

**Johnson, Roy***pMESO-425838488*

**From:** David\_Stewart@oxy.com  
**Sent:** Friday, July 23, 2004 8:58 AM *receipt date*  
**To:** REJOHNSON@state.nm.us *OCW - Santa Fe*  
**Cc:** Rick\_Foppiano@oxy.com; Danny\_Holcomb@oxy.com; Alan\_Schwartz@oxy.com  
**Subject:** NSL Application - BDCDGU #2232-352J, 2234182D

Roy, please see attached for the NSL application for wells 2232-352J and 2234-182D that is being sent today. I plan to Fed-Ex to your attention and marked personal and confidential. If you require any additional information, let me know. We appreciate your help in this manner.

Thanks,  
David Stewart  
Sr. Regulatory Analyst  
OXY Permian  
432-685-5717  
Fax-432-685-5742

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*TOP*

7/23/2004

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**NEW MEXICO OIL CONSERVATION DIVISION**  
 - Engineering Bureau -  
 1220 South St. Francis Drive, Santa Fe, NM 87505



**ADMINISTRATIVE APPLICATION CHECKLIST**

THIS CHECKLIST IS MANDATORY FOR ALL ADMINISTRATIVE APPLICATIONS FOR EXCEPTIONS TO DIVISION RULES AND REGULATIONS WHICH REQUIRE PROCESSING AT THE DIVISION LEVEL IN SANTA FE

**Application Acronyms:**

- [NSL-Non-Standard Location] [NSP-Non-Standard Proration Unit] [SD-Simultaneous Dedication]**  
**[DHC-Downhole Commingling] [CTB-Lease Commingling] [PLC-Pool/Lease Commingling]**  
**[PC-Pool Commingling] [OLS - Off-Lease Storage] [OLM-Off-Lease Measurement]**  
**[WFX-Waterflood Expansion] [PMX-Pressure Maintenance Expansion]**  
**[SWD-Salt Water Disposal] [IPI-Injection Pressure Increase]**  
**[EOR-Qualified Enhanced Oil Recovery Certification] [PPR-Positive Production Response]**

[1] **TYPE OF APPLICATION** - Check Those Which Apply for [A]

- [A] Location - Spacing Unit - Simultaneous Dedication  
 NSL  NSP  SD

Check One Only for [B] or [C]

- [B] Commingling - Storage - Measurement  
 DHC  CTB  PLC  PC  OLS  OLM

- [C] Injection - Disposal - Pressure Increase - Enhanced Oil Recovery  
 WFX  PMX  SWD  IPI  EOR  PPR

- [D] Other: Specify \_\_\_\_\_

[2] **NOTIFICATION REQUIRED TO:** - Check Those Which Apply, or Does Not Apply

- [A]  ~~Working Interest or Overriding Royalty Interest Owners~~  
 Lessors with unratified interests and/or owners of unleased interests
- [B]  Offset Operators, Leaseholders or Surface Owner
- [C]  Application is One Which Requires Published Legal Notice
- [D]  Notification and/or Concurrent Approval by BLM or SLO  
U.S. Bureau of Land Management - Commissioner of Public Lands, State Land Office
- [E]  For all of the above, Proof of Notification or Publication is Attached, and/or,
- [F]  Waivers are Attached

[3] **SUBMIT ACCURATE AND COMPLETE INFORMATION REQUIRED TO PROCESS THE TYPE OF APPLICATION INDICATED ABOVE.**

[4] **CERTIFICATION:** I hereby certify that the information submitted with this application for administrative approval is **accurate** and **complete** to the best of my knowledge. I also understand that **no action** will be taken on this application until the required information and notifications are submitted to the Division.

~~XXXX~~ Statement must be completed by an individual with managerial and/or supervisory capacity.

David Stewart		Sr. Regulatory Analyst	7/23/04
Print or Type Name	Signature	Title	Date
		david_stewart@oxy.com	
		e-mail Address	



# OXY USA INC.

---

PO Box 50250  
Midland, TX 79710-0250

July 23, 2004

New Mexico Oil Conservation Division  
1220 South St. Francis Dr.  
Santa Fe, NM 87505

Attention: Roy Johnson

Re: ***Application for Administrative Approval of Unorthodox Well Locations  
Bravo Dome Carbon Dioxide Gas Unit 2232-352J, 2234-182D  
Harding, Union and Quay Counties, New Mexico***

Dear Mr. Johnson:

OXY USA Inc., as operator of the Bravo Dome Carbon Dioxide Gas Unit ("BDCDGU"), respectfully requests administrative approval pursuant to Order No. 10576 for two unorthodox gas well locations within the subject unit. To support this request, the following information is submitted for your review:

1. A narrative explaining the reason for NSL location.
2. OCD Forms C-101 and C-102 for each proposed well were filed April 6 and 8, 2004.
3. A map showing where the proposed wells are located and the location of the unratified tracts was sent Federal Express July 15, 2004.

Notice to affected parties, lessors with unratified interests and/or owners of unleased interests, located in the drillsite section and adjoining spacing unit that are being encroached upon were notified July 15 and 16, 2004. The reason for locating these wells at a non-standard location is the need to drill them 1. proximity to fault, 2. higher porosity\*net height pay, 3. topography, and/or 4. close proximity to the existing gathering system to minimize costs. Approval of these unorthodox locations will promote conservation by enhancing the recovery of carbon dioxide from these areas of the reservoir and thereby prevent waste. If you need anything else, please don't hesitate to call me at 432-685-5717.

Sincerely,

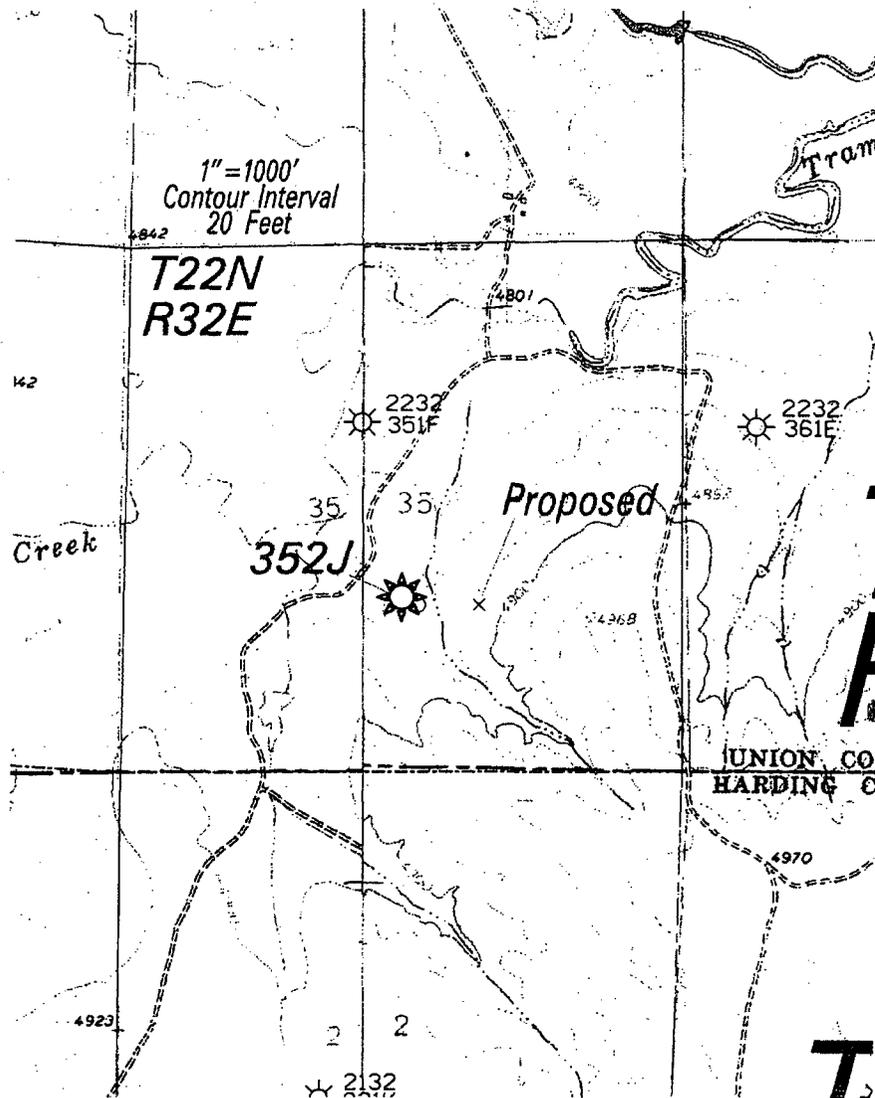
David Stewart  
Sr. Regulatory Analyst  
OXY USA Inc.

#### Attachments

CC: Richard E. Foppiano  
Danny Holcomb  
Alan Schwartz

## Bravo Dome Carbon Dioxide Gas Unit Well Number 2232-352J

**Topographical Reason for Non-Standard Location:** There is an existing producing well in unit letter F of this section. Well 352J was originally intended to be located at 1650' FSL x 1980' FEL in unit letter J (see "Proposed" location on plat below). During staking operations it was moved to its present location of 1664' FSL x 2578' FEL due to a steep hill and arroyo in this area. This present location is less than 330' from the quarter-quarter line causing this to be considered a non-standard location. If drilled at the original location, the cut and fill required for the well location could cause rain-runoff / drainage issues. These issues could potentially threaten our ability to safely drill and complete the well while equipment is on location. Therefore, due to these topographical reasons, we request your approval to drill the 352J location at 1664' FSL x 2578' FEL.



## **Bravo Dome Carbon Dioxide Gas Unit Well Number 2234-182D**

**Geological Reason for Non-Standard Location:** There is an existing producing well in unit letter G of this section. The Clapham fault runs north-south in section 13 adjoining to the west. We request approval to drill the second well in a D location due to it being nearest the fault and in the best phi-H in this section. We forecast the initial rate on this D location well to be higher than any potential wells in standard locations due to its proximity to the fault. Therefore, in order to prevent waste in this section, we request approval to drill the D non-standard location.

**Attachment NSL Application  
Bravo Dome CDGU 2232-352J  
Bravo Dome CDGU 2234-182D**

Marguerite Annie Poling  
Allen Poling Corp.  
44 Tramperos Lane  
Clayton, NM 88415-7229

James A. Harrison  
P.O. Box 6277  
Santa Fe, NM 87502-6277

Gary Dwight Langanecker  
509 Main  
Clayton, NM 88415-2921

Michael Lee Longanecker  
6968 Blackwood  
Dallas, TX 75231-5704

John M. Poling III  
323 Oneal Road  
Clayton, NM 88415-7226

Steven B. Harrison  
P.O. Box 6277  
Santa Fe, NM 87502-6277

Peggy Ann Poling  
P.O. Box 306  
Clayton, NM 88415-0306

Tyson Poling  
13 Blooming Acres Lane  
Clayton, NM 88415-4740

Stephanie Whitney  
13 Musick Road  
Clayton, NM 88415-4701

Ronald Milton Longanecker  
18 Citadel  
Amarillo, TX 79124-1400

Judy Jo Robertson  
958 Ione Road  
Nara Visa, NM 88430-9750

Don Poling  
P.O. Box 633  
Vega, TX 79092-0633

Barry Poling  
c/o First National Bank, Clayton  
P.O. Box 385  
Texline, TX 79087-0385

Lee Walton Poling  
P.O. Box 130  
Fritch, TX 79036-0130

George F. Vaught, Jr.  
P.O. Box 13557  
Denver, CO 80201-3557

Paul L. McCulliss  
P.O. Box 3248  
Littleton, CO 80161-3248

Patsy Poling  
6 PMS Lane  
Clayton, NM 88415-7267

Ronald M. Longanecker Trust  
Gary D. Longanecker Trust  
Michael L. Longanecker Trust  
GST N/E UTA DTD 5/5/90  
Amarillo National Bank, Trustee  
Plaza One, Box 1  
Amarillo, TX 79105-0001

Poole Leasing, Inc.  
P.O. Box 8  
Texline, TX 79087-0008

DATE IN	SUSPENSE	ENGINEER	LOGGED IN	TYPE	APP NO.
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 - Engineering Bureau -  
 1220 South St. Francis Drive, Santa Fe, NM 87505



*[Handwritten signature]*

2232-352J

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~~None of these items must be completed by an individual with managerial and/or supervisory capacity.~~

David Stewart \_\_\_\_\_ Sr. Regulatory Analyst \_\_\_\_\_ 7/23/04  
 Print or Type Name Signature Title Date  
 david\_stewart@oxy.com  
 e-mail Address



# OXY USA INC.

PO Box 50250  
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July 23, 2004

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Re: *Application for Administrative Approval of Unorthodox Well Locations  
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*Dropped on Request.*

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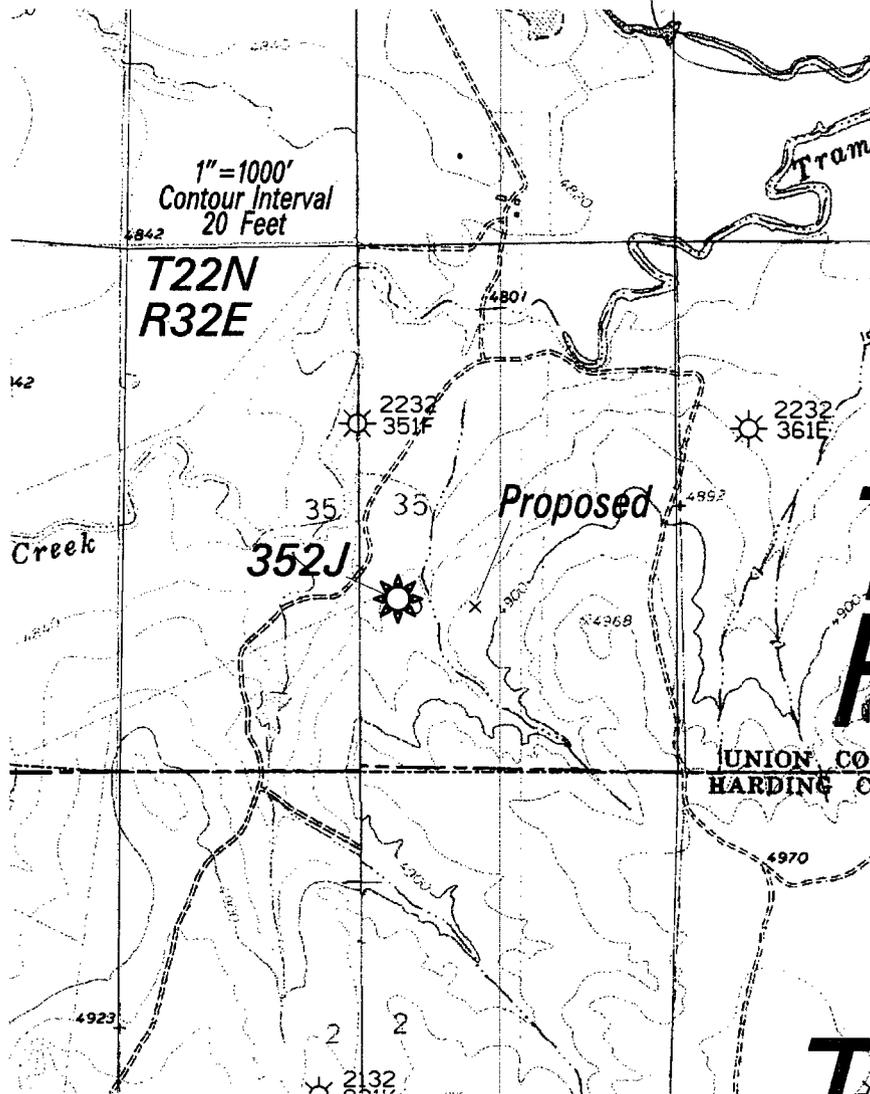
David Stewart  
Sr. Regulatory Analyst  
OXY USA Inc.

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Poole Leasing, Inc.  
P.O. Box 8  
Texline, TX 79087-0008

per J. Gallegos —  
contested.