

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

**APPLICATION OF OXY USA INC. FOR AN
ORDER ACKNOWLEDGING THE OLIVE
WON (DEEP) FEDERAL EXPLORATORY
UNIT, EDDY COUNTY, NEW MEXICO.**

CASE NO. 24335

OXY'S POST-HEARING BRIEF ON NOTICE

OXY USA Inc. (“Oxy”) submits this post-hearing brief as requested by the Division to confirm that because there are no parties affected by this application, no notice of the hearing is required.

This application was filed at the request of the Division for the purpose of simply acknowledging the Olive Won (Deep) Federal Exploratory Unit. This unit is a voluntary unit comprised solely of federal lands. The agency that oversees this federal unit, the Bureau of Land Management (“BLM”), has given final approval to unitize the acreage and authorized Oxy to proceed with the development of this federal unit. In addition, all working interest owners in this acreage have executed the Unit Agreement and the Unit Operating Agreement that govern unit operations.

Oxy filed this application with the Division solely because the Division has previously expressed a desire that operators file applications with the Division for acknowledgment of federal units “for tracking purposes.” The legal basis for this request remains unclear, as neither the voluntary Unit Agreement, the BLM final approval letter, nor the BLM Certification-Determination grants jurisdiction to the Division or mentions Division approval. *See* Exhibits A (at p. 6 of the pdf) and B-1 filed in this matter.

Accordingly, there are no parties affected by this application for acknowledgement of a voluntary federal unit and no corresponding notice requirements. NMCA 19.15.4.12 does not address voluntary unitization (only statutory unitization) and the Division has not expressed any notice requirements for these acknowledgment applications.

Respectfully submitted,

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