

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

**IN THE MATTER OF APPLICATION FOR
COMPULSORY POOLING AND A NON-STANDARD
HORIZONTAL SPACING UNIT SUBMITTED BY
OXY USA, INC.**

**CASE NO. 26143
ORDER NO. R-22683-A**

ORDER

The Director of the New Mexico Oil Conservation Division (“OCD”), having heard this matter through a Hearing Examiner on June 30 and July 9, 2026, and after considering the testimony, evidence, and recommendation of the Hearing and Technical Examiners, issues the following Order.

FINDINGS OF FACT

1. Oxy USA, Inc. (“Oxy”) submitted an application (“Application”) to amend Order No. R-22683 to correct its included pool and vertical extent.
2. On May 12, 2023, Order No. R-22683 was issued and compulsory pooled the uncommitted oil and gas interests in the Wolfcamp Formation underlying all of Sections 4 and 9, Township 22 South, Range 32 East in Lea County, N.M.P.M. (“Unit”) and granted approval of a non-standard horizontal spacing unit for the Unit.
3. The pool included within Order No. R-22683 is the WC-025 G-08 S223219D;WOLFCAMP pool (Pool Code: 98296) which is not present within the Unit. The Wolfcamp Formation within the Unit is subdivided into the Upper and Lower Wolfcamp subsets of the Wolfcamp Formation. Oxy testified that the dedicated wells for the Unit are completed above the base of the Wolfcamp A within the Wolfcamp Formation. The appropriate pool for Oxy’s dedicated wells is the WC-025 G-09 S233216K;UPR WOLFCAMP pool (Pool Code: 98166) which includes only the Upper Wolfcamp subset of the Wolfcamp Formation, the base of which is the Wolfcamp A within the Wolfcamp Formation.
4. Oxy requests within its Application to amend Order No. R-22683 to exclude the WC-025 G-08 S223219D;WOLFCAMP pool (Pool Code: 98296) and to now include the WC-025 G-09 S233216K;UPR WOLFCAMP pool (Pool Code: 98166). Additionally, Oxy requests to contract the vertical extent of the Unit to now exclude the Lower Wolfcamp subset of the Wolfcamp Formation.

5. Approval of a non-standard horizontal spacing unit that applies to the WC-025 G-08 S223219D;WOLFCAMP pool (Pool Code: 98296) was granted for the Unit through Order No. R-22683.
6. On February 13, 2026, Oxy submitted an administrative application requesting approval of a non-standard horizontal spacing unit that applies to the WC-025 G-09 S233216K;UPR WOLFCAMP pool (Pool Code: 98166) (“NSP Application”). Oxy provided sufficient notice of the NSP Application.
7. With Oxy’s requested amendments to Order No. R-22683, the uncommitted oil and gas interests in the Upper Wolfcamp subset of the Wolfcamp Formation underlying all of Sections 4 and 9, Township 22 South, Range 32 East, N.M.P.M. will be compulsory pooled in the amended Unit and approval of a non-standard horizontal spacing unit that includes the WC-025 G-09 S233216K;UPR WOLFCAMP pool (Pool Code: 98166) will be granted for the amended Unit.
8. The Unit consists of a non-standard horizontal spacing unit because it includes quarter-quarter sections that do not contain or are within 330’ of the completed lateral of a single well in accordance with 19.15.16.15(B)(1) NMAC. The NSP Application has been included within the case file for the Application and will be reviewed by OCD as a part of its review of the Application.
9. The Application was heard by the Hearing Examiner on the date specified above, during which Oxy presented evidence through affidavits in support of the Application. No other party presented evidence at the hearing.

CONCLUSIONS OF LAW

1. OCD has jurisdiction to issue this Order pursuant to NMSA 1978, Section 70-2-17 and 70-2-18(C).
2. Oxy satisfied the notice requirements for the Application and the hearing as required by 19.15.4.12 NMAC.
3. Oxy has met the notice requirements for approval of non-standard horizontal spacing units in accordance with 19.15.16.15(B)(5) NMAC.
4. OCD satisfied the notice requirements for the hearing as required by 19.15.4.9 NMAC.
5. Approval of the NSP Application promotes effective well spacing and allows Oxy to reduce surface disturbance, efficiently locate surface facilities, and reduce development costs, and therefore prevents waste and protects correlative rights.

6. This Order affords to the owner of an uncommitted interest the opportunity to produce his just and equitable share of the oil or gas in the pool.

ORDER

1. The Unit is now contracted to exclude the Lower Wolfcamp subset of the Wolfcamp Formation. The now amended Unit will include only the Upper Wolfcamp subset of the Wolfcamp Formation underlying all of Sections 4 and 9, Township 22 South, Range 32 East, N.M.P.M., Lea County, New Mexico.
2. The Exhibit A included with Order No. R-22683 is replaced by the amended R-22683-A Exhibit A included with this Order.
3. The Unit approved through Order No. R-22683 is amended to now include the correct pool as described in the amended R-22683-A Exhibit A.
4. The NSP Application submitted on February 13, 2026, is approved, and such approval is incorporated into this Order.
5. This Order supersedes the non-standard horizontal spacing unit granted in Order No. R-22683 to the extent it applied to the incorrect pool.
6. The non-standard horizontal spacing unit approved through Order No. R-22683 is amended to now apply to the correct pool as described in the amended R-22683-A Exhibit A.
7. The remaining provisions of Order No. R-22683 are in full force and effect.
8. OCD retains jurisdiction of this matter for the entry of such orders as may be deemed necessary.

**STATE OF NEW MEXICO
OIL CONSERVATION DIVISION**



ALBERT CHANG
DIRECTOR
AC/dm

Date: 07/24/2026

R-22683-A EXHIBIT A

COMPULSORY POOLING APPLICATION CHECKLIST	
ALL INFORMATION IN THE APPLICATION MUST BE SUPPORTED BY SIGNED AFFIDAVITS	
Case: 26143	APPLICANT'S RESPONSE
Date	July 9, 2026
Applicant	OXY U.S.A. Inc.
Designated Operator & OGRID (affiliation if applicable)	OGRID No. 16696
Applicant's Counsel:	Holland & Hart LLP
Case Title:	APPLICATION OF OXY USA INC. FOR COMPULSORY POOLING, LEA COUNTY, NEW MEXICO.
Entries of Appearance/Intervenors:	N/A
Well Family	Gold Log 4_9 Fed Com
Formation/Pool	
Formation Name(s) or Vertical Extent:	Wolfcamp
Primary Product (Oil or Gas):	Oil
Pooling this vertical extent:	Upper Wolfcamp formation
Pool Name and Pool Code:	WC-025-G-09 S233216K; UPR Wolfcamp (98166)
Well Location Setback Rules:	Statewide
Spacing Unit	
Type (Horizontal/Vertical)	Horizontal
Size (Acres)	1,279.16, more or less
Building Blocks:	40 acres
Orientation:	north-south
Description: TRS/County	Sections 4 and 9, Township 22 South, Range 32 East, NMPM, Lea County, New Mexico.
Standard Horizontal Well Spacing Unit (Y/N), If No, describe and is approval of non-standard unit requested in this application?	No; Sections 4 and 9, Township 22 South, Range 32 East, NMPM, Lea County, New Mexico. Approval is requested in this application.
Other Situations	
Depth Severance: Y/N. If yes, description	N/A
Proximity Tracts: If yes, description	N/A
Proximity Defining Well: if yes, description	N/A
Applicant's Ownership in Each Tract	Exhibit C-3
Well(s)	
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	Gold Log 4_9 Fed Com 32H (API No. 30-025-52187) SHL: 609 FNL, 1,284 FWL (Lot 4), Sec. 4, T22S, R32E BHL: 20 FSL, 1,355 FWL (Unit N), Sec. 9, T22S, R32E Completion Target: Wolfcamp Orientation: north to south Completion Status: Expected to be standard

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Well #2	Gold Log 4_9 Fed Com 33H (API No. 30-025-52188) SHL: 609 FNL, 1,314 FWL (Lot 4), Sec. 4, T22S, R32E BHL: 20 FSL, 2,280 FWL (Unit N), Sec. 9, T22S, R32E Completion Target: Wolfcamp Orientation: north to south Completion Status: Expected to be standard
Well #3	Gold Log 4_9 Fed Com 34H (API No. 30-025-52189) SHL: 606 FNL, 1,646 FEL (Lot 2), Sec. 4, T22S, R32E BHL: 20 FSL, 2,180 FEL (Unit O), Sec. 9, T22S, R32E Completion Target: Wolfcamp Orientation: north to south Completion Status: Expected to be standard
Well #4	Gold Log 4_9 Fed Com 35H (API No. 30-025-52186) SHL: 606 FNL, 1,586 FEL (Lot 2), Sec. 4, T22S, R32E BHL: 20 FSL, 330 FEL (Unit P), Sec. 9, T22S, R32E Completion Target: Wolfcamp Orientation: north to south Completion Status: Expected to be standard
Well #5	Gold Log 4_9 Fed Com 311H (API No. 30-025-52225) SHL: 608 FNL, 1,254 FWL (Lot 4), Sec. 4, T22S, R32E BHL: 20 FSL, 540 FWL (Unit M), Sec. 9, T22S, R32E Completion Target: Wolfcamp Orientation: north to south Completion Status: Expected to be standard
Well #6	Gold Log 4_9 Fed Com 313H (API No. 30-025-52192) SHL: 606 FNL, 1,616 FEL (Lot 2), Sec. 4, T22S, R32E BHL: 20 FSL, 1,155 FEL (Unit P), Sec. 9, T22S, R32E Completion Target: Wolfcamp Orientation: north to south Completion Status: Expected to be standard
Horizontal Well First and Last Take Points	Exhibit C-4
Completion Target (Formation, TVD and MD)	Exhibit C-4
AFE Capex and Operating Costs	
Drilling Supervision/Month \$	\$8,500
Production Supervision/Month \$	\$850
Justification for Supervision Costs	Exhibit C
Requested Risk Charge	200%
Notice of Hearing	
Proposed Notice of Hearing	Exhibit B
Proof of Mailed Notice of Hearing (20 days before hearing)	Exhibit F
Proof of Published Notice of Hearing (10 days before hearing)	Exhibit G
Ownership Determination	

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Land Ownership Schematic of the Spacing Unit	Exhibit C-3
Tract List (including lease numbers and owners)	Exhibit C-3
If approval of Non-Standard Spacing Unit is requested, Tract List (including lease numbers and owners) of Tracts subject to notice requirements.	Exhibit C-6
Pooled Parties (including ownership type)	Exhibit C-3
Unlocatable Parties to be Pooled	N/A
Ownership Depth Severance (including percentage above & below)	N/A
Joinder	
Sample Copy of Proposal Letter	Exhibit C-4
List of Interest Owners (ie Exhibit A of JOA)	Exhibit C-3
Chronology of Contact with Non-Joined Working Interests	Exhibit C-5
Overhead Rates In Proposal Letter	N/A
Cost Estimate to Drill and Complete	Exhibit C-4
Cost Estimate to Equip Well	Exhibit C-4
Cost Estimate for Production Facilities	Exhibit C-4
Geology	
Summary (including special considerations)	Exhibit D
Spacing Unit Schematic	Exhibit D-1
Gunbarrel/Lateral Trajectory Schematic	Exhibit D-2
Well Orientation (with rationale)	Exhibit D-2
Target Formation	Exhibit D-4
HSU Cross Section	Exhibit D-4
Depth Severance Discussion	N/A
Forms, Figures and Tables	
C-102	Exhibit C-2
Tracts	Exhibit C-3
Summary of Interests, Unit Recapitulation (Tracts)	Exhibit C-3
General Location Map (including basin)	Exhibit D-1
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	N/A
CERTIFICATION: I hereby certify that the information provided in this checklist is complete and accurate.	
Printed Name (Attorney or Party Representative):	Paula M. Vance
Signed Name (Attorney or Party Representative):	
Date:	29-Jun-26