

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

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

CASE NO. 23187

OXY'S NOTICE OF FILING SUPPLEMENTAL EXHIBITS

OXY USA Inc. ("Applicant"), OGRID No. 16696, gives notice of the filing of a supplemental affidavit and exhibits, particularly the Supplemental Affidavit of Amber Delach and replacements for **OXY Exhibit C-1** and **OXY Exhibit C-2**. The **Exhibit C-1** and **Exhibit C-2** are offered as replacements to the same labeled exhibits as attached to **OXY Exhibit C** as filed prior to the December 1 hearing of this matter.

Also filed is a revised **OXY Exhibit A**, the Compulsory Pooling Checklist. At the hearing of this matter on December 1, 2022, this matter was converted to a request to amend Order R-22339, which addresses the same spacing unit, but does not address the additional well, Paw Swap 12-36 Fed Com #21H. Order R-22339 was issued after this matter was filed but before the hearing. The revised **Exhibit A** includes both the original #11 well and the additional #21 well so that both wells will be identified in the attachment to the amended Order. Respectfully Submitted,

GALLAGHER & KENNEDY, P.A.

By: /s/ Dalva Moellenberg
Dalva L. Moellenberg
DLM@gknet.com
1239 Paseo de Peralta
Santa Fe, New Mexico 87501
TEL: (505) 982-9523
FAX: (505) 983-8160
Attorneys for OXY USA Inc.

Supplemental Affidavit

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

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

CASE NO. 23187

SUPPLEMENTAL AFFIDAVIT OF AMBER DELACH

Amber Delach, of lawful age and being first duly sworn, states the following:

1. My name is Amber Delach and I am employed by OXY USA Inc. ("OXY") as a land negotiator.

2. I have previously testified before the New Mexico Oil Conservation Division ("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 application filed by OXY in this case and the status of the lands in the subject area and I provided testimony in the form of an affidavit and exhibits that were accepted at the hearing of this matter on December 1, 2022.

4. At the hearing of this matter, the Hearing Examiners requested that OXY submit revised forms of exhibits, and the purpose of this affidavit is to provide the requested revised exhibits to replace the originals filed prior to the hearing.

5. Attached hereto is a revised form of OXY Exhibit C-1 containing two Form C-102s for the proposed initial wells in the standard spacing unit.

6. Also attached hereto is a revised OXY Exhibit C-2 identifies the tracts of land comprising the proposed horizontal spacing unit in this case, the working interest ownership in each tract, and the ownership interests across the horizontal spacing unit, which has been

corrected to show the percentage of the interests that are committed and uncommitted as of the hearing date.

7. The attached OXY Exhibits C-1 and Exhibit C-2 were either prepared by me or complied under my direction and supervision.

FURTHER AFFIANT SAYETH NOT.

Amber Delach
AMBER DELACH

STATE OF TEXAS)

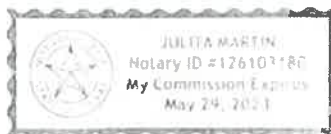
COUNTY OF HARRIS)

SUBSCRIBED and SWORN to before me on this 11 day of December 2022 by
Amber Delach.

Julita Martin
NOTARY PUBLIC

My Commission Expires:

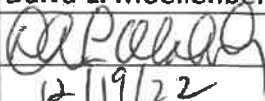
05.24.2023



OXY Exhibit A

COMPULSORY POOLING APPLICATION CHECKLIST	
ALL INFORMATION IN THE APPLICATION MUST BE SUPPORTED BY SIGNED AFFIDAVITS	
Case: 23187	APPLICANT'S RESPONSE
Date	December 19, 2022
Applicant	OXY USA, Inc.
Designated Operator & OGRID (affiliation if applicable)	OGRID No. 16696
Applicant's Counsel:	Gallagher & Kennedy, P.A.
Case Title:	APPLICATION OF OXY USA, INC. FOR COMPULSORY POOLING, LEA COUNTY, NEW MEXICO
Entries of Appearance/Intervenors:	None
Well Family	Paw Swap 12-36 FED COM
Formation/Pool	
Formation Name(s) or Vertical Extent:	Bone Spring Formation
Primary Product (Oil or Gas):	Oil
Pooling this vertical extent:	Bone Spring Formation
Pool Name and Pool Code:	Red Tank; Bone Spring Pool (Pool Code 51683)
Well Location Setback Rules:	Statewide Rules
Spacing Unit	
Type (Horizontal/Vertical)	Horizontal
Size (Acres)	480 acres, more or less
Building Blocks:	40 acres
Orientation:	South to North
Description: TRS/County	W/2 W/2 of Sections 1 and 12, Township 22 South, Range 32 East, and the W/2 W/2 of Section 36, Township 21 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?	Yes
Other Situations	
Depth Severance: Y/N. If yes, description	No
Proximity Tracts: If yes, description	No
Proximity Defining Well: if yes, description	No
Applicant's Ownership in Each Tract	Exhibit C-2
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	PAW SWAP 12-36 FED COM #11H well API No. 30-025-50765 SHL:219' FNL, 1642' FWL (Unit C), Sec. 13, T22WS, R32E. BHL: 20 FNL, 390 FWL (Unit D), Sec. 36, T21S, R 32E. Completion Target: Bone Spring Formation Orientation: south to north Completion Status: Expected to be standard
Well #2	PAW SWAP 12-36 FED COM #21H well API No. 30-025-50766 SHL:218' FNL, 1612' FWL (Unit C), Sec. 13, T22S, R32E. BHL: 20 FNL, 390 FWL (Unit D), Sec. 36, T21S, R 32E. Completion Target: Bone Spring Formation Orientation: south to north Completion Status: Expected to be standard
Horizontal Well First and Last Take Points	Exhibit C-1
Completion Target (Formation, TVD and MD)	Exhibit C-1
AFE Capex and Operating Costs	
Drilling Supervision/Month \$	\$8,000
Production Supervision/Month \$	\$800
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 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.	Exhibit C-2
Pooled Parties (including ownership type)	Exhibit C-2
Unlocatable Parties to be Pooled	N/A
Ownership Depth Severance (including percentage above & below)	N/A
Joinder	
Sample Copy of Proposal Letter	Exhibit C-3
List of Interest Owners (ie Exhibit A of JOA)	Exhibit C-2
Chronology of Contact with Non-Joined Working Interests	Exhibit C-4
Overhead Rates In Proposal Letter	Exhibit C-3
Cost Estimate to Drill and Complete	Exhibit C-3
Cost Estimate to Equip Well	Exhibit C-3
Cost Estimate for Production Facilities	Exhibit C-3
Geology	
Summary (including special considerations)	Exhibit D
Spacing Unit Schematic	Exhibit D-1
Gunbarrel/Lateral Trajectory Schematic	N/A
Well Orientation (with rationale)	Exhibit D
Target Formation	Exhibit D-3
HSU Cross Section	Exhibit D-3
Depth Severance Discussion	N/A
Forms, Figures and Tables	
C-102	Exhibit C-1
Tracts	Exhibit C-2
Summary of Interests, Unit Recapitulation (Tracts)	Exhibit C-2
General Location Map (including basin)	Exhibit D-1
Well Bore Location Map	Exhibit D-1
Structure Contour Map - Subsea Depth	Exhibit D-2
Cross Section Location Map (including wells)	Exhibit D-2
Cross Section (including Landing Zone)	Exhibit D-3
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):	Dalva L. Moellenberg
Signed Name (Attorney or Party Representative):	
Date:	12/19/22

OXY Exhibit C-1

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

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

District III
1000 Rio Brazos 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

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

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number 30-025-50765	² Pool Code 51683	³ Pool Name RED TANK, BONE SPRING
⁴ Property Code 333511	⁵ Property Name PAW SWAP 12 36 FED COM	
⁷ 16696	⁸ Operator Name OXY USA INC.	⁶ Well Number 11H
		⁹ Elevation 3665'

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
C	13	22S	32E		219	NORTH	1642	WEST	LEA

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	36	21S	32E		20	NORTH	390	WEST	LEA

¹² Dedicated Acres 479.93	¹³ Joint or Infill	¹⁴ Consolidation Code	¹⁵ Order No.
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No allowable will be assigned to this completion until all interests have been consolidated or a non-standard unit has been approved by the division.

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.

Roni Mathew 7/28/2022
Signature Date

Roni Mathew
Printed Name

roni_mathew@oxy.com
E-mail Address

18 SURVEYOR CERTIFICATION
I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.

JUNE 24, 2022
Date of Survey

Signature and Seal of Professional Surveyor

DAVID W. MYERS
NEW MEXICO
PROFESSIONAL SURVEYOR
11403

Certificate Number
DAVID W. MYERS 11403

CORNER COORDINATES NAD 83, SPCS NM EAST
A - X: 757490.24' / Y: 525463.01'
B - X: 757506.38' / Y: 522822.89'
C - X: 757522.77' / Y: 520182.40'
D - X: 757539.81' / Y: 517543.26'
E - X: 757558.03' / Y: 514902.13'
F - X: 757577.51' / Y: 512264.61'
G - X: 757597.51' / Y: 509626.70'
H - X: 756275.91' / Y: 509612.69'
I - X: 756256.10' / Y: 512251.00'
J - X: 756237.35' / Y: 514887.83'
K - X: 756218.98' / Y: 517529.05'
L - X: 756202.49' / Y: 520168.43'
M - X: 756186.48' / Y: 522808.71'
N - X: 756170.97' / Y: 525449.20'

CORNER COORDINATES NAD 27, SPCS NM EAST
A - X: 716308.25' / Y: 525401.96'
B - X: 716324.31' / Y: 522761.81'
C - X: 716340.63' / Y: 520121.49'
D - X: 716357.71' / Y: 517482.42'
E - X: 716375.76' / Y: 514841.37'
F - X: 716395.17' / Y: 512203.92'
G - X: 716415.11' / Y: 509566.09'
H - X: 715093.52' / Y: 509552.08'
I - X: 715073.77' / Y: 512190.32'
J - X: 715055.09' / Y: 514827.07'
K - X: 715036.77' / Y: 517468.22'
L - X: 715020.36' / Y: 520107.52'
M - X: 715004.42' / Y: 522747.73'
N - X: 714988.98' / Y: 525388.14'

BOTTOM HOLE LOCATION
20' FNL 390' FWL, SECTION 36
NAD 83, SPCS NM EAST
X:756561.07' / Y:525433.28'
LAT:32.44254891N / LON:103.63567259W
NAD 27, SPCS NM EAST
X:715379.08' / Y:525372.23'
LAT:32.44224599N / LON:103.63518453W

LAST TAKE POINT
100' FNL 390' FWL, SECTION 36
NAD 83, SPCS NM EAST
X:756561.54' / Y:525353.28'
LAT:32.44232902N / LON:103.63567276W
NAD 27, SPCS NM EAST
X:715379.55' / Y:525292.23'
LAT:32.44220609N / LON:103.63518471W

FIRST TAKE POINT
100' FSL 390' FWL, SECTION 12
NAD 83, SPCS NM EAST
X:756885.14' / Y:509718.62'
LAT:32.39934852N / LON:103.63566785W
NAD 27, SPCS NM EAST
X:715482.74' / Y:509656.21'
LAT:32.39922545N / LON:103.63518132W

KICK OFF POINT
300' FNL 390' FWL, SECTION 13
NAD 83, SPCS NM EAST
X:756888.14' / Y:509316.83'
LAT:32.39824904N / LON:103.63566657W
NAD 27, SPCS NM EAST
X:715485.74' / Y:509256.23'
LAT:32.39812596N / LON:103.63518008W

SURFACE HOLE LOCATION
219' FNL 1642' FWL, SECTION 13
NAD 83, SPCS NM EAST
X:757919.29' / Y:509410.90'
LAT:32.39848510N / LON:103.63161115W
NAD 27, SPCS NM EAST
X:716736.88' / Y:509350.29'
LAT:32.39838200N / LON:103.63112477W

SHEET 1 OF 3
JOB No. R4206_002_6515
REV 1 JCS 6/24/2022

Distances/areas relative to NAD 83 Combined Scale Factor: 0.99979289 Convergence Angle: 00°22'40.270008"

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

District II
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1220 South St. Francis Dr.
Santa Fe, NM 87505

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

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number 30-025-50766		² Pool Code 51683		³ Pool Name RED TANK; BONE SPRING	
⁴ Property Code 333511		⁵ Property Name PAW SWAP 12 36 FED COM			⁶ Well Number 21H
⁷ OGRID No. 16696		⁸ Operator Name OXY USA INC.			⁹ Elevation 3665'

¹⁰ Surface Location

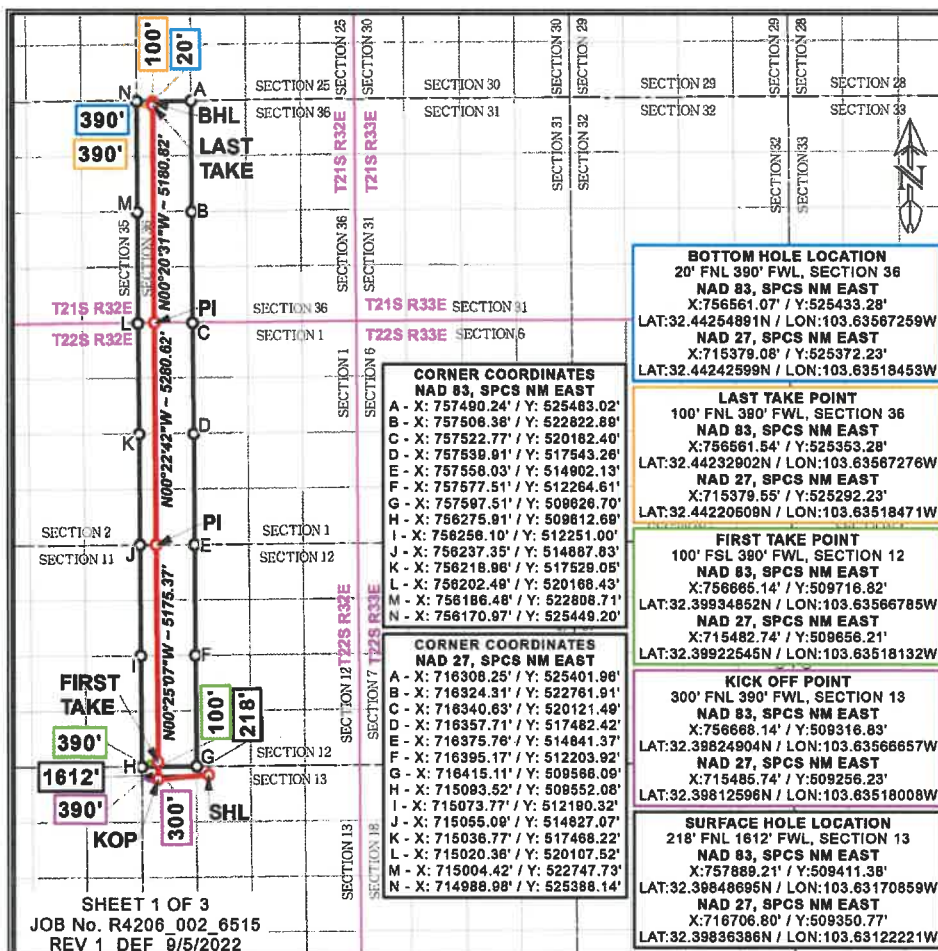
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
C	13	22S	32E		218	NORTH	1612	WEST	LEA

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	36	21S	32E		20	NORTH	390	WEST	LEA

¹² Dedicated Acres 479.93	¹³ Joint or Infill	¹⁴ Consolidation Code	¹⁵ Order No.
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No allowable will be assigned to this completion until all interests have been consolidated or a non-standard unit has been approved by the division.



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.

Roni Mathew 9/12/2022
 Signature Date

Roni Mathew
 Printed Name

roni_mathew@oxy.com
 E-mail Address

¹⁸ SURVEYOR CERTIFICATION
 I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.

SEPTEMBER 6, 2022
 Date of Survey

Signature and Seal of Professional Surveyor

Lloyd P. Short
 Certificate Number

Distances/areas relative to NAD 83 Combined Scale Factor: 0.99979289 Convergence Angle: 00°22'40.270008" LLOYD P. SHORT 21653

Horizontal Spacing Unit

OXY Exhibit C-2

W/2W/2 of Section 36, Township 21 South, Range 32 East, and W/2W/2 of Sections 1 and 12, Township 22 South-Range 32 East, Lea County, NM

		Total Acres in proposed spacing unit:	479.93
Tract 1	W/2W/2 of Section 36		
		Acres contributed to proposed spacing unit:	160
	74.290000% OXY Y-1 Company		
	16.710000% Occidental Permian Limited Partnership		
	4.000000% OXY USA WTP Limited Partnership		
	4.825000% Strategic Energy Income Fund IV, LP		
	0.175000% Highland (Texas) Energy Company		
	Total Committed Interest		99.825000%
	Total Uncommitted Interest		0.175000%
Tract 2	Lot 4, SW/4NW/4, NW/4SW/4 of Section 1		
		Acres contributed to proposed spacing unit:	119.93
	14.707300% OXY Y-1 Company		
	7.116400% Occidental Permian Limited Partnership		
	1.897700% OXY USA WTP Limited Partnership		
	41.278600% OXY USA INC.		
	15.000000% Chevron Midcontinent, L.P.		
	10.000000% The Allar Company		
	9.650000% Strategic Energy Income Fund IV, LP		
	0.350000% Highland (Texas) Energy Company		
	Total Committed Interest		84.650000%
	Total Uncommitted Interest		15.350000%
Tract 3	SW/4SW/4 OF Section 1		
		Acres contributed to proposed spacing unit:	40
	100.000000% OXY USA Inc.		
	100.000000%		
	Total Committed Interest		100.000000%
	Total Uncommitted Interest		0.000000%
Tract 4	NW/4NW/4 of Section 12		
		Acres contributed to proposed spacing unit:	40
	26.220000% OXY Y-1 Company		
	12.769700% Occidental Permian Limited Partnership		
	3.400000% OXY USA WTP Limited Partnership		
	15.110300% OXY USA INC.		
	42.500000% COG Operating, LLC		
	100.000000%		
	Total Committed Interest		100.000000%
	Total Uncommitted Interest		0.000000%
Tract 5	SW/4NW/4 of Section 12		
		Acres contributed to proposed spacing unit:	40
	22.853600% OXY Y-1 Company		
	11.058200% Occidental Permian Limited Partnership		
	2.948900% OXY USA WTP Limited Partnership		
	13.139300% OXY USA INC.		
	50.000000% COG Operating, LLC		
	100.000000%		
	Total Committed Interest		100.000000%
	Total Uncommitted Interest		0.000000%
Tract 6	W/2SW/4		
		Acres contributed to proposed spacing unit:	80
	26.220000% OXY Y-1 Company		
	12.769700% Occidental Permian Limited Partnership		
	3.400000% OXY USA WTP Limited Partnership		
	15.110300% OXY USA INC.		
	42.500000% COG Operating, LLC		
	100.000000%		
	Total Committed Interest		100.000000%

Total Uncommitted Interest

0.000000%

