

**BEFORE THE OIL CONSERVATION DIVISION
EXAMINER HEARING FEBRUARY 2, 2023**

CASE NO. 23322

*TAILS CC 10-3 FEDERAL COM 31H-36H, 38H AND
312H WELLS*

EDDY COUNTY, NEW MEXICO



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

**APPLICATION OF OXY USA INC.
FOR COMPULSORY POOLING,
EDDY COUNTY, NEW MEXICO.**

CASE NO. 23322

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COMPULSORY POOLING APPLICATION CHECKLIST

ALL INFORMATION IN THE APPLICATION MUST BE SUPPORTED BY SIGNED AFFIDAVITS

Case: 23322	APPLICANT'S RESPONSE
Date	February 2, 2023
Applicant	OXY U.S.A. Inc.
Designated Operator & OGRID (affiliation if applicable)	OXY U.S.A. Inc. (OGRID No. 16696)
Applicant's Counsel:	Holland & Hart LLP
Case Title:	APPLICATION OF OXY USA INC. FOR COMPULSORY POOLING, EDDY COUNTY, NEW MEXICO.
Entries of Appearance/Intervenors:	
Well Family	Tails CC 10-3 Federal Com
Formation/Pool	
Formation Name(s) or Vertical Extent:	Wolfcamp formation
Primary Product (Oil or Gas):	Oil
Pooling this vertical extent:	Wolfcamp formation
Pool Name and Pool Code:	Purple Sage; Wolfcamp (Gas) (98220)
Well Location Setback Rules:	Purple Sage; Wolfcamp (Gas) (98220)
Spacing Unit	
Type (Horizontal/Vertical)	Horizontal
Size (Acres)	1278.62 acres, more or less
Building Blocks:	320 acres
Orientation:	South/North
Description: TRS/County	Sections 3 and 10 all within Township 24 South, Range 29 East (NMPM), Eddy County New Mexico.
Standard Horizontal Well Spacing Unit (Y/N), If No, describe and is approval of non-standard unit requested in this application?	Yes
Other Situations	
Depth Severance: Y/N. If yes, description	No
Proximity Tracts: If yes, description	Yes; Tails CC 10-3 Federal Com 38H Well is within 330 feet of the offsetting quarter-quarter sections or equivalent tracts to include them in a standard horizontal well spacing unit.
Proximity Defining Well: if yes, description	Tails CC 10-3 Federal Com 38H Well
Applicant's Ownership in Each Tract	Yes; Exhibit C
Well(s)	BEFORE THE OIL CONSERVATION DIVISION Santa Fe, New Mexico Exhibit No. A Submitted by: OXY USA INC.

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Name & API (if assigned), surface and bottom hole location, footages, completion target, orientation, completion status (standard or non-standard)	Add wells as needed
Well #1	<p>Tails CC 10-3 Federal Com 31H Well (API 30-015-48881) SHL: 220' FSL, 1725' FWL (Unit N), Sec. 10, T24S, R29E BHL: 40' FNL, 339' FWL (Unit D), Sec. 3, T24S, R29E</p> <p>Wolfcamp formation South/North Completion is expected to be standard.</p>
Well #2	<p>Tails CC 10-3 Federal Com 32H Well (API 30-015-48880) SHL: 220' FSL, 1760' FWL (Unit N), Sec. 10, T24S, R29E BHL: 40' FNL, 988' FWL (Unit C), Sec. 3, T24S, R29E</p> <p>Wolfcamp formation South/North Completion is expected to be standard.</p>
Well #3	<p>Tails CC 10-3 Federal Com 33H Well (API 30-015-48879) SHL: 220' FSL, 1795' FWL (Unit N), Sec. 10, T24S, R29E BHL: 40' FNL, 1625' FWL (Unit C), Sec. 3, T24S, R29E</p> <p>Wolfcamp formation South/North Completion is expected to be standard.</p>
Well #4	<p>Tails CC 10-3 Federal Com 34H Well (API 30-015-48959) SHL: 220' FSL, 1740' FEL (Unit O), Sec. 10, T24S, R29E BHL: 47' FNL, 1688' FEL (Unit B), Sec. 3, T24S, R29E</p> <p>Wolfcamp formation South/North Completion is expected to be standard.</p>

Well #5	<p>Tails CC 10-3 Federal Com 35H Well (API 30-015-48965) SHL: 220' FSL, 1705' FEL (Unit O), Sec. 10, T24S, R29E BHL: 157' FNL, 1031' FEL (Unit A), Sec. 3, T24S, R29E</p> <p>Wolfcamp formation South/North Completion is expected to be standard.</p>
Well #6	<p>Tails CC 10-3 Federal Com 36H Well (API 30-015-48964) SHL: 220' FSL, 1670' FEL (Unit O), Sec. 10, T24S, R29E BHL: 40' FNL, 581' FEL (Unit A), Sec. 3, T24S, R29E</p> <p>Wolfcamp formation South/North Completion is expected to be standard.</p>
Well #7	<p>Tails CC 10-3 Federal Com 38H Well (API 30-015-48877) SHL: 340' FNL, 1880' FEL (Unit B), Sec. 15, T24S, R29E BHL: 44' FNL, 2329' FWL (Unit C), Sec. 3, T24S, R29E</p> <p>Wolfcamp formation South/North Completion is expected to be standard.</p>
Well #8	<p>Tails CC 10-3 Federal Com 312H Well (API 30-015-48930) SHL: 305' FNL, 1880' FEL (Unit B), Sec. 15, T24S, R29E BHL: 31' FNL, 2226' FEL (Unit B), Sec. 3, T24S, R29E</p> <p>Wolfcamp formation South/North Completion is expected to be standard.</p>
Horizontal Well First and Last Take Points	Exhibit C-1
Completion Target (Formation, TVD and MD)	Exhibit D-4
AFE Capex and Operating Costs	
Drilling Supervision/Month \$	N/A

Production Supervision/Month \$	N/A
Justification for Supervision Costs	N/A
Requested Risk Charge	N/A
Notice of Hearing	
Proposed Notice of Hearing	Exhibit B
Proof of Mailed Notice of Hearing (20 days before hearing)	Exhibit E
Proof of Published Notice of Hearing (10 days before hearing)	Exhibit F
Ownership Determination	
Land Ownership Schematic of the Spacing Unit	Exhibit C-2
Tract List (including lease numbers and owners)	Exhibit C-2
If approval of Non-Standard Spacing Unit is requested, Tract List (including lease numbers and owners) of Tracts subject to notice requirements.	N/A
Pooled Parties (including ownership type)	Exhibit C
Unlocatable Parties to be Pooled	N/A
Ownership Depth Severance (including percentage above & below)	N/A
Joinder	
Sample Copy of Proposal Letter	N/A
List of Interest Owners (ie Exhibit A of JOA)	Exhibit C
Chronology of Contact with Non-Joined Working Interests	Exhibit C-3
Overhead Rates In Proposal Letter	N/A
Cost Estimate to Drill and Complete	N/A
Cost Estimate to Equip Well	N/A
Cost Estimate for Production Facilities	N/A
Geology	
Summary (including special considerations)	Exhibit D
Spacing Unit Schematic	Exhibit D-3
Gunbarrel/Lateral Trajectory Schematic	Exhibit D-3
Well Orientation (with rationale)	Exhibit D
Target Formation	Exhibit D-4
HSU Cross Section	Exhibit D-4
Depth Severance Discussion	N/A
Forms, Figures and Tables	
C-102	Exhibit C-1
Tracts	Exhibit C-2
Summary of Interests, Unit Recapitulation (Tracts)	N/A
General Location Map (including basin)	Exhibit D-2

Well Bore Location Map	Exhibit D-2
Structure Contour Map - Subsea Depth	Exhibit D-3
Cross Section Location Map (including wells)	Exhibit D-3
Cross Section (including Landing Zone)	Exhibit D-4
Additional Information	
Special Provisions/Stipulations	
CERTIFICATION: I hereby certify that the information provided in this checklist is complete and accurate.	
Printed Name (Attorney or Party Representative):	Adam G. Rankin
Signed Name (Attorney or Party Representative):	
Date:	31-Jan-23

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

**APPLICATION OF OXY USA INC. FOR
COMPULSORY POOLING, EDDY COUNTY,
NEW MEXICO.**

CASE NO. 23322

APPLICATION

OXY USA Inc. (“Oxy” or “Applicant”) (OGRID No. 16696) through its undersigned attorneys, files this application with the Oil Conservation Division pursuant to the provisions of NMSA 1978, § 70-2-17, for an order pooling all uncommitted mineral owners in the Wolfcamp formation underlying a standard 1,278.62-acre, more or less, horizontal well spacing unit comprised of Sections 3 and 10 all within Township 24 South, Range 29 East (NMPM), Eddy County New Mexico. In support of this application, Oxy states:

1. Oxy is a working interest owner in the subject acreage and has the right to drill thereon.
2. Oxy seeks to initially dedicate the proposed standard horizontal well spacing unit to the following drilled and completed wells:
 - the **Tails CC 10-3 Federal Com 31H, 32H, and 33H Wells** which have been drilled from a common surface location in the SE/4 SW/4 (Unit N) of Section 10 to bottomhole locations in the NE/4 NW/4 (Unit C) and the NW/4 NW/4 (Unit D) of Section 3;
 - the **Tails CC 10-3 Federal Com 34H, 35H, and 36H Wells** which have been drilled from a common surface location in the SW/4 SE/4 (Unit O) of Section

**BEFORE THE OIL CONSERVATION DIVISION
Santa Fe, New Mexico
Exhibit No. B
Submitted by: OXY USA INC.
Hearing Date: February 2, 2023
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10 to bottomhole locations in the NW/4 NE/4 (Unit B) and NE/4 NE/4 (Unit A) of Section 3; and

- the **Tails CC 10-3 Federal Com 38H and 312H Wells** which have been drilled from a common surface location in the NW/4 NE/4 (Unit B) of Section 15 to bottomhole locations in the NE/4 NW/4 (Unit C) and the NW/4 NE/4 (Unit B) of Section 3.

3. The completed interval of the **Tails CC 10-3 Federal Com 38H Well** is within 330 feet of the offsetting quarter-quarter sections or equivalent tracts to include them in a standard horizontal well spacing unit.

4. Applicant has sought and been unable to obtain voluntary agreement for the development of these lands from all mineral interest owners in the subject spacing unit.

5. The pooling of interests will avoid the drilling of unnecessary wells, will prevent waste, and will protect correlative rights.

6. Approval of this application will allow Oxy to efficiently locate surface facilities, reduce surface disturbance, lower operating costs and facilitate effective well spacing.

7. Approval of this application is in the best interest of conservation, the prevention of waste and the protection of correlative rights.

WHEREFORE, Applicant requests that this matter be set for hearing on February 2, 2023, before an Examiner of the Oil Conservation Division, and, after notice and hearing as required by law, the Division enter an order:

- A. Pooling all uncommitted interests in the proposed horizontal well spacing unit and approving the initial wells thereon;

- B. Designating Applicant as operator of this spacing unit and the horizontal wells to be drilled thereon;
- C. Authorizing Applicant to recover its costs of drilling, equipping, and completing the well;
- D. Approving the actual operating charges and costs of supervision while drilling and after completion, together with a provision adjusting the rates pursuant to the COPAS accounting procedures; and
- E. Imposing a 200% charge for the risk assumed by Applicant in drilling and completing the well against any working interest owner who does not voluntarily participate in the drilling of the well.

Respectfully submitted,

HOLLAND & HART LLP

By:  _____

Michael H. Feldewert
Adam G. Rankin
Julia Broggi
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Santa Fe, NM 87504
505-998-4421
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ATTORNEYS FOR OXY USA INC.

CASE _____: Application of OXY USA Inc. for Compulsory Pooling, Eddy County, New Mexico. Applicant seeks an order pooling all uncommitted mineral owners in the Wolfcamp formation underlying a standard 1,278.62-acre, more or less, horizontal well spacing unit comprised of Sections 3 and 10 all within Township 24 South, Range 29 East (NMPM), Eddy County New Mexico. Oxy seeks to initially dedicate the proposed standard horizontal well spacing unit to the following drilled and completed wells:

- the **Tails CC 10-3 Federal Com 31H, 32H, and 33H Wells** which have been drilled from a common surface location in the SE/4 SW/4 (Unit N) of Section 10 to bottomhole locations in the NE/4 NW/4 (Unit C) and the NW/4 NW/4 (Unit D) of Section 3;
- the **Tails CC 10-3 Federal Com 34H, 35H, and 36H Wells** which have been drilled from a common surface location in the SW/4 SE/4 (Unit O) of Section 10 to bottomhole locations in the NW/4 NE/4 (Unit B) and NE/4 NE/4 (Unit A) of Section 3; and
- the **Tails CC 10-3 Federal Com 38H and 312H Wells** which have been drilled from a common surface location in the NW/4 NE/4 (Unit B) of Section 15 to bottomhole locations in the NE/4 NW/4 (Unit C) and the NW/4 NE/4 (Unit B) of Section 3.

Also, to be considered will be the cost of drilling and completing the wells and the allocation of the costs thereof, operating costs and charges for supervision, the designation of applicant as operator, and a 200% charge for risk involved in drilling and completing the wells. Said area is approximately 8 miles southeast of Loving, New Mexico.

**STATE OF NEW MEXICO
DEPARTMENT OF ENERGY, MINERALS AND NATURAL RESOURCES
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CASE NO. 2332

SELF-AFFIRMED STATEMENT OF PETER VAN LIEW

1. My name is Peter Van Liew and I am employed by OXY USA Inc. ("OXY") as a land negotiator advisor.

2. I have previously testified before the New Mexico Oil Conservation Division as an expert witness in petroleum land matters. My credentials as a petroleum landman have been accepted by the Division and made a matter of record.

3. I am familiar with the applications filed by OXY in this case and the status of the lands in the subject area.

4. The uncommitted party in this case is a bare record title holder reflected on the BLM records. It has no operating rights and is a non-cost-bearing interest. It has not indicated that it will oppose this case proceeding by affidavit and, therefore, I do not expect opposition at the hearing.

5. In this case, OXY seeks an order pooling an uncommitted bare record title owner in the Wolfcamp formation [Purple Sage; Wolfcamp (Pool Code 98220)] underlying a standard 1278.62-acre, more or less, horizontal well spacing unit comprised of Sections 3 and 10 all within Township 24 South, Range 29 East (NMPM), Eddy County, New Mexico.

6. OXY seeks to dedicate the above-referenced horizontal spacing unit to the following initial wells, which have been drilled and are producing:

**BEFORE THE OIL CONSERVATION DIVISION
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Submitted by: OXY USA INC.
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Case No.23322**

- **Tails CC 10-3 Federal Com 31H, 32H, and 33H Wells** which have been drilled from a common surface location in the SE/4 SW/4 (Unit N) of Section 10 to bottomhole locations in the NE/4 NW/4 (Unit C) and the NW/4 NW/4 (Unit D) of Section 3;
- the **Tails CC 10-3 Federal Com 34H, 35H, and 36H Wells** which have been drilled from a common surface location in the SW/4 SE/4 (Unit O) of Section 10 to bottomhole locations in the NW/4 NE/4 (Unit B) and NE/4 NE/4 (Unit A) of Section 3; and
- the **Tails CC 10-3 Federal Com 38H and 312H Wells** which have been drilled from a common surface location in the NW/4 NE/4 (Unit B) of Section 15 to bottomhole locations in the NE/4 NW/4 (Unit C) and the NW/4 NE/4 (Unit B) of Section 3.

7. The completed interval of the **Tails CC 10-3 Federal Com 38H Well** is within 330 feet of the offsetting quarter-quarter sections or equivalent tracts to include them in a standard horizontal well spacing unit.

8. **OXY Exhibit C-1** contains Form C-102s for the initial wells in this standard spacing unit. These forms demonstrate that the completed interval for each well will meet the standard setback requirements for horizontal oil wells in the Purple Sage Wolfcamp pool.

9. No ownership depth severances exist within the Wolfcamp formation underlying this acreage.

10. **OXY Exhibit C-2** identifies the tracts of land comprising the horizontal spacing unit for this case. As reflected, the subject acreage is comprised of federal leases and one fee lease. There are no unleased mineral interest owners. Because OXY

has obtained the voluntary agreement of 100% of the working interest owners in the spacing unit, I have not provided an ownership interest breakdown for each tract.

11. Despite having 100% of the working interests committed, OXY has been unable to obtain a communitization agreement from the BLM for the spacing unit because OXY has been unable to obtain a ratification from MBR Resources, Inc., which is a bare record title owner reflected in BLM's records. BLM requires either MBR Resources, Inc. to ratify the communitization agreement or a compulsory pooling order from the Oil Conservation Division pooling their record title interests.

12. I determined from the Texas Secretary of State that MBR Resources, Inc. is a defunct business entity. I researched and identified contact information for company officers and related individuals, including the company's registered agent, but was unable to reach anyone associated with this entity.

13. **OXY Exhibit C-3** is a summary of my efforts to locate and communicate with MBR Resources, Inc. and related individuals. In my opinion, OXY has undertaken good-faith, diligent effort to reach an agreement with MBR Resources, Inc.

14. Because MBR Resources, Inc. is a bare record title owner, OXY is not seeking to assess a proportionate share of costs, risk charges, or overhead and administrative costs for drilling and producing the proposed wells.

15. OXY has provided the law firm of Holland & Hart LLP with the names and addresses of MBR Resources, Inc. and individuals I have identified related to the company.

16. **OXY Exhibits C-1 through C-3** were either prepared by me or compiled under my direction and supervision, or contain company business records.

17. I affirm under penalty of perjury under the laws of the State of New Mexico that the foregoing statements are true and correct. I understand that this self-affirmed statement will be used as written testimony in this case. This statement is made on the date next to my signature below.



Peter Van Liew



Date

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 Road, 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, NM 87505

Revised August 1, 2011
Submit one copy to appropriate
District Office

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION AS-DRILLED PLAT

¹ API Number 30-015-48881		² Pool Code 98220		³ Pool Name PURPLE SAGE; WOLFCAMP	
⁴ Property Code 329988		Property Name TAILS CC 10_3 FED COM			⁶ Well Number 31H
⁷ OGRID No. 16696		⁸ Operator Name OXY USA INC			⁹ Elevation 2940'

¹⁰ Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
N	10	24S	29E		220	SOUTH	1725	WEST	EDDY
¹¹ 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
D L-4	3	24S	29E		40	NORTH	339	WEST	EDDY
¹² Dedicated Acres 1278.62		¹³ Joint or Infill		¹⁴ Consolidation Code		¹⁵ Order No. NSL-8241			

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.

CORNER COORDINATES NAD 83, SPCS NM EAST
A - X: 652903.76' / Y: 456331.32'
B - X: 655544.67' / Y: 456330.90'
C - X: 655569.82' / Y: 453685.20'
D - X: 655595.06' / Y: 451030.27'
E - X: 655608.14' / Y: 448375.24'
F - X: 655621.54' / Y: 445720.16'
G - X: 652967.76' / Y: 445724.10'
H - X: 650312.09' / Y: 445726.24'
I - X: 650298.13' / Y: 448381.95'
J - X: 650284.73' / Y: 451033.82'
K - X: 650273.76' / Y: 453689.39'
L - X: 650262.85' / Y: 456331.74'

CORNER COORDINATES NAD 27, SPCS NM EAST
A - X: 611720.17' / Y: 456272.14'
B - X: 614361.07' / Y: 456271.72'
C - X: 614386.15' / Y: 453626.09'
D - X: 614411.31' / Y: 450971.20'
E - X: 614424.32' / Y: 448316.23'
F - X: 614437.66' / Y: 445661.21'
G - X: 611783.88' / Y: 445665.15'
H - X: 609128.23' / Y: 445667.29'
I - X: 609114.33' / Y: 448322.94'
J - X: 609101.00' / Y: 450974.76'
K - X: 609090.10' / Y: 453630.27'
L - X: 609079.26' / Y: 456272.56'

BOTTOM HOLE LOCATION
40' FNL 339' FWL, SECTION 3
20,909' MEASURED DEPTH IN FEET
NAD 83, SPCS NM EAST
X: 650602.01' / Y: 456291.24'
LAT: 32.25392551N / LON: 103.97987699W
NAD 27, SPCS NM EAST
X: 609418.42' / Y: 456232.07'
LAT: 32.25380309N / LON: 103.97938720W

LAST TAKE POINT
186' FNL 338' FWL, SECTION 3
20,763' MEASURED DEPTH IN FEET
NAD 83, SPCS NM EAST
X: 650601.17' / Y: 446145.25'
LAT: 32.25352422N / LON: 103.97988127W
NAD 27, SPCS NM EAST
X: 609417.57' / Y: 446086.08'
LAT: 32.25340180N / LON: 103.97939149W

FIRST TAKE POINT
151' FSL 334' FWL, SECTION 10
10,463' MEASURED DEPTH IN FEET
NAD 83, SPCS NM EAST
X: 650644.88' / Y: 445876.53'
LAT: 32.22529667N / LON: 103.97984919W
NAD 27, SPCS NM EAST
X: 609461.02' / Y: 445817.57'
LAT: 32.22517393N / LON: 103.97936042W

KICK OFF POINT
208' FNL 513' FWL, SECTION 15
9,770' MEASURED DEPTH IN FEET
NAD 83, SPCS NM EAST
X: 650826.20' / Y: 445517.81'
LAT: 32.22430897N / LON: 103.97926665W
NAD 27, SPCS NM EAST
X: 609642.33' / Y: 445458.86'
LAT: 32.22418622N / LON: 103.97877793W

SURFACE HOLE LOCATION
220' FSL 1725' FWL, SECTION 10
0' MEASURED DEPTH IN FEET
NAD 83, SPCS NM EAST
X: 652035.90' / Y: 445494.80'
LAT: 32.22547168N / LON: 103.97535018W
NAD 27, SPCS NM EAST
X: 610852.04' / Y: 445885.84'
LAT: 32.22534892N / LON: 103.97486152W

¹⁷ OPERATOR CERTIFICATION
I hereby certify that the information contained 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 a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by me or my division.

Signature:
Date: **05/26/2022**

Printed Name: **JANA MENDIOLA**
E-mail Address: **janalyn_mendiola@oxy.com**

¹⁸ SURVEYOR CERTIFICATION
I hereby certify that the well surface location shown on this plat was plotted from field notes of the as-staked surveys made by me or under my supervision, and that the same is true and correct to the best of my belief. Data used for underground measurements were provided by others for reference only and does not constitute field measurements performed by R-Squared Global.

Date of Survey: **MAY 25, 2022**
Signature and Seal of Professional Surveyor:

Certificate Number: **DAVID W. MYERS 11403**

Distances/areas relative to NAD 83 Combined Scale Factor: 0.999778625 Convergence Angle: 00°11'10.650012"

BEFORE THE OIL CONSERVATION DIVISION
Santa Fe, New Mexico
Exhibit No. C1
Submitted by: OXY USA INC.
Hearing Date: February 2, 2023
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1625 N. French Dr., Hobbs, NM 88240
Phone: (575) 393-6161 Fax: (575) 393-0720
District II
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District III
1000 Rio Brazos Road, 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, NM 87505

Revised August 1, 2011
Submit one copy to appropriate
District Office

AMENDED REPORT

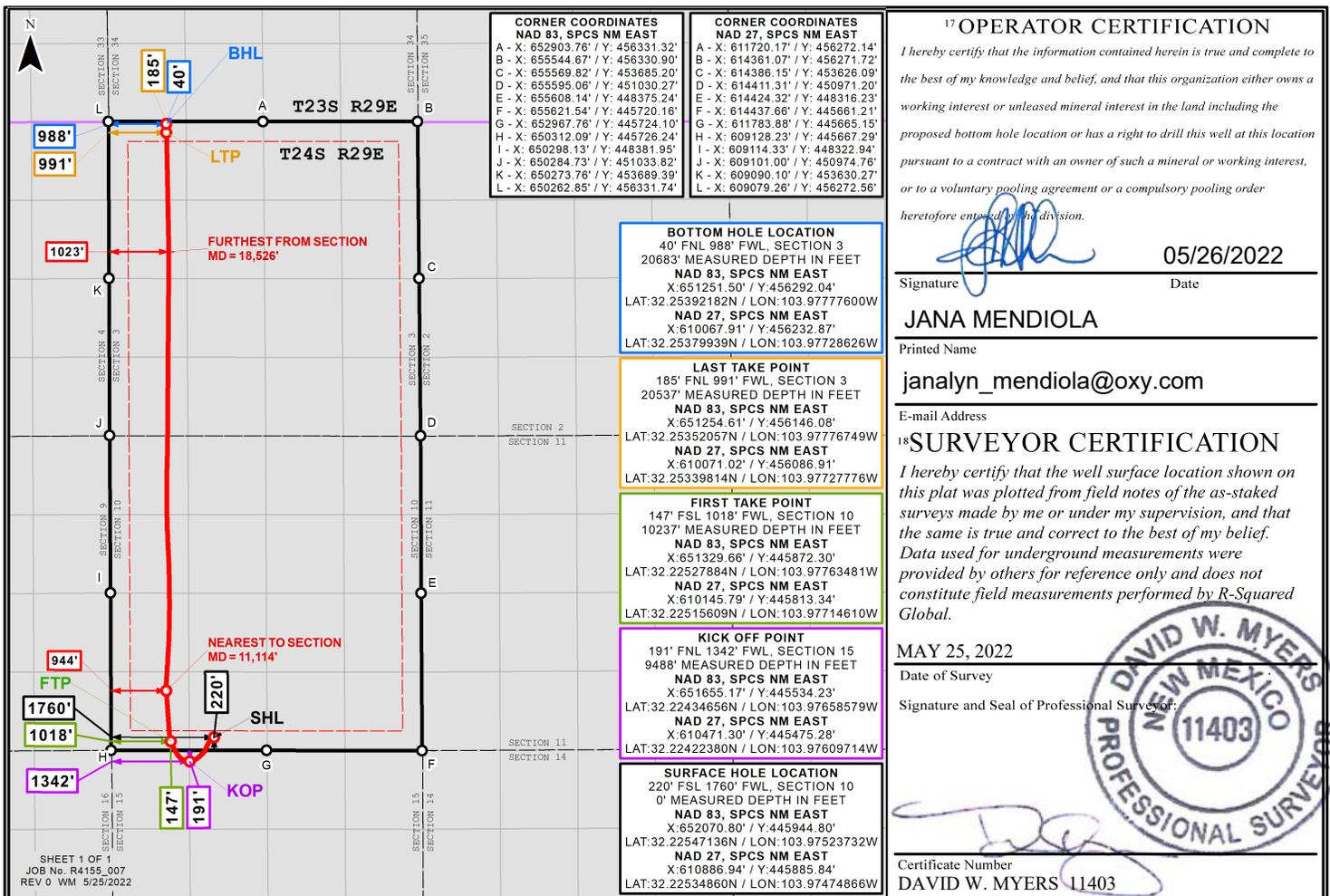
WELL LOCATION AND ACREAGE DEDICATION AS-DRILLED PLAT

¹ API Number 30-015-48880		² Pool Code 98220		³ Pool Name PURPLE SAGE; WOLFCAMP	
⁴ Property Code 329988		Property Name TAILS CC 10_3 FED COM			⁶ Well Number 32H
⁷ OGRID No. 16696		⁸ Operator Name OXY USA INC			⁹ Elevation 2940'

¹⁰ Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
N	10	24S	29E		220	SOUTH	1760	WEST	EDDY
¹¹ 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
C-4	3	24S	29E		40	NORTH	988	WEST	EDDY
¹² Dedicated Acres 1278.62		¹³ Joint or Infill		¹⁴ Consolidation Code		¹⁵ Order No. NSL-8242			

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.



Distances/areas relative to NAD 83 Combined Scale Factor: 0.999778625 Convergence Angle: 00°11'10.650012"

District I
1625 N. French Dr., Hobbs, NM 88240
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1220 South St. Francis Dr.
Santa Fe, NM 87505

Form C-102
Revised August 1, 2011
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 AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number 30-015-48879		² Pool Code 98220		³ Pool Name PURPLE SAGE; WOLFCAMP	
⁴ Property Code 329988		⁵ Property Name TAILS CC 10_3 FED COM			⁶ Well Number 33H
⁷ OGRID No. 16696		⁸ Operator Name OXY USA INC			⁹ Elevation 2942'

¹⁰ Surface Location

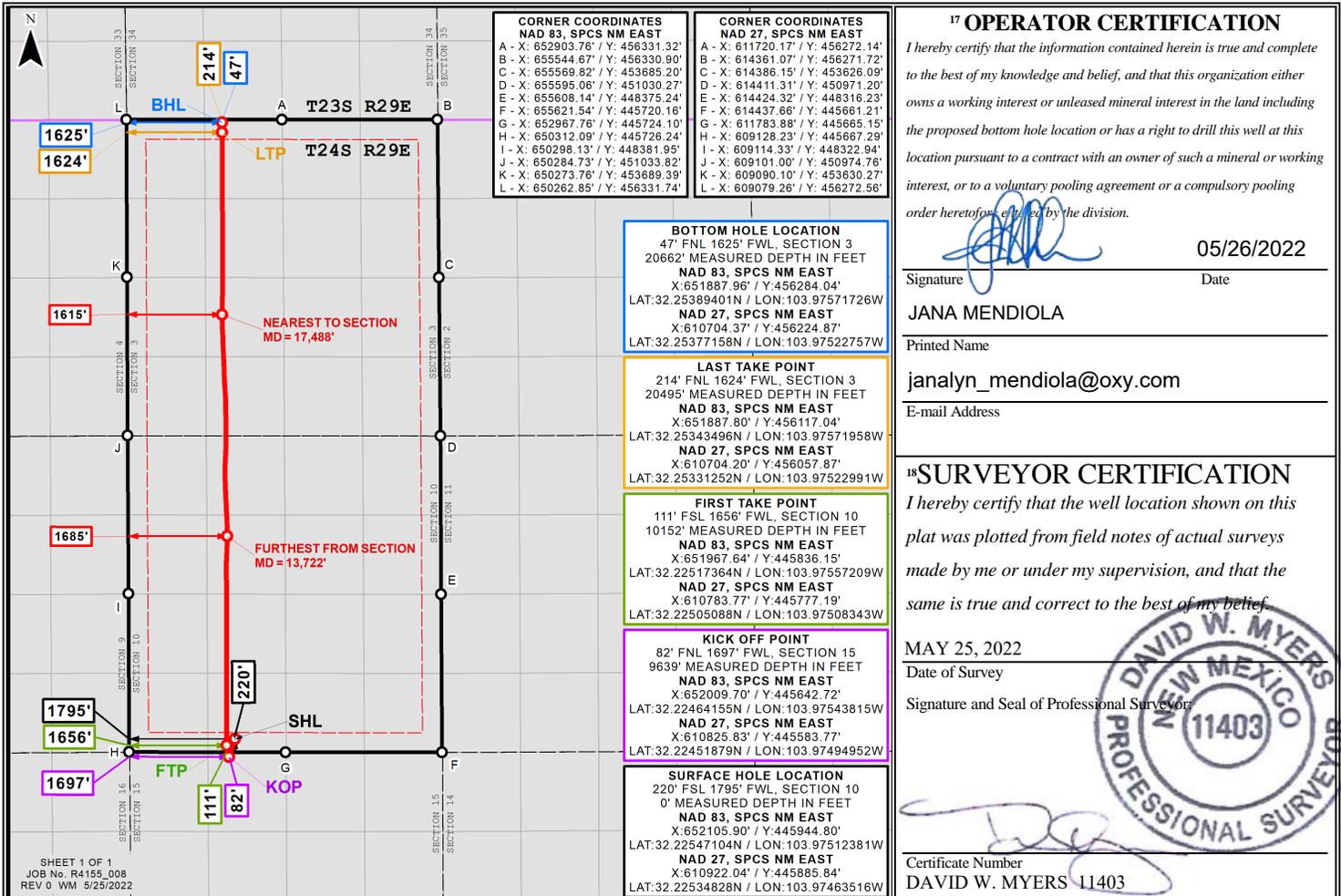
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
N	10	24S	29E	N	220	SOUTH	1795	WEST	EDDY

¹¹ 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
C E-3	3	24S	29E	3	47	NORTH	1625	WEST	EDDY

¹² Dedicated Acres 1278.62	¹³ Joint or Infill	¹⁴ Consolidation Code	¹⁵ Order No. NSL-8243
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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.



Distances/areas relative to NAD 83 Combined Scale Factor: 0.999778625 Convergence Angle: 00°11'10.650012"

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AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION AS-DRILLED PLAT

¹ API Number 30-015-48959	² Pool Code 98220	³ Pool Name PURPLE SAGE; WOLFCAMP
⁴ Property Code 329988	Property Name TAILS CC 10_3 FEDERAL COM	
⁶ Well Number 34H	⁹ Elevation 2940'	
⁷ OGRID No. 16696	⁸ Operator Name OXY USA INC	

¹⁰ Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
O	10	24S	29E		220	SOUTH	1740	EAST	EDDY

¹¹ 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
L 2	3	24S	29E		47	NORTH	1688	EAST	EDDY

¹² Dedicated Acres 1278.62	¹³ Joint or Infill	¹⁴ Consolidation Code	¹⁵ Order No. NSL-8244
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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.

CORNER COORDINATES NAD 83, SPCS NM EAST
A - X: 652903.76' / Y: 456331.32'
B - X: 655544.67' / Y: 456330.90'
C - X: 655569.82' / Y: 453685.20'
D - X: 655595.08' / Y: 451030.27'
E - X: 655608.14' / Y: 448375.24'
F - X: 655621.54' / Y: 445720.18'
G - X: 652967.76' / Y: 445724.10'
H - X: 650312.09' / Y: 445726.24'
I - X: 650298.13' / Y: 448381.95'
J - X: 650284.73' / Y: 451033.82'
K - X: 650273.76' / Y: 453689.39'
L - X: 650262.85' / Y: 456331.74'

CORNER COORDINATES NAD 27, SPCS NM EAST
A - X: 611720.17' / Y: 456272.14'
B - X: 614361.07' / Y: 456271.72'
C - X: 614386.15' / Y: 453628.09'
D - X: 614411.31' / Y: 450971.20'
E - X: 614424.32' / Y: 448316.23'
F - X: 614437.66' / Y: 445881.21'
G - X: 611783.88' / Y: 445665.15'
H - X: 609128.23' / Y: 445667.29'
I - X: 609114.33' / Y: 448322.94'
J - X: 609101.00' / Y: 450974.76'
K - X: 609090.10' / Y: 453630.27'
L - X: 609079.26' / Y: 456272.56'

BOTTOM HOLE LOCATION
47' FNL 1688' FEL, SECTION 3
20562' MEASURED DEPTH IN FEET
NAD 83, SPCS NM EAST
X: 653857.23' / Y: 456284.62'
LAT: 32.25387742N / LON: 103.96934703W
NAD 27, SPCS NM EAST
X: 612673.63' / Y: 456225.45'
LAT: 32.25375496N / LON: 103.96885750W

LAST TAKE POINT
180' FNL 1684' FEL, SECTION 3
20428' MEASURED DEPTH IN FEET
NAD 83, SPCS NM EAST
X: 653862.63' / Y: 456150.74'
LAT: 32.25350936N / LON: 103.96933104W
NAD 27, SPCS NM EAST
X: 612679.03' / Y: 456091.57'
LAT: 32.25338690N / LON: 103.96884152W

FIRST TAKE POINT
152' FSL 1662' FEL, SECTION 10
10127' MEASURED DEPTH IN FEET
NAD 83, SPCS NM EAST
X: 653958.47' / Y: 445874.46'
LAT: 32.22526057N / LON: 103.96913375W
NAD 27, SPCS NM EAST
X: 612774.59' / Y: 445815.51'
LAT: 32.22513780N / LON: 103.96864526W

KICK OFF POINT
100' FNL 1682' FEL, SECTION 15
9506' MEASURED DEPTH IN FEET
NAD 83, SPCS NM EAST
X: 653939.74' / Y: 445622.82'
LAT: 32.22456902N / LON: 103.96919705W
NAD 27, SPCS NM EAST
X: 612755.86' / Y: 445563.87'
LAT: 32.22444623N / LON: 103.96870859W

SURFACE HOLE LOCATION
220' FSL 1740' FEL, SECTION 10
0' MEASURED DEPTH IN FEET
NAD 83, SPCS NM EAST
X: 653880.30' / Y: 445942.80'
LAT: 32.22454915N / LON: 103.96938577W
NAD 27, SPCS NM EAST
X: 612696.43' / Y: 445883.84'
LAT: 32.22532637N / LON: 103.96889727W

17 OPERATOR CERTIFICATION
I hereby certify that the information contained 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 a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by this division.
Signature: *[Signature]* Date: 06/02/2022
Signature: JANA MENDIOLA
Printed Name: janalyn_mendiola@oxy.com
E-mail Address: janalyn_mendiola@oxy.com

18 SURVEYOR CERTIFICATION
I hereby certify that the well surface location shown on this plat was plotted from field notes of the as-staked surveys made by me or under my supervision, and that the same is true and correct to the best of my belief. Data used for underground measurements were provided by others for reference only and does not constitute field measurements performed by R-Squared Global.
Date of Survey: JUNE 1, 2022
Signature and Seal of Professional Surveyor: *[Signature]*
Certificate Number: DAVID W. MYERS 11403

Distances/areas relative to NAD 83 Combined Scale Factor: 0.99978625 Convergence Angle: 00°11'10.650012"

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Santa Fe, NM 87505

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AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION AS-DRILLED PLAT

¹ API Number 30-015-48965	² Pool Code 98220	³ Pool Name PURPLE SAGE; WOLFCAMP
⁴ Property Code 329988	Property Name TAILS CC 10_3 FEDERAL COM	
⁷ OGRID No. 16696	⁸ Operator Name OXY USA INC	
		⁶ Well Number 35H
		⁹ Elevation 2940'

¹⁰ Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
O	10	24S	29E		220	SOUTH	1705	EAST	EDDY

¹¹ 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
L 1	3	24S	29E		157	NORTH	1031	EAST	EDDY

¹² Dedicated Acres 1278.62	¹³ Joint or Infill	¹⁴ Consolidation Code	¹⁵ Order No. NSL-8245
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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.

CORNER COORDINATES NAD 83, SPCS NM EAST

A - X: 652903.76' / Y: 456331.32'
B - X: 655544.67' / Y: 456330.90'
C - X: 655569.82' / Y: 453685.20'
D - X: 655595.06' / Y: 451030.27'
E - X: 655608.14' / Y: 448375.24'
F - X: 655621.54' / Y: 445720.16'
G - X: 652967.78' / Y: 445724.10'
H - X: 650312.09' / Y: 445726.24'
I - X: 650298.13' / Y: 448381.95'
J - X: 650284.73' / Y: 451033.82'
K - X: 650273.76' / Y: 453689.39'
L - X: 650262.85' / Y: 456331.74'

CORNER COORDINATES NAD 27, SPCS NM EAST

A - X: 611720.17' / Y: 456272.14'
B - X: 614361.07' / Y: 456271.72'
C - X: 614386.15' / Y: 453626.09'
D - X: 614411.31' / Y: 450971.20'
E - X: 614424.32' / Y: 448316.23'
F - X: 614437.66' / Y: 445661.21'
G - X: 611783.88' / Y: 445665.15'
H - X: 609128.23' / Y: 445667.29'
I - X: 609114.33' / Y: 448322.94'
J - X: 609101.00' / Y: 450974.76'
K - X: 609090.10' / Y: 453630.27'
L - X: 609079.26' / Y: 456272.56'

BOTTOM HOLE LOCATION
157' FNL 1031' FEL, SECTION 3
20750' MEASURED DEPTH IN FEET
NAD 83, SPCS NM EAST
X: 654514.75' / Y: 456174.43'
LAT: 32.25356838N / LON: 103.96722130W
NAD 27, SPCS NM EAST
X: 613331.15' / Y: 456115.26'
LAT: 32.25344591N / LON: 103.96673183W

LAST TAKE POINT
257' FNL 1020' FEL, SECTION 3
20649' MEASURED DEPTH IN FEET
NAD 83, SPCS NM EAST
X: 654526.61' / Y: 456074.13'
LAT: 32.25329255N / LON: 103.96718405W
NAD 27, SPCS NM EAST
X: 613343.00' / Y: 456014.96'
LAT: 32.25317008N / LON: 103.96669460W

FIRST TAKE POINT
106' FSL 1036' FEL, SECTION 10
10348' MEASURED DEPTH IN FEET
NAD 83, SPCS NM EAST
X: 654584.48' / Y: 445827.46'
LAT: 32.22512551N / LON: 103.96710987W
NAD 27, SPCS NM EAST
X: 613400.60' / Y: 445768.50'
LAT: 32.22500272N / LON: 103.96662145W

KICK OFF POINT
177' FNL 1218' FEL, SECTION 15
9628' MEASURED DEPTH IN FEET
NAD 83, SPCS NM EAST
X: 654404.48' / Y: 445545.12'
LAT: 32.22435108N / LON: 103.96769506W
NAD 27, SPCS NM EAST
X: 613220.59' / Y: 445486.17'
LAT: 32.22422829N / LON: 103.96720665W

SURFACE HOLE LOCATION
220' FSL 1705' FEL, SECTION 10
0' MEASURED DEPTH IN FEET
NAD 83, SPCS NM EAST
X: 653915.30' / Y: 445942.80'
LAT: 32.22544882N / LON: 103.96927259W
NAD 27, SPCS NM EAST
X: 612731.43' / Y: 445883.84'
LAT: 32.22532604N / LON: 103.96878409W

¹⁷ OPERATOR CERTIFICATION

I hereby certify that the information contained 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 a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.

Date: **06/02/2022**

Signature: **JANA MENDIOLA**
Printed Name: **janaly_n_mendiola@oxy.com**
E-mail Address:

¹⁸ SURVEYOR CERTIFICATION

I hereby certify that the well surface location shown on this plat was plotted from field notes of the as-staked surveys made by me or under my supervision, and that the same is true and correct to the best of my belief. Data used for underground measurements were provided by others for reference only and does not constitute field measurements performed by R-Squared Global.

Date of Survey: **JUNE 1, 2022**
Signature and Seal of Professional Surveyor:

Certificate Number: **DAVID W. MYERS 11403**

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AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION AS-DRILLED PLAT

¹ API Number 30-015-48964		² Pool Code 98220		³ Pool Name PURPLE SAGE; WOLFCAMP	
⁴ Property Code 329988		Property Name TAILS CC 10_3 FEDERAL COM			⁶ Well Number 36H
⁷ OGRID No. 16696		⁸ Operator Name OXY USA INC			⁹ Elevation 2939'

¹⁰ Surface Location

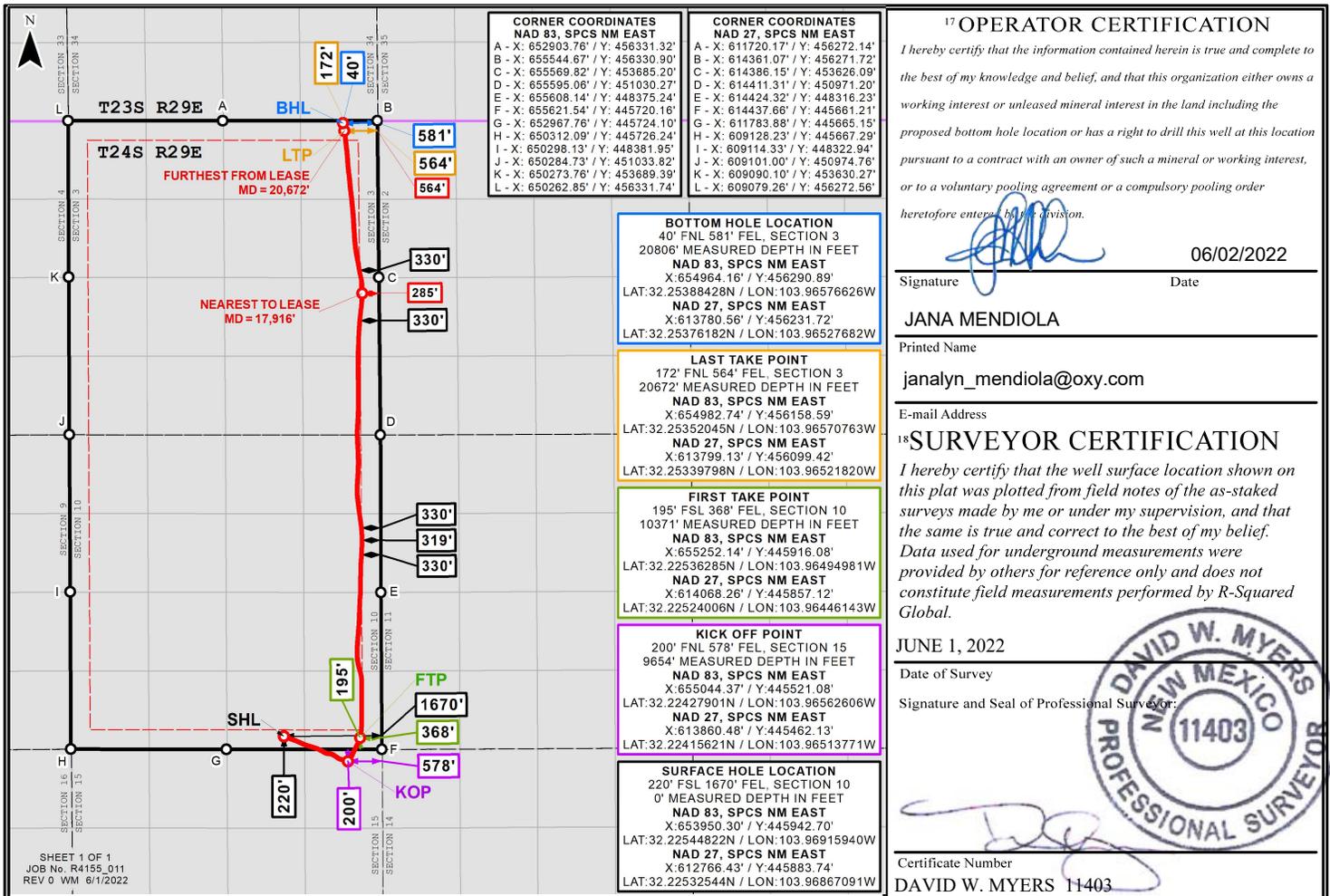
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
O	10	24S	29E		220	SOUTH	1670	EAST	EDDY

¹¹ 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
L 1	3	24S	29E		40	NORTH	581	EAST	EDDY

¹² Dedicated Acres 1278.62	¹³ Joint or Infill	¹⁴ Consolidation Code	¹⁵ Order No. NSL-8250
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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.



Distances/areas relative to NAD 83 Combined Scale Factor: 0.99978625 Convergence Angle: 00°11'10.650012"

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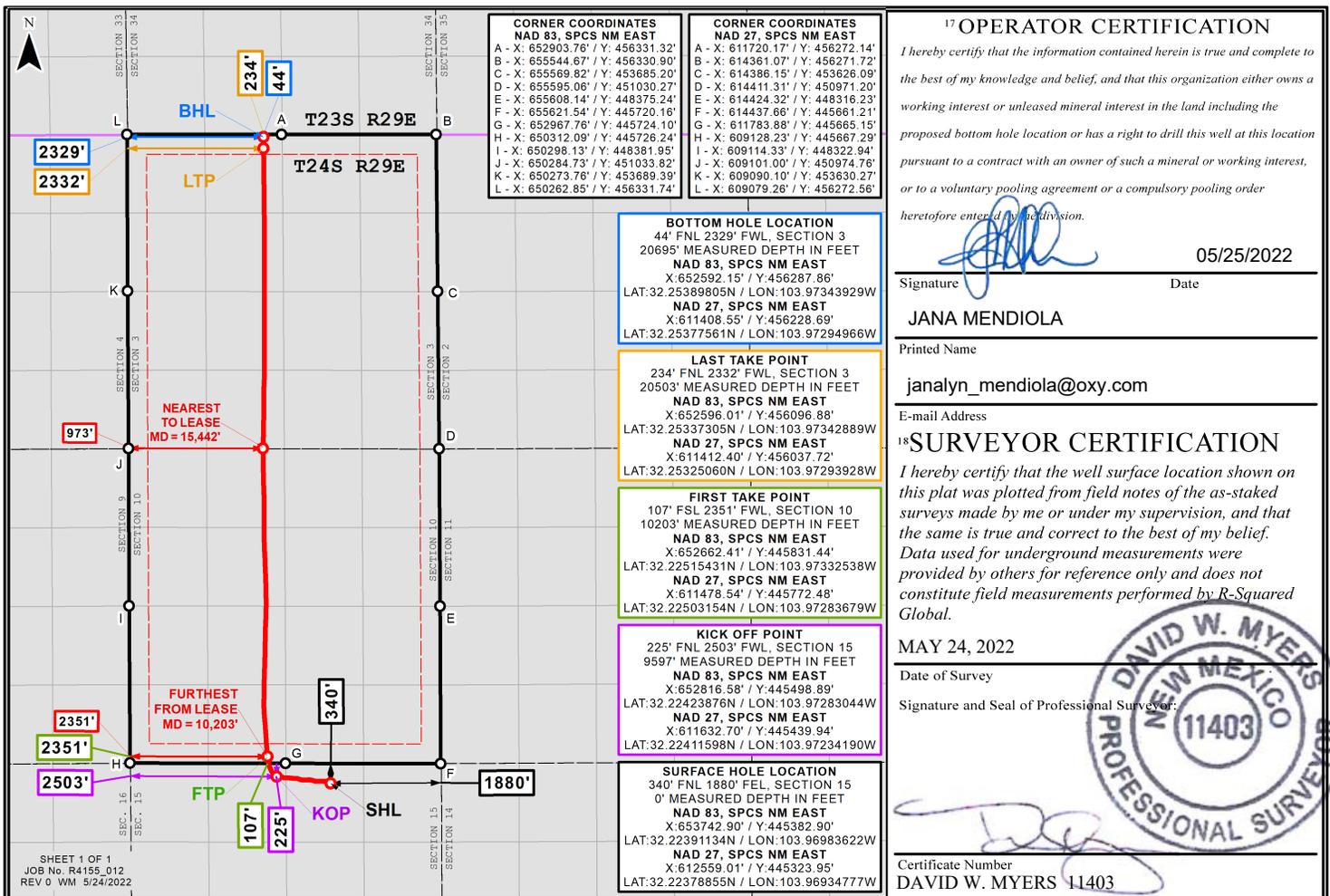
WELL LOCATION AND ACREAGE DEDICATION AS-DRILLED PLAT

¹ API Number 30-015-48877		² Pool Code 98220		³ Pool Name PURPLE SAGE; WOLFCAMP	
⁴ Property Code 329988		Property Name TAILS CC 10_3 FED COM			⁶ Well Number 38H
⁷ OGRID No. 16696		⁸ Operator Name OXY USA INC			⁹ Elevation 2938'

¹⁰ 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	24S	29E		340	NORTH	1880	EAST	EDDY
¹¹ 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
L 3	3	24S	29E		44	NORTH	2329	WEST	EDDY
¹² Dedicated Acres 1278.62		¹³ Joint or Infill		¹⁴ Consolidation Code		¹⁵ Order No. NSL-8251			

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.



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AMENDED REPORT

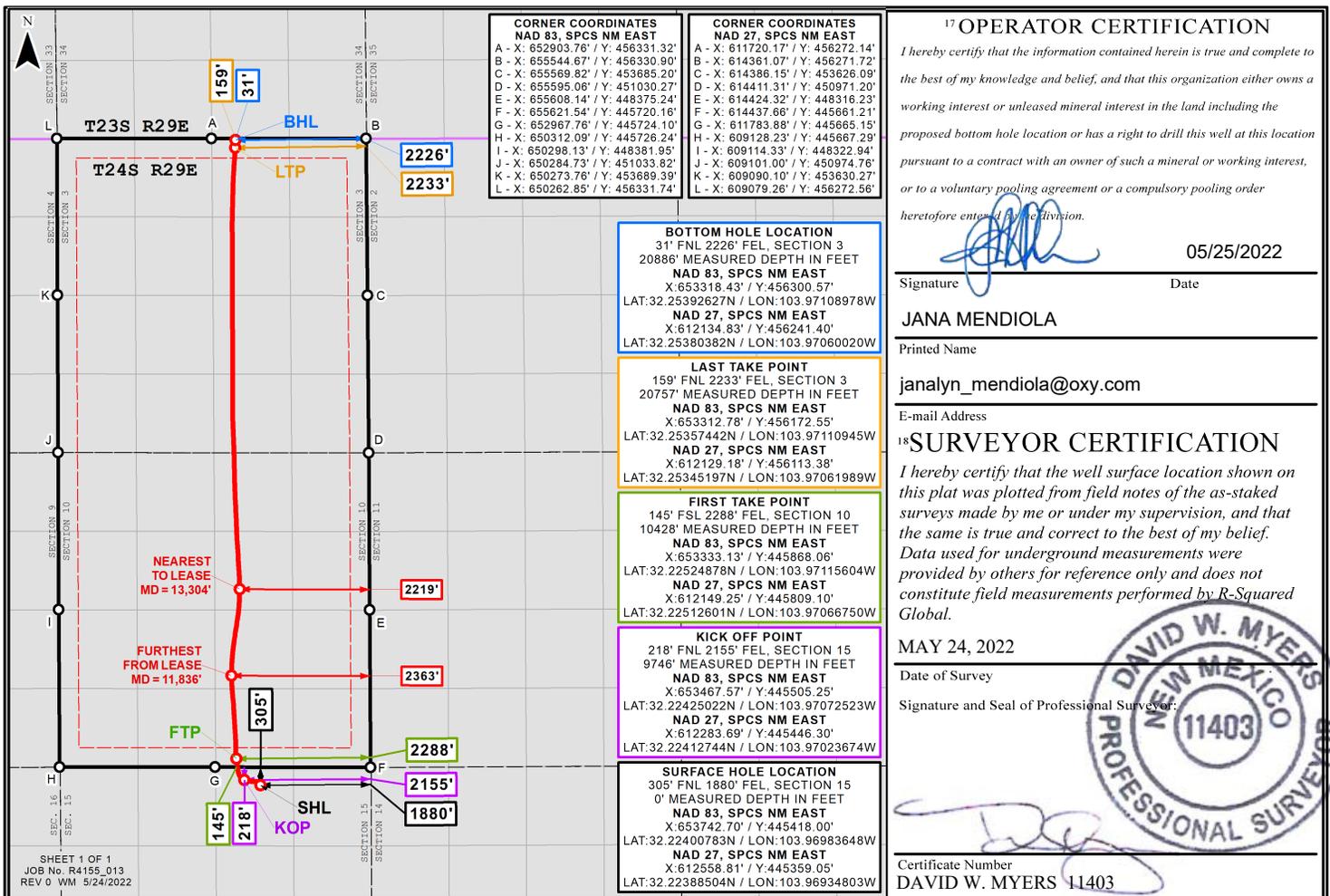
WELL LOCATION AND ACREAGE DEDICATION AS-DRILLED PLAT

¹ API Number 30-015-48930		² Pool Code 98220		³ Pool Name PURPLE SAGE; WOLFCAMP	
⁴ Property Code 329988		Property Name TAILS CC 10_3 FED COM			⁶ Well Number 312H
⁷ OGRID No. 16696		⁸ Operator Name OXY USA INC			⁹ Elevation 2938'

¹⁰ 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	24S	29E		305	NORTH	1880	EAST	EDDY
¹¹ 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
B 12--	3	24S	29E		31	NORTH	2226	EAST	EDDY
¹² Dedicated Acres 1278.62		¹³ Joint or Infill		¹⁴ Consolidation Code		¹⁵ Order No. NSL-8246			

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.



Distances/areas relative to NAD 83 Combined Scale Factor: 0.99978625 Convergence Angle: 00°11'10.650012"

NMNM 85891

NMNM 59385

NMNM 53373

EDDY 24S 29E

NEW MEXICO

NMNM 81616
(Tract being pooled)

Fee Lease

BEFORE THE OIL CONSERVATION DIVISION

Santa Fe, New Mexico

Exhibit No. C2

Submitted by: OXY USA INC.

Hearing Date: February 2, 2023

Case No.23322

Tails Compulsory Pooling Contact Log

11/30/2022

- Researched MBR Resources, Inc. online and found Texas SOS page indicating that business no longer exists as entity. I then researched the prior officers and registered agent found on the Texas SOS page and located phone numbers/addresses for multiple parties—Michael K. Boyd, Robert B. Rosene, Jr. and Paul Sims. One additional party, Robert C. Millspaugh III, is now deceased and no further research was performed on his behalf. The telephone numbers I located were not in service so I mailed the CA packages to each of the personal addresses I located for the above three parties along with the original business address on the SRP.

**BEFORE THE OIL CONSERVATION DIVISION
Santa Fe, New Mexico
Exhibit No. C3
Submitted by: OXY USA INC.
Hearing Date: February 2, 2023
Case No.23322**

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

**APPLICATION OF OXY USA INC.
FOR COMPULSORY POOLING,
EDDY COUNTY, NEW MEXICO.**

CASE NOS. 23322

SELF-AFFIRMED STATEMENT OF SETH BRAZELL

1. My name is Seth Brazell and I am employed by OXY USA Inc. (“OXY”) as a geologist. I am familiar with the application filed by OXY in this case and have conducted a geologic study of lands in the subject area.

2. This is my first time testifying before the New Mexico Oil Conservation Division. **OXY Exhibit D-1** provides my educational background and relevant work history. I believe my credentials qualify me to testify as an expert witness in petroleum geology.

3. In this case, OXY is targeting the Wolfcamp formation.

4. **OXY Exhibit D-2** is a locator map depicting OXY’s spacing unit comprised of Sections 3 and 10 in Township 24 South, Range 29 East depicted by the red box.

5. **OXY Exhibit D-3** shows a subsea structure map that I prepared for the top of the Wolfcamp formation. The wellbore paths for the initial wells in this case are shown in the spacing unit depicted with a dashed green line. Existing offsetting producing wells in the Wolfcamp formation are also depicted. The contour intervals are at 50-foot intervals. This map shows that the Wolfcamp formation gently dips to the east. I do not observe any faulting, pinchouts, or other geologic impediments to developing the targeted intervals with horizontal wells in the area of the spacing unit.

**BEFORE THE OIL CONSERVATION DIVISION
Santa Fe, New Mexico
Exhibit No. D
Submitted by: OXY USA INC.
Hearing Date: February 2, 2023
Case No.23322**

6. **OXY Exhibit D-3** also shows cross-section lines consisting of four wells penetrating the Wolfcamp formation that I used to construct structural cross sections and a stratigraphic cross section from X to X'. I chose the logs from these wells to create the cross sections because they penetrate the targeted intervals, are of good quality, and are representative of the geology in the subject area.

7. **OXY Exhibit D-4** is a structural cross-section using the representative wells depicted in the previous exhibit for the Wolfcamp formation. The cross sections show the formation top that I used to construct the structure map in Exhibit D-3. The target intervals within the Wolfcamp formation are labeled on the exhibits. The cross-section demonstrates that the targeted intervals are continuous and consistent in thickness across the spacing unit.

8. Based on my geologic study of the area, I have not identified any geologic impediments to drilling horizontal wells in the area of the spacing unit. Horizontal drilling is the most efficient method to develop this acreage to prevent the drilling of unnecessary wells and will result in the greatest ultimate recovery.

9. In my opinion, the orientation of the wells is the preferred orientation for horizontal well development in the area and is appropriate to efficiently and effectively develop the subject acreage.

10. Based on my geologic study, the targeted intervals underlying the subject area is suitable for development by horizontal wells, and the acreage comprising the spacing unit will contribute more-or-less equally to production from the wellbores.

11. Approving OXY's applications will be in the best interest of conservation, the prevention of waste, and protection of correlative rights.

12. **OXY Exhibits D-1** through **D-4** were either prepared by me or compiled under my direction and supervision.

13. I affirm under penalty of perjury under the laws of the State of New Mexico that the foregoing statements are true and correct. I understand that this self-affirmed statement will be used as written testimony in this case. This statement is made on the date next to my signature below.



Seth Brazell

1/30/2023

Date

Seth Brazell Ph.D.

Houston, TX 77046 | 713-366-5297 | Seth_Brazell@oxy.com

Professional Summary

I am a geologist with OXY USA Inc. with over 6 years of experience in the oil and gas industry. I have held positions in research and technology, exploration, appraisal, and development while working in multiple onshore and offshore basins across the US and internationally. I specialize in reservoir characterization, sedimentology, stratigraphy and integrated outcrop, core, well log and seismic interpretation.

Education

Doctor of Philosophy, Geoscience – University of North Carolina at Chapel Hill - 2017

Master of Science, Earth Science – University of North Carolina at Charlotte – 2013

Bachelor of Science, Geology – University of North Carolina at Charlotte – 2011

Work History

OXY USA Inc. 2019 – Present

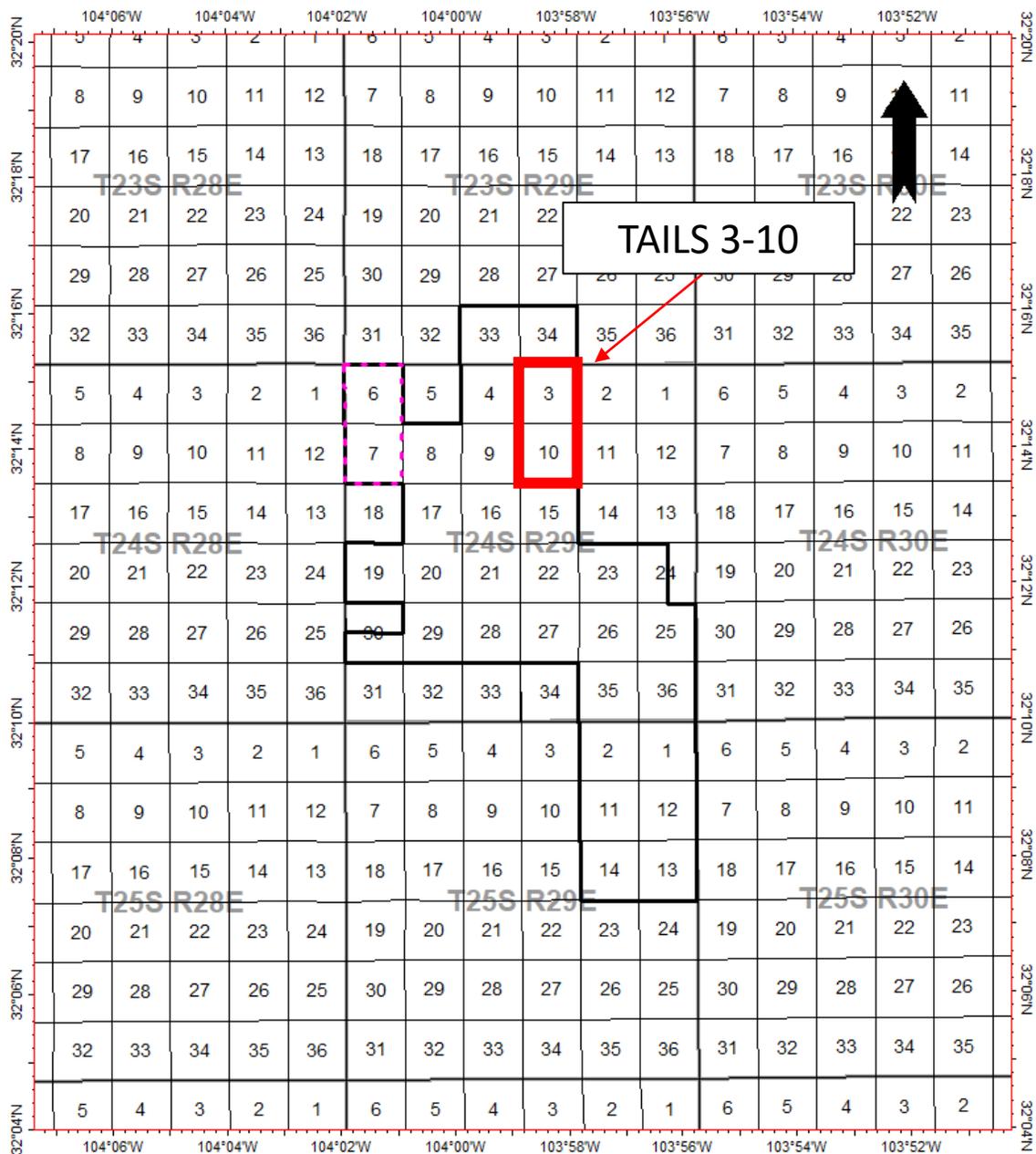
Senior Geologist – New Mexico Development

Staff Geologist – Permian Appraisal

Anadarko Petroleum Corporation 2016 – 2019

Geologist – Advanced Analytics & Emerging Technologies

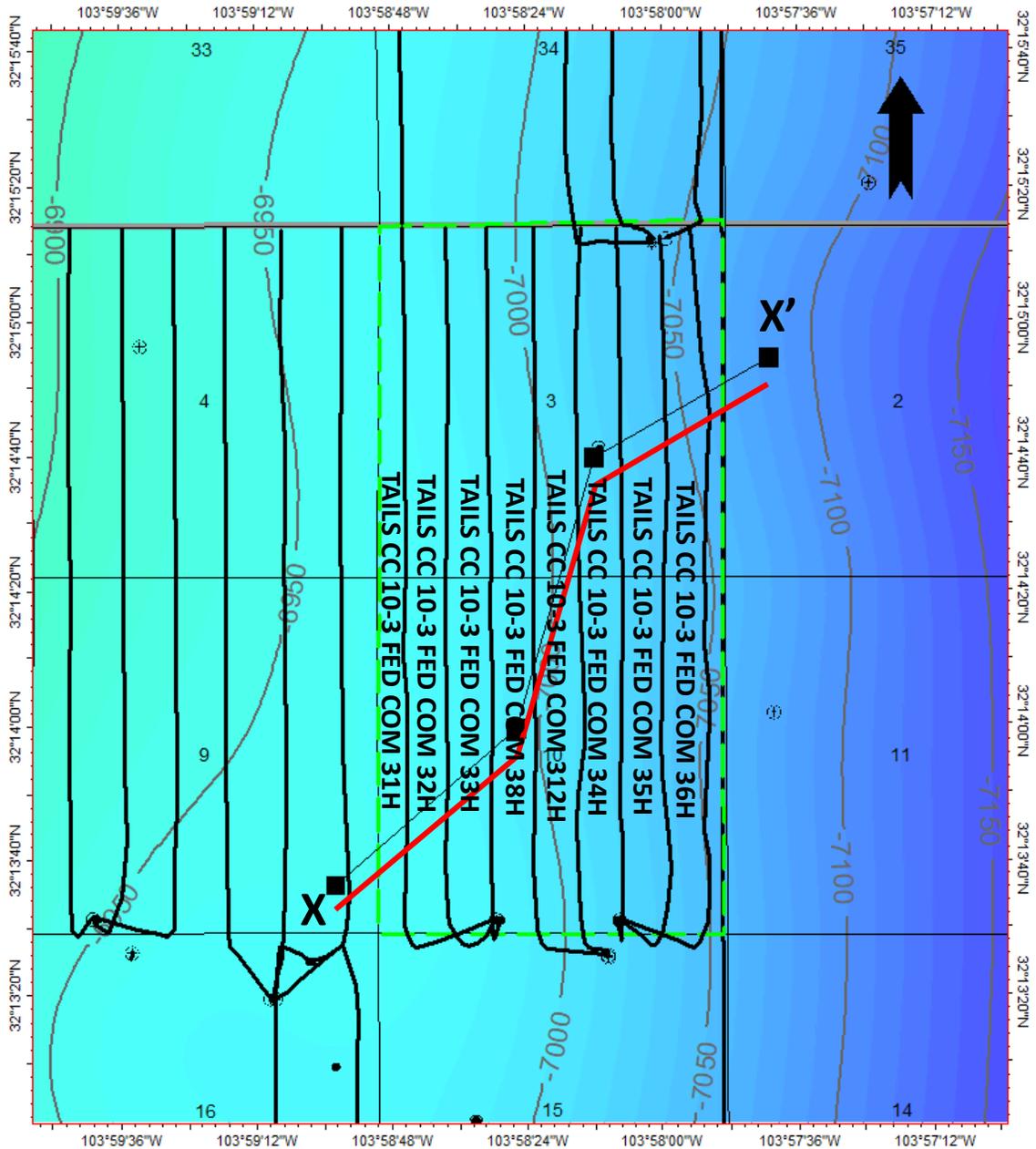
BEFORE THE OIL CONSERVATION DIVISION
Santa Fe, New Mexico
Exhibit No. D1
Submitted by: OXY USA INC.
Hearing Date: February 2, 2023
Case No.23322



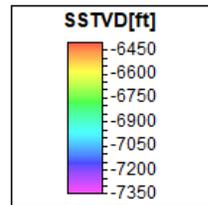
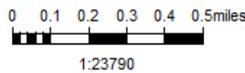
Map Info	
Location	Generated By
Eddy Co. NM	Seth Brazell
Area	Date
Cedar Canyon	01/25/2023



BEFORE THE OIL CONSERVATION DIVISION
Santa Fe, New Mexico
Exhibit No. D2
Submitted by: OXY USA INC.
Hearing Date: February 2, 2023
Case No.23322



Map Info	
Location	Generated By
Eddy Co. NM	Seth Brazell
Area	Date
Cedar Canyon	01/26/2023



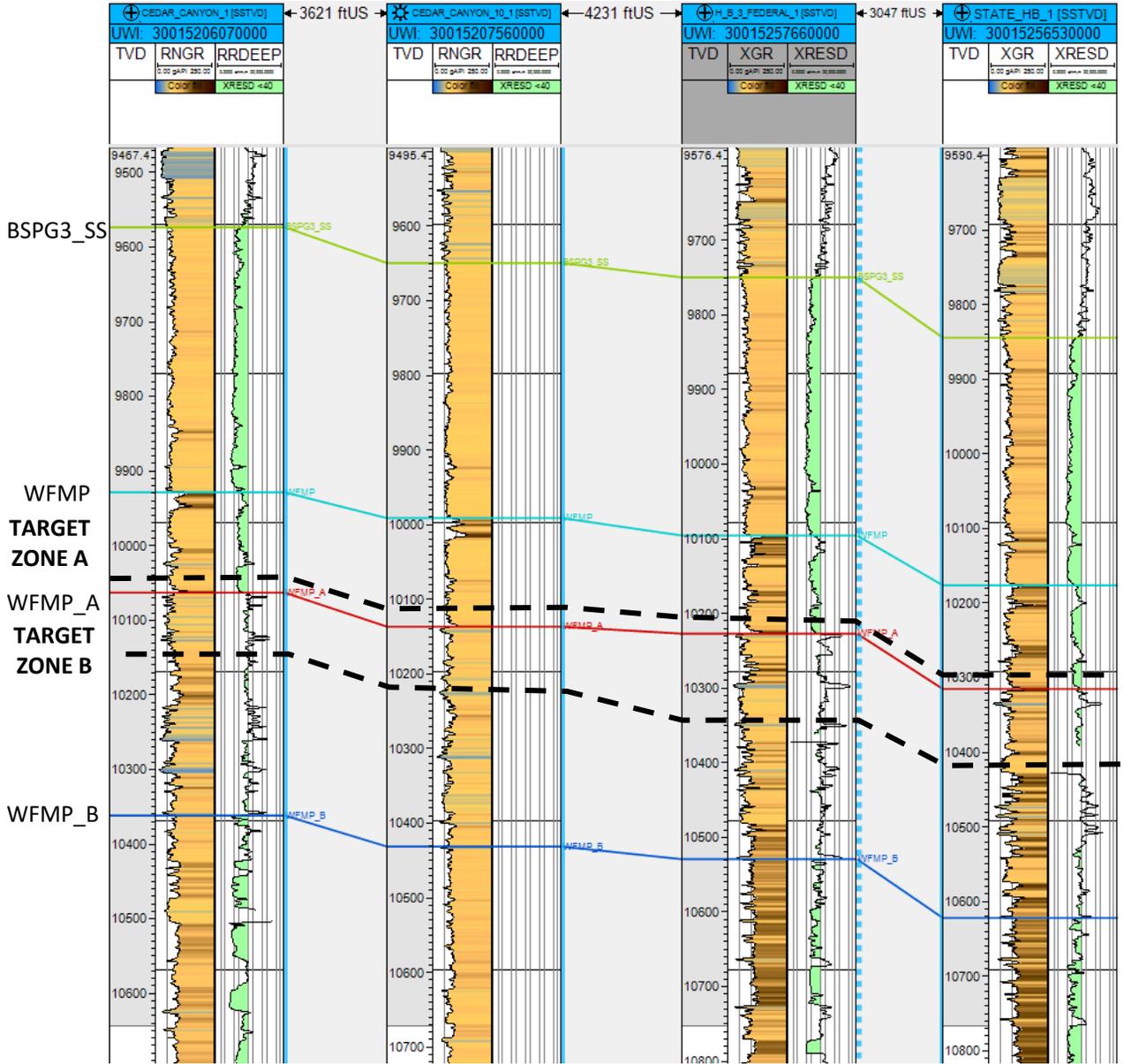
Tails DSU Wolfcamp Structure Map

BEFORE THE OIL CONSERVATION DIVISION
Santa Fe, New Mexico
Exhibit No. D3
Submitted by: OXY USA INC.
Hearing Date: February 2, 2023
Case No.23322

Tails Wolfcamp Structural Cross Section

X

X'



BEFORE THE OIL CONSERVATION DIVISION
 Santa Fe, New Mexico
 Exhibit No. D4
 Submitted by: OXY USA INC.
 Hearing Date: February 2, 2023
 Case No.23322

SUBSCRIBED AND SWORN to before me this 30th day of January, 2023 by Adam G.

Rankin.


Notary Public

My Commission Expires:

Nov. 12, 2023

STATE OF NEW MEXICO
NOTARY PUBLIC
CARLA GARCIA
COMMISSION # 1127528
COMMISSION EXPIRES 11/12/2023



Adam G. Rankin
Phone (505) 988-4421
agrarkin@hollandhart.com

January 13, 2023

VIA CERTIFIED MAIL
CERTIFIED RECEIPT REQUESTED

TO: ALL INTEREST OWNERS SUBJECT TO POOLING PROCEEDINGS

Re: Application of OXY USA Inc. for Compulsory Pooling, Eddy County, New Mexico:
Tails CC 10-3 Federal Com 31H-36H, 38H and 312H Wells

Ladies & 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 February 2, 2023, and the status of the hearing can be monitored through the Division’s website at <https://www.emnrd.nm.gov/ocd/>.

Due to the remodeling of the state building where the New Mexico Oil Conservation Division is located, hearings will be conducted remotely beginning at 8:15 a.m. To participate in the electronic hearing, see the instructions posted on the OCD Hearings website: <https://www.emnrd.nm.gov/ocd/hearing-info/>.

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 at a later date. Parties appearing in cases are required to file a Pre-hearing Statement four business days in advance of a scheduled hearing that complies with the provisions of NMAC 19.15.4.13.B.

If you have any questions about this matter, please contact Peter Van Liew, at (713) 985-6972, or Peter_VanLiew@oxy.com.

Sincerely,

Adam G. Rankin
ATTORNEY FOR OXY USA INC.

Location
110 North Guadalupe, Suite 1
Santa Fe, NM 87501-1849

Mailing Address
P.O. Box 2208
Santa Fe, NM 87504-2208

Contact
p: 505.988.4421 | f: 595.983.6043
www.hollandhart.com

Holland & Hart LLP Anchorage Aspen Billings Boise Boulder Cheyenne Denver Jackson Hole Las Vegas Reno Salt Lake City Santa Fe Washington, D.C.

Oxy - Tails NSPS
Case No. 23322 Postal Delivery Report

TrackingNo	ToName	DeliveryAddress	City	State	Zip	USPS_Status
9414811898765839697180	MBR Resources, Inc.	810 S Cincinnati Ave Ste 201	Tulsa	OK	74119-1612	Your item departed our TULSA OK DISTRIBUTION CENTER destination facility on January 27, 2023 at 12:40 am. The item is currently in transit to the destination.
9414811898765839697135	MBR Resources, Inc. c/o Michael Boyd	4012 S Yorktown Ave	Tulsa	OK	74105-3402	Your item was returned to the sender at 9:43 am on January 20, 2023 in TULSA, OK 74105 because the forwarding order for this address is no longer valid.
9414811898765839697173	MBR Resources, Inc. c/o Robert B. Rosene, Jr.	10708 S Gum St	Jenks	OK	74037-5079	Your package will arrive later than expected, but is still on its way. It is currently in transit to the next facility.
9414811898765839697319	MBR Resources, Inc. c/o Paul Sims	1201 S County Road 1072	Midland	TX	79706-5639	Your item was picked up at the post office at 11:05 am on January 25, 2023 in MIDLAND, TX 79701.

Carlsbad Current Argus.

PART OF THE USA TODAY NETWORK

Affidavit of Publication

Ad # 0005555355

This is not an invoice

HOLLAND AND HART
POBOX 2208

SANTA FE, NM 87504

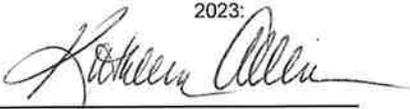
I, a legal clerk of the **Carlsbad Current Argus**, a newspaper published daily at the City of Carlsbad, in said county of Eddy, state of New Mexico and of general paid circulation in said county; that the same is a duly qualified newspaper under the laws of the State wherein legal notices and advertisements 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 in editions dated as follows:

01/17/2023

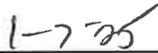


Legal Clerk

Subscribed and sworn before me this January 17, 2023:



State of WI, County of Brown
NOTARY PUBLIC



My commission expires

KATHLEEN ALLEN
Notary Public
State of Wisconsin

Ad # 0005555355
PO #: Case No. 23322
of Affidavits: 1

This is not an invoice

BEFORE THE OIL CONSERVATION DIVISION
Santa Fe, New Mexico
Exhibit No. F
Submitted by: OXY USA INC.
Hearing Date: February 2, 2023
Case No.23322

STATE OF NEW MEXICO
ENERGY, MINERALS AND NATURAL RESOURCES
DEPARTMENT
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, February 2, 2023, beginning at 8:15 a.m.** To participate in the electronic hearing, see the instructions posted below. The docket may be viewed at <https://www.emnrd.nm.gov/ocd/hearing-info/> or obtained from Marlene Salvidrez, at Marlene.Salvidrez@emnrd.nm.gov. Documents filed in the case may be viewed at <https://ocdimage.emnrd.nm.gov/Imaging/Default.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@emnrd.nm.gov, or the New Mexico Relay Network at 1-800-659-1779, no later than **January 22, 2023**.

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

<https://nmemnrd.webex.com/nmemnrd/j.php?MTID=m334a963c67adc50993a4f8b1f3e03b53>
Webinar number: : 2481 748 1966
Panelist password: G3xRc2Bq6Jp (43972227 from phones and video systems)

Join by video system: 24817481966@nmemnrd.webex.com
You can also dial 173.243.2.68 and enter your webinar number

Join by phone: 1-844-992-4726 United States Toll Free
+1-408-418-9388 United States Toll
Access code: 2481 748 1966

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 interest owners subject to pooling proceedings, including: MBR Resources, Inc. c/o Michael Boyd, Robert B. Rosene, Jr., and Paul Sims.

Case No. 23322: Application of OXY USA Inc. for Compulsory Pooling, Eddy County, New Mexico. Applicant seeks an order pooling all uncommitted mineral owners in the Wolfcamp formation underlying a standard 1,278.62-acre, more or less, horizontal well spacing unit comprised of Sections 3 and 10 all within Township 24 South, Range 29 East (NMPM), Eddy County New Mexico. Oxy seeks to initially dedicate the proposed standard horizontal well spacing unit to the following drilled and completed wells:

•the Tails CC 10-3 Federal Com 31H, 32H, and 33H Wells which have been drilled from a common surface location in the SE/4 SW/4 (Unit N) of Section 10 to bottomhole locations in the NE/4 NW/4 (Unit C) and the NW/4 NW/4 (Unit D) of Section 3;

•the Tails CC 10-3 Federal Com 34H, 35H, and 36H Wells which have been drilled from a common surface location in the SW/4 SE/4 (Unit O) of Section 10 to bottomhole locations in the NW/4 NE/4 (Unit B) and NE/4 NE/4 (Unit A) of Section 3; and

•the Tails CC 10-3 Federal Com 38H and 312H Wells which have been drilled from a common surface location in the NW/4 NE/4 (Unit B) of Section 15 to bottomhole locations in the NE/4 NW/4 (Unit C) and the NW/4 NE/4 (Unit B) of Section 3.

Also, to be considered will be the cost of drilling and completing the wells and the allocation of the costs thereof, operating costs and charges for supervision, the designation of applicant as operator, and a 200% charge for risk involved in drilling and completing the wells. Said area is approximately 8 miles southeast of Loving, New Mexico.
#555355, Current Argus, January 17, 2023