936	2619	8270	Calc			
25	30-015-44190	OXY USA INC	CEDAR CANYON 21 FEDERAL COM	022H	Oil	Active	1764 N	141 W	E	21 24S	29E	8/10/2017	8713	13366	14.750	10.750	448	350	Surf	Circ	8602-13198	recent drill	[96238] CORRAL DRAW; BONE SPRING
															9.875	7.625	8108	1634	Surf	Circ			
															6.750	4.500	7922-13353	659	7922	Circ			
26	30-015-30951	OXY USA INC	HARROUN 15	11	Oil	PA	800 S	1900 E	O	15 24S	29E	8/4/2000	6890	6890	14.75	10.75	563	545	Surf	Circ	NA	recent PA	NA
															9.875	7.625	2930	800	Surf	Circ			
															6.75	4.5	6890	1115	3234	CBL			

WELL ID #1

Stephen Janacek
6/6/2021

Current Wellbore
H BUCK STATE #001
30-015-27092-0000
Eddy

SPOT 42 SX CL C CMT 200' TO SURFACE.

String 1
OD 8.625 in
TD 660 ft
TOC 0 ft (circulated)
425 sx

PERF 710'. SQZ 202 SX CL C CMT 200'-710'.

SPOT 50 SX CL C CMT 2935'-2433'.

DVT 3972'

SPOT 35 SX CL C CMT 4022'-3726'

CIBP 5072'. SPOT 35 SX CL C CMT 4833'-5072'

Perfs (Delaware) 5122'-5204'

DVT 6179'

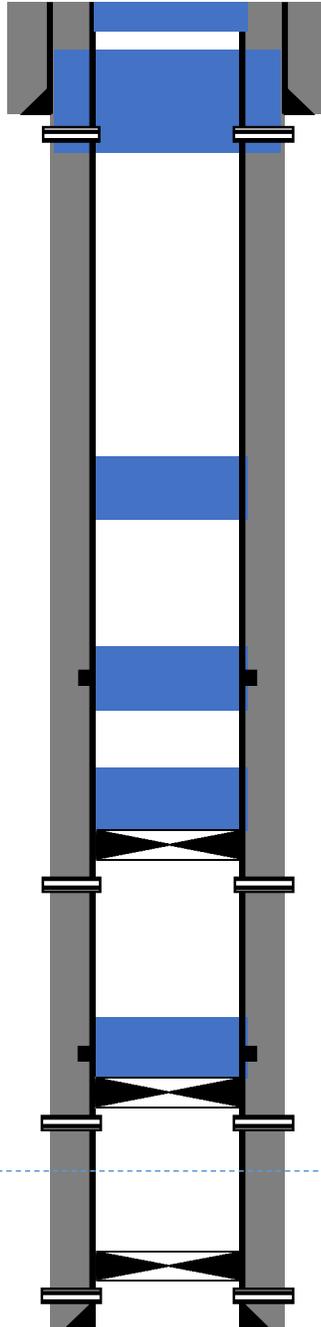
CIBP 6339'. SPOT 40 SX CL C CMT 5840'-6339'

Perfs (Delaware) 6360'-6568'

Top of Proposed Injection Interval
(Bone Spring) 6620'

RBP 7510'
Perfs (Bone Spring) 7608'-7690'

String 2
OD 5.5 in
TD 7850 ft
TOC 0 ft (circulated)
PBSD 7850 ft
2512 sx



BEFORE THE OIL CONSERVATION DIVISION
Santa Fe, New Mexico
Exhibit No. B5
Submitted by: OXY USA INC.
Hearing Date: July 01, 2021
Case No. 21996

WELL ID #3

Stephen Janacek
6/6/2021

Current Wellbore
HARROUN 15 #10
30-015-30934-0000
Eddy

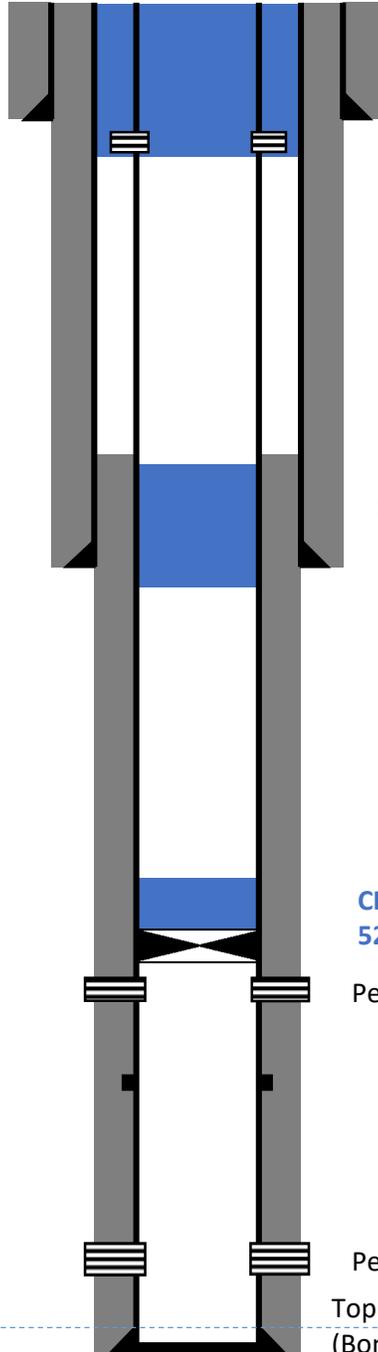
String 1
OD 10.75 in
TD 593 ft
TOC 0 ft (circulated)
545 sx

String 2
OD 7.625 in
TD 2875 ft
TOC 0 ft (circulated)
900 sx

DV Tool
Top 5467 ft

Prod Zone
6318 ft
6477 ft

String 3
OD 4.5 in
TD 6880 ft
TOC 2300 ft (CBL)
PBTD 6831 ft
1115 sx



SPOT 28 SX CL C CMT 221'-SURFACE.

SPOT 23 SX CL C CMT 448'-221'.

PERF 650'. BREAK CIRC AND SWITCH TO CMT. SAW CMT THROUGH SURFACE CSG. CONFIRM NEW PLAN WITH OCD.

SPOT 40 SX CL C CMT 3020'-2386'

CIBP 5202'. SPOT 35 SX CL C CMT 5202'-4710'

Perfs (Delaware) 5252'-5279'

Perfs (Delaware) 6318'-5477'

Top of Proposed Injection Interval (Bone Spring) 6710' based on offset

WELL ID #16

Stephen Janacek
6/6/2021

Current Wellbore
MITCHELL 21 FEDERAL #001
30-015-28559-0000
Eddy

**PERF 630'. CIRCULATE 175 SX CL C CMT 630'
TO SURFACE.**

String 1
OD 13.375 in
TD 580 ft
TOC 0 ft (circulated)
680 sx



String 2
OD 8.625 in
TD 2840 ft
TOC 0 ft (circulated)
1300 sx

SPOT 40 SX CL C CMT 3000'-2523'

DVT 4585'

CIBP 4836'. SPOT 40 SX CL C CMT 4836'-4489'

Perfs (Delaware) 4886'-4908'

Perfs (Delaware) 5211'-5236'

Perfs (Delaware) 5624'-5642'

Top of Proposed Injection Interval
(Bone Spring) 6650'

Perfs (Delaware) 6246'-6280'

SPOT 25 SX CL C CMT 6753'-6508'

DV Tool
Top 6685 ft

CIBP 7550'. SPOT 25 SX CL C CMT 7550'-7297'

Perfs (Bone Spring) 7634'-7676'

String 3
OD 5.5 in
TD 8900 ft
TOC 700 ft (CBL)
PBTD 8827 ft
1705 sx



Perfs (Bone Spring) 8670'-8700'

WELL ID #18

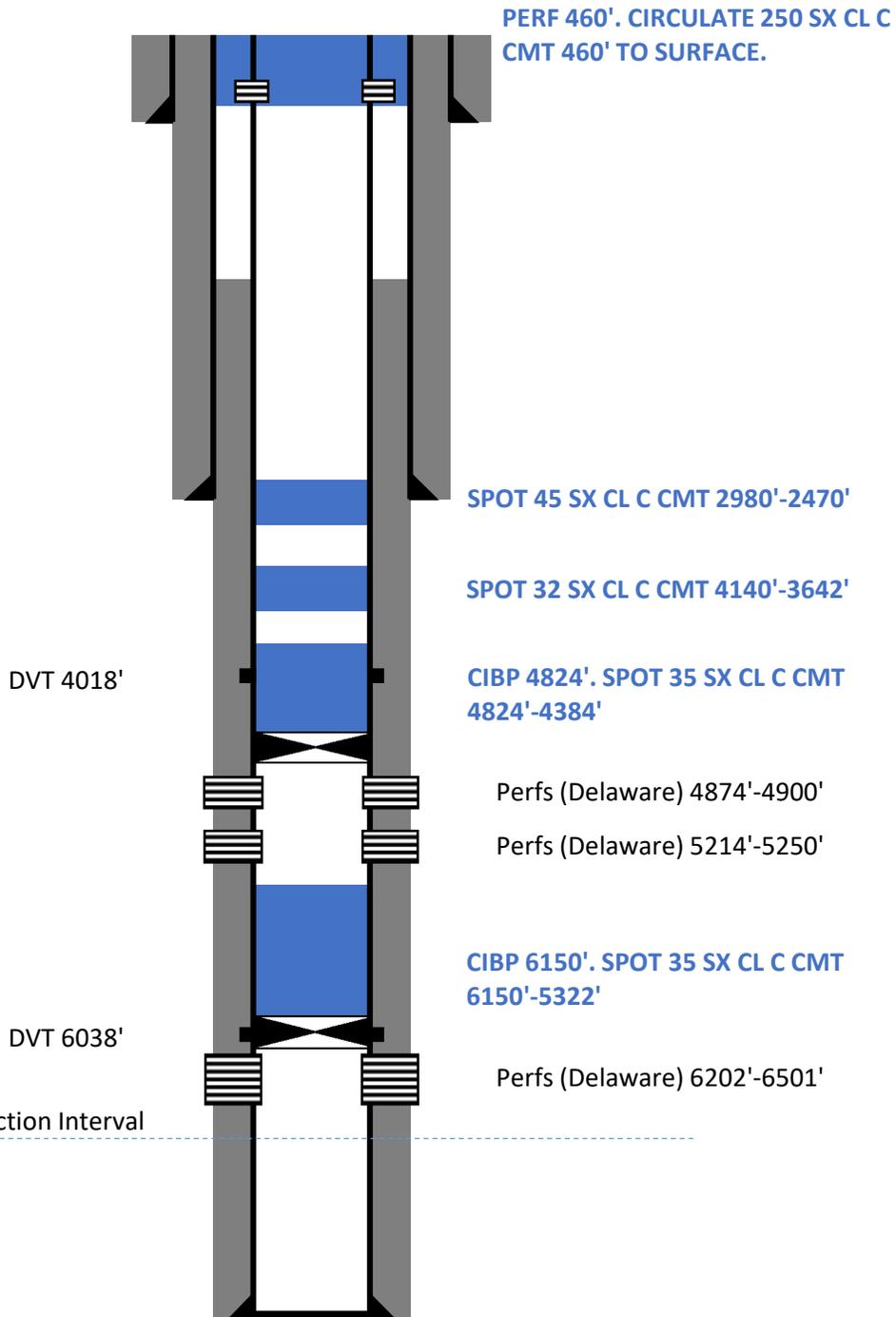
Stephen Janacek
6/6/2021

Current Wellbore
H BUCK STATE #006
30-015-28636-0000
Eddy

String 1
OD 10.75 in
TD 529 ft
TOC 0 ft (circulated)
510 sx

String 2
OD 7.625 in
TD 2825 ft
TOC 0 ft (circulated)
750 sx

String 3
OD 4.5 in
TD 7815 ft
TOC 1490 ft (CBL)
PBD 7768 ft
1055 sx



WELL ID #26

Stephen Janacek
6/16/2021

Current Wellbore
HARROUN 15 #11
30-015-30951-0000
Eddy

Perf 613'. Pump 178 sx Cl C cmt 613'-
surface

String 1
OD 10.75 in
TD 563 ft
TOC 0 ft (circulated)
545 sx

String 2
OD 7.625 in
TD 2930 ft
TOC 0 ft (circulated)
800 sx

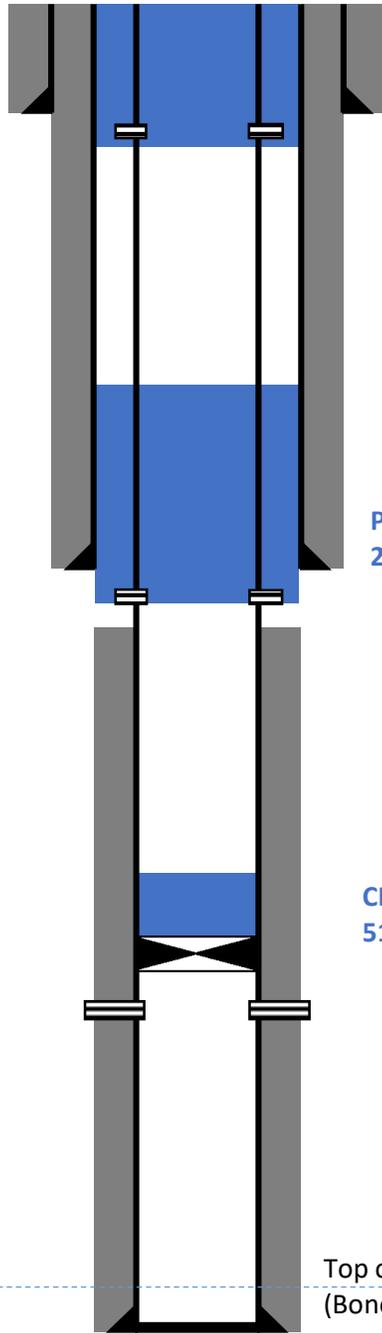
Perf 2980'. Sqz 65 sx Cl C cmt 2980'-
2096'

CIBP 5196'. SPOT 35 SX CL C CMT
5196'-4800'

Perfs (Delaware) 5246'-5264'

String 3
OD 4.5 in
TD 6890 ft
TOC 3234 ft (CBL)
PBD 6847 ft
1115 sx

Top of Proposed Injection Interval
(Bone Spring) 6710'



Name	Street	City	State	Zip Code	Merged
Agencies					
New Mexico Oil Conservation Division	811 S. First St.	Artesia	NM	88210	New Mexico Oil Conservation Division 811 S. First St. Artesia, NM 88210
New Mexico Oil Conservation Division	1220 South St. Francis Dr.	Santa Fe	NM	87505	New Mexico Oil Conservation Division 1220 South St. Francis Dr. Santa Fe, NM 87505
United State Dept of Interior Bureau of Land Management	620 E. Greene Street	Carlsbad	NM	88220	United State Dept of Interior Bureau of Land Management 620 E. Greene Street Carlsbad, NM 88220
New Mexico State Land Office	310 Old Santa Fe Trail	Santa Fe	NM	87504	New Mexico State Land Office 310 Old Santa Fe Trail Santa Fe, NM 87504
Working Interest Owners of Oxy wells					
XTO Holdings LLC	22777 Springwoods Village Parkway	Spring	TX	77389	XTO Holdings LLC 22777 Springwoods Village Parkway Spring, TX 77389
Rutter & Wilbanks Corporation	P.O. Box 3186	Midland	TX	79702	Rutter & Wilbanks Corporation P.O. Box 3186 Midland, TX 79702
Devon Energy Production Co LP	333 W. Sheridan Avenue	Oklahoma City	OK	73102	Devon Energy Production Co LP 333 W. Sheridan Avenue Oklahoma City, OK 73102
MRC Permian Company	5400 LBJ Freeway, Suite 1500	Dallas	TX	75240	MRC Permian Company 5400 LBJ Freeway, Suite 1500 Dallas, TX 75240
Maduro Oil & Gas LLC	3102 Maple Avenue, Suite 400	Dallas	TX	75201	Maduro Oil & Gas LLC 3102 Maple Avenue, Suite 400 Dallas, TX 75201
1 Timothy 6 LLC	P.O. Box 30598	Edmond	OK	73025	1 Timothy 6 LLC P.O. Box 30598 Edmond, OK 73025
Tap Rock Resources LLC	602 Park Point Drive, Suite 200	Golden	CO	80401	Tap Rock Resources LLC 602 Park Point Drive, Suite 200 Golden, CO 80401
Lonsdale Resources LLC	3102 Maple Avenue, Suite 400	Dallas	TX	75201	Lonsdale Resources LLC 3102 Maple Avenue, Suite 400 Dallas, TX 75201
Margaret Stribling	1933 San Mateo Blvd.	Albuquerque	NM	87110	Margaret Stribling 1933 San Mateo Blvd. Albuquerque, NM 87110
John D Stribling	P.O. Box 10204	Albuquerque	NM	87184	John D Stribling P.O. Box 10204 Albuquerque, NM 87184
Prime Rock Resources Asset Co LLC	203 West Wall Street, Suite 1000	Midland	TX	79701	Prime Rock Resources Asset Co LLC 203 West Wall Street, Suite 1000 Midland, TX 79701
Denise Louise McCoy	No Current Address				Denise Louise McCoy No Current Address
Geneva Floyd Osborn	P.O. Box 419	Tipton	OK	73570-0419	Geneva Floyd Osborn P.O. Box 419 Tipton, OK 73570-0419
Avalanche Royalty Partners	100 St. Paul Street, Suite 305	Denver	CO	80206	Avalanche Royalty Partners 100 St. Paul Street, Suite 305 Denver, CO 80206
Roy G. Barton	1919 N Turner	Hobbs	NM	88240	Roy G. Barton 1919 N Turner Hobbs, NM 88240
Heidi Barton	2008 North Vega Court	Hobbs	NM	88240	Heidi Barton 2008 North Vega Court Hobbs, NM 88240
WPX Energy Permian LLC	c/o Devon Energy Production Co, LP 333 W. Sheridan Avenue	Oklahoma City	OK	73102	WPX Energy Permian LLC c/o Devon Energy Production Co, LP 333 W. Sheridan Avenue Oklahoma City, OK 73102
Enerstar Resources O&G LLC	P.O. Box 606	Carlsbad	NM	88220	Enerstar Resources O&G LLC P.O. Box 606 Carlsbad, NM 88220

**BEFORE THE OIL CONSERVATION DIVISION
Santa Fe, New Mexico
Exhibit No. B6
Submitted by: OXY USA INC.
Hearing Date: July 01, 2021
Case No. 21996**

Bob Blundell Jr	P.O. Box 386	Carlsbad	NM	88221	Bob Blundell Jr P.O. Box 386 Carlsbad, NM 88221
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Michael H. Feldewert
Phone (505) 988-4421
Fax (505) 983-6043
mfeldewert@hollandhart.com

June 11, 2021

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

TO: AFFECTED PARTIES

Re: Case No. 15616 (re-opened): Application of OXY USA Inc. to Re-Open Case No. 15616 to Reinstate, Modify and Make Permanent the Injection Authority Granted By Order R-14322, Eddy County, New Mexico.

Ladies and Gentlemen:

This letter is to advise you that OXY USA Inc. has filed the enclosed application with the New Mexico Oil Conservation Division. A hearing has been requested before a Division Examiner on July 1, 2021, and the status of the hearing can be monitored through the Division's website at http://www.emnrd.state.nm.us/ocd/. You are not required to attend this hearing, but as an owner of an interest that may be affected by this application, you may appear and present testimony. Failure to appear at that time and become a party of record will preclude you from challenging the matter later.

During the COVID-19 Public Health Emergency, state buildings are closed to the public and hearings will be conducted remotely. To participate in the electronic hearing, see the instructions posted on the Oil Conservation Division "OCD Hearings" website at http://www.emnrd.state.nm.us/OCD/announcements.html.

Parties desiring to appear in cases are required by Division Rule 19.15.4.13.B to file a Pre-hearing Statement four business days in advance of a scheduled hearing. This statement must be filed electronically with the Division, copied to the applicant and include: The party and the party's attorney; a statement of the extent to which the party supports or opposes the case and the reasons for such support or opposition; the names of all witnesses the party will call to testify at the hearing; the approximate time the party will need to present its case; and identification of any procedural matters that are to be resolved prior to the hearing.

If you have any questions regarding this application, please contact Kelley Montgomery at (713) 366-5716 or Kelley_Montgomery@oxy.com

T 505.988.4421 F 505.983.6043
110 North Guadalupe, Suite 1, Santa Fe, NM 87501-1849
Mail to: P.O. Box 2208, Santa Fe, NM 87504-2208
www.hollandhart.com

Alaska Montana Utah
Colorado Nevada Washington, D.C.
Idaho New Mexico Wyoming

Sincerely,



Michael H. Feldewert
ATTORNEY FOR OXY USA, INC.

Enclosures

T 505.988.4421 F 505.983.6043
110 North Guadalupe, Suite 1, Santa Fe, NM 87501-1849
Mail to: P.O. Box 2208, Santa Fe, NM 87504-2208
www.hollandhart.com

Alaska
Colorado
Idaho

Montana
Nevada
New Mexico

Utah
Washington, D.C.
Wyoming

Oxy - Cedar Canyon
Case No. 21966 Postal Delivery Report

TrackingNo	ToName	DeliveryAddress	City	State	Zip	USPS_Status
9414811898765802383157	Bureau Of Land Management United State Dept of Interior	620 E Greene St	Carlsbad	NM	88220-6292	Your item was delivered to an individual at the address at 12:51 pm on June 15, 2021 in CARLSBAD, NM 88220.
9414811898765802383010	Lonsdale Resources LLC	3102 Maple Ave Ste 400	Dallas	TX	75201-1261	Your item was delivered to an individual at the address at 1:21 pm on June 15, 2021 in DALLAS, TX 75201.
9414811898765802383058	Margaret Stribling	1933 San Mateo Blvd NE	Albuquerque	NM	87110-5146	Your item was delivered at 7:17 am on June 15, 2021 in ALBUQUERQUE, NM 87110.
9414811898765802383027	John D Stribling	PO Box 10204	Albuquerque	NM	87184-0204	Your item was delivered at 3:55 pm on June 17, 2021 in ALBUQUERQUE, NM 87114.
9414811898765802383003	Prime Rock Resources Asset Co LLC	203 W Wall St Ste 1000	Midland	TX	79701-4525	Your item was delivered to an individual at the address at 1:41 pm on June 15, 2021 in MIDLAND, TX 79701.
9414811898765802383096	Geneva Floyd Osborn	PO Box 419	Tipton	OK	73570-0419	Your item was delivered at 10:23 am on June 16, 2021 in TIPTON, OK 73570.
9414811898765802383041	Avalanche Royalty Partners	100 Saint Paul St Ste 305	Denver	CO	80206-5136	Your item was delivered to the front desk, reception area, or mail room at 1:41 pm on June 14, 2021 in DENVER, CO 80206.
9414811898765802383089	Roy G. Barton	1919 N Turner St	Hobbs	NM	88240-2712	Your package will arrive later than expected, but is still on its way. It is currently in transit to the next facility.
9414811898765802383034	Heidi Barton	2008 N Vega Ct	Hobbs	NM	88240-3446	Your item was delivered to an individual at the address at 1:58 pm on June 15, 2021 in HOBBS, NM 88240.
9414811898765802383072	WPX Energy Permian LLC, C/O Devon Energy Production Co, Lp	333 W Sheridan Ave	Oklahoma City	OK	73102-5010	Your item was delivered at 8:39 am on June 15, 2021 in OKLAHOMA CITY, OK 73102.
9414811898765802383454	Enerstar Resources O&G LLC	PO Box 606	Carlsbad	NM	88221-0606	Your item was delivered at 10:25 am on June 17, 2021 in CARLSBAD, NM 88220.
9414811898765802383126	New Mexico State Land Office	310 Old Santa Fe Trl	Santa Fe	NM	87501-2708	Your item was picked up at a postal facility at 6:30 am on June 15, 2021 in SANTA FE, NM 87501.
9414811898765802383461	Bob Blundell Jr	PO Box 386	Carlsbad	NM	88221-0386	This is a reminder to arrange for redelivery of your item or your item will be returned to sender.
9414811898765802383195	XTO Holdings LLC	22777 Springwoods Village Pkwy	Spring	TX	77389-1425	Your package will arrive later than expected, but is still on its way. It is currently in transit to the next facility.
9414811898765802383188	Rutter & Wilbanks Corporation	PO Box 3186	Midland	TX	79702-3186	Your item was delivered at 12:24 pm on June 21, 2021 in MIDLAND, TX 79701.
9414811898765802383171	Devon Energy Production Co LP	333 W Sheridan Ave	Oklahoma City	OK	73102-5010	Your item was delivered at 8:39 am on June 15, 2021 in OKLAHOMA CITY, OK 73102.
9414811898765802383355	MRC Permian Company	5400 Lbj Fwy Ste 1500	Dallas	TX	75240-1017	Your package will arrive later than expected, but is still on its way. It is currently in transit to the next facility.

Oxy - Cedar Canyon
Case No. 21966 Postal Delivery Report

9414811898765802383324	Maduro Oil & Gas LLC	3102 Maple Ave Ste 400	Dallas	TX	75201-1261	Your item was delivered to an individual at the address at 1:21 pm on June 15, 2021 in DALLAS, TX 75201.
9414811898765802383348	1 Timothy 6 LLC	PO Box 30598	Edmond	OK	73003-0010	Your item was delivered at 10:45 am on June 18, 2021 in EDMOND, OK 73003.
9414811898765802383331	Tap Rock Resources LLC	602 Park Point Dr Ste 200	Golden	CO	80401-9359	Your item has been delivered to an agent for final delivery in GOLDEN, CO 80401 on June 14, 2021 at 12:51 pm.

Carlsbad Current Argus.

PART OF THE USA TODAY NETWORK

Affidavit of Publication

Ad # 0004781165

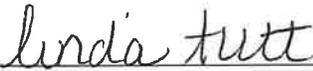
This is not an invoice

HOLLAND AND HART
POBOX 2208

SANTA FE, NM 87504

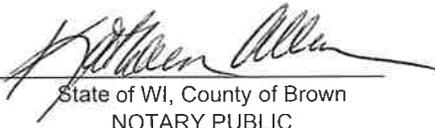
I, a legal clerk of the **Carlsbad Current Argus**, a newspaper published daily at the City of Carlsbad, in said county of Eddy, state of New Mexico and of general paid circulation in said county; that the same is a duly qualified newspaper under the laws of the State wherein legal notices and advertisements may be published; that the printed notice attached hereto was published in the regular and entire edition of said newspaper and not in supplement thereof on the date as follows, to wit:

06/16/2021



Legal Clerk

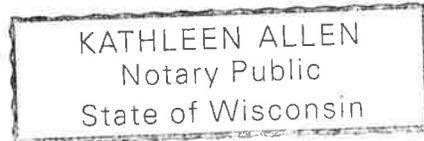
Subscribed and sworn before me this June 16, 2021:



State of WI, County of Brown
NOTARY PUBLIC

1-7-25

My commission expires



Ad # 0004781165
PO #: Oxy App to reinstate injection
of Affidavits 1

This is not an invoice

BEFORE THE OIL CONSERVATION DIVISION
Santa Fe, New Mexico
Exhibit No. D
Submitted by: OXY USA INC.
Hearing Date: July 01, 2021
Case No. 21996

STATE OF NEW MEXICO
ENERGY, MINERALS AND NATURAL RESOURCES
OIL CONSERVATION DIVISION
SANTA FE, NEW MEXICO

The State of New Mexico, Energy Minerals and Natural Resources Department, Oil Conservation Division ("Division") hereby gives notice that the Division will hold public hearings before a hearing examiner on the following case. During the COVID-19 Public Health Emergency, state buildings are closed to the public and Division hearings will be conducted remotely. The public hearing for the following case will be electronic and conducted remotely. The hearing will be conducted on Thursday, July 1, 2021, beginning at 8:15 a.m. To participate in the electronic hearing, see the instructions posted below. The docket may be viewed at <http://www.emnrd.state.nm.us/OCD/hearings.html> or obtained from Marlene Salvidrez, at Marlene.Salvidrez@state.nm.us. Documents filed in the case may be viewed at <http://ocdimage.emnrd.state.nm.us/imaging/CaseFileCriteria.aspx>. If you are an individual with a disability who needs a reader, amplifier, qualified sign language interpreter, or other form of auxiliary aid or service to attend or participate in a hearing, contact Marlene Salvidrez at Marlene.Salvidrez@state.nm.us, or the New Mexico Relay Network at 1-800-659-1779, no later than June 21, 2021.

Persons may view and participate in the hearings through the following link:

<https://nmemnrd.webex.com/nmemnrd/onstage/g.php?MTID=e27ab61b7f5ad68b04d4652ecf5502112>
Event number: 187 606 9449
Event password: cMbpmxsh633

Join by video: 1876069449@nmemnrd.webex.com
Numeric Password: 359882
You can also dial 173.243.2.68 and enter your meeting number

Join by audio: 1-844-992-4726 United States Toll Free
Access code: 187 606 9449

**STATE OF NEW MEXICO TO:
All named parties and persons
having any right, title, interest
or claim in the following case
and notice to the public.**

(NOTE: All land descriptions herein refer to the New Mexico Principal Meridian whether or not so stated.)

To: All affected parties, including: United State Dept of Interior Bureau of Land Management; New Mexico State Land Office; XTO Holdings LLC; Rutter & Wilbanks Corporation; Devon Energy Production Co LP; MRC Permian Company; Maduro Oil & Gas LLC; 1 Timothy 6 LLC; Tap Rock Resources LLC; Lonsdale Resources LLC; Margaret Stribling, her heirs and devisees; John D Stribling, his heirs and devisees; Prime Rock Resources Asset Co LLC; Denise Louise McCoy, her heirs and devisees; Geneva Floyd Osborn, her heirs and devisees; Avalanche Royalty Partners; Roy G. Barton, his heirs and devisees; Heidi Barton, her heirs and devisees; WPX Energy Permian LLC; Enerstar Resources O&G LLC; and Bob Blundell Jr, his heirs and devisees.

Case No. 21996: Application of Oxy USA Inc. to Re-Open Case No. 15616 to Reinstate, Modify and Make Permanent the Injection Authority Granted By Order R-14322, Eddy County, New Mexico. Applicant in the above-styled cause seeks to re-open Case No. 15616 to (1) reinstate and make permanent the injection authority granted under Order R-14322; (2) authorize the injection of carbon dioxide in the project area; and (3) authorize Oxy to add additional injection wells to the project area by administrative application. Division Order R-14322 authorized injection into the existing Cedar Canyon 16 State Well No. 7H (API No. 30-015-41251) and the Cedar Canyon 16 State Well No. 12H (API No. 30-015-42683) wells for a project area consisting of the Bone Spring formation underlying Section 16, Township 24 South, Range 29 East, NMPM, Eddy County, New Mexico. This project area is located approximately 5 miles east of Malaga, New Mexico.

#4781165, Current Argus, June 16, 2021