

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

**APPLICATION OF OXY USA INC. FOR
APPROVAL OF THE PARTY BEES EXPLORATORY UNIT,
EDDY & LEA COUNTIES, NEW MEXICO**

CASE NO. _____

APPLICATION

OXY USA Inc., (“Oxy”) files this application for an order approving the proposed Party Bees Exploratory Unit. In support of this application, Oxy states:

1. The proposed Unit Area consist of approximately 8,768.77 acres of the following state and federal lands situated in Eddy & Lea Counties, New Mexico:

Township 22 South, Range 32 East, NMPM, Lea County, New Mexico

Section 6: Lots 1, 2, 3, 4, 5, 6, 7, SE/4 NW/4, S/2 NE/4, E/2 SW/4, SE/4

Township 21 South, Range 31 East, NMPM, Eddy County, New Mexico

Section 30: Lots 1, 2, 3, 4, E/2 W/2, N/2 SE/4, SW/4 SE/4

Section 31: Lots 1, 2, 3, 4, E/2 W/2, E/2

Section 32: All

Section 33: S/2

Section 34: S/2

Section 35: S/2

Section 36: S/2

Township 22 South, Range 31 East, N.M.P.M., Eddy County, New Mexico

Section 1: Lots 1, 2, 3, 4, S/2 N/2, S/2

Section 2: Lots 1, 2, 3, 4, S/2 N/2, S/2

Section 3: Lots 1, 2, 3, 4, S/2 N/2, S/2

Section 4: Lots 1, 2, 3, 4, S/2 N/2, S/2

Section 9: All

Section 10: All

Section 11: All

Section 14: All

2. Oxy is the designated operator under the proposed Unit Agreement and the unitized interval includes all depths 100 feet below the base of the Delaware formation.

3. The following existing wells will be excluded from the proposed Unit:

API:	Well Name:	Sec-Twn-Rng	Producing Formation	Spud Date
30-015-35354	Lost Tank 3 Federal Deep #23	03-22S-31E	LOST TANK; WOLFCAMP	1/31/2007
30-015-34918	Lost Tank 4 Federal #20	04-22S-31E	LOST TANK; WOLFCAMP	7/19/2006
30-015-40775	Lost Tank 4 Federal #23	04-22S-31E	LOST TANK; WOLFCAMP	12/21/2012

4. Oxy expects to obtain approval of the proposed Unit Agreement by a sufficient percentage of the working interest owners to provide effective control of unit operations.

5. Oxy has met with the New Mexico State Land Office and the Bureau of Land Management and has received preliminary approval of the proposed unit.

6. The Unit Agreement, and the unitized operation and management of the Unit Area, are in the best interests of conservation, the prevention of waste, and the protection of correlative rights.

WHEREFORE, Oxy requests that this Application be set for hearing before an Examiner of the Oil Conservation Division on March 26, 2026, and that after notice and hearing as required by law, the Division enter its order granting this Application.

Respectfully submitted,

GALLAGHER & KENNEDY, P.A.

By: /s/ Dalva L. Moellenberg

Dalva L. Moellenberg

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ATTORNEYS FOR OXY USA INC

CASE _____: **Application of OXY USA Inc. for Approval of the Party Bees Exploratory Unit, Eddy & Lea Counties, New Mexico.** Applicant seeks approval of the Party Bees Exploratory Unit consisting of approximately 8,768.77 acres of the following state and federal lands situated in Eddy & Lea Counties, New Mexico:

Township 22 South, Range 32 East, NMPM, Lea County, New Mexico

Section 6: Lots 1, 2, 3, 4, 5, 6, 7, SE/4 NW/4, S/2 NE/4, E/2 SW/4, SE/4

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Section 30: Lots 1, 2, 3, 4, E/2 W/2, N/2 SE/4, SW/4 SE/4

Section 31: Lots 1, 2, 3, 4, E/2 W/2, E/2

Section 32: All

Section 33: S/2

Section 34: S/2

Section 35: S/2

Section 36: S/2

Township 22 South, Range 31 East, N.M.P.M., Eddy County, New Mexico

Section 1: Lots 1, 2, 3, 4, S/2 N/2, S/2

Section 2: Lots 1, 2, 3, 4, S/2 N/2, S/2

Section 3: Lots 1, 2, 3, 4, S/2 N/2, S/2

Section 4: Lots 1, 2, 3, 4, S/2 N/2, S/2

Section 9: All

Section 10: All

Section 11: All

Section 14: All

The unitized interval includes the unitized interval includes all depths 100 feet below the base of the Delaware formation. The subject acreage is located approximately 26 miles east of Carlsbad, New Mexico.