

ID NO. 265630

NSL - 8648

RECEIVED:	REVIEWER:	TYPE:	APP NO: <b>pLEL2325848873</b>
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ABOVE THIS TABLE FOR OCD DIVISION USE ONLY

**NEW MEXICO OIL CONSERVATION DIVISION**  
 - Geological & 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

**Applicant:** OXY USA INC. **OGRID Number:** 16696  
**Well Name:** CHUCK SMITH MDP1 8\_17 FEDERAL COM 23H **API:** PENDING  
**Pool:** COTTON DRAW; BONE SPRING **Pool Code:** 13367

**SUBMIT ACCURATE AND COMPLETE INFORMATION REQUIRED TO PROCESS THE TYPE OF APPLICATION INDICATED BELOW**

- 1) **TYPE OF APPLICATION:** Check those which apply for [A]  
 A. Location - Spacing Unit - Simultaneous Dedication  
 NSL       NSP (PROJECT AREA)       NSP (PRORATION UNIT)       SD
- B. Check one only for [ I ] or [ II ]  
 [ I ] Commingling - Storage - Measurement  
 DHC    CTB    PLC    PC    OLS    OLM  
 [ II ] Injection - Disposal - Pressure Increase - Enhanced Oil Recovery  
 WFX    PMX    SWD    IPI    EOR    PPR

- 2) **NOTIFICATION REQUIRED TO:** Check those which apply.  
 A.  Offset operators or lease holders  
 B.  Royalty, overriding royalty owners, revenue owners  
 C.  Application requires published notice  
 D.  Notification and/or concurrent approval by SLO  
 E.  Notification and/or concurrent approval by BLM  
 F.  Surface owner  
 G.  For all of the above, proof of notification or publication is attached, and/or,  
 H.  No notice required

<u>FOR OCD ONLY</u>	
<input type="checkbox"/>	Notice Complete
<input type="checkbox"/>	Application Content Complete

3) **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.

Note: Statement must be completed by an individual with managerial and/or supervisory capacity.

RONI MATHEW

Print or Type Name

Roni Mathew

Signature

09/15/2023  
Date

713-215-7827  
Phone Number

RONI\_MATHEW@OXY.COM  
e-mail Address



# OXY USA Inc

5 Greenway Plaza, Suite 110  
Houston, TX 77046-0521

September 15, 2023

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

Attention: Leonard Lowe

Re: ***Application for Administrative Approval of Non-Standard Location  
Chuck Smith MDP1 8-17 Federal Com 23H – Bone Spring  
Surface – 280’ FSL 1365’ FWL Unit N Sec 5 T24S R31E  
First Take Point – 100’ FNL 2360’ FWL Unit C, Sec 8 T24S R31E  
Last Take Point – 100’ FSL 2360’ FWL Unit N, Sec 17 T24S R31E  
Bottom Hole –20’ FSL 2360’ FWL Unit N, Sec 17 T24S R31E  
Eddy County, New Mexico***

Dear Mr. Lowe:

OXY USA Inc. respectfully requests administrative approval of a non-standard location for the Chuck Smith MDP1 8-17 Federal Com 23H well. The subject well is proposed to be completed in the Cotton Draw; Bone Spring pool. This will be a horizontal well in a pool with no special rules for setback, so the setback requirements under Rule 19.15.15.9 (A) and 19.15.16.15 (B) will apply. The proposed producing interval is projected as follows:

Surface – 280’ FSL 1365’ FWL Unit N Sec 5 T24S R31E  
First Take Point – 100’ FNL 2360’ FWL Unit C, Sec 8 T24S R31E  
Last Take Point – 100’ FSL 2360’ FWL Unit N, Sec 17 T24S R31E  
Bottom Hole –20’ FSL 2360’ FWL Unit N, Sec 17 T24S R31E

The adjoining units which the completed interval, unorthodox location, encroaches are located to the East in T24S R31E:

Section 8- Units A, B, G, H, I, J, O, P  
Section 17- Units A, B, G, H, I, J, O, P

Approval of the unorthodox location will allow for efficient spacing of horizontal wells in the Bone Spring formation and thereby prevent waste.

To support this request, the following information has been submitted for your review:

1. C-102 Plat and affected parties map for the proposed well.
2. Statement from Oxy Land Negotiator attesting that Oxy is the sole working interest owner and own offset operator.
3. Statement from Oxy Development Area Engineer.

Sincerely,

*Roni Mathew*

Roni Mathew  
Regulatory Advisor  
Roni\_mathew@oxy.com



# OXY USA Inc

5 Greenway Plaza, Suite 110  
Houston, TX 77046-0521

September 15, 2023

CERTIFIED MAIL – RETURN RECEIPT REQUESTED

Re: ***Application for Administrative Approval of Non-Standard Location  
Chuck Smith MDPI 8-17 Federal Com 23H – Bone Spring  
Surface – 280' FSL 1365' FWL Unit N Sec 5 T24S R31E  
First Take Point – 100' FNL 2360' FWL Unit C, Sec 8 T24S R31E  
Last Take Point – 100' FSL 2360' FWL Unit N, Sec 17 T24S R31E  
Bottom Hole –20' FSL 2360' FWL Unit N, Sec 17 T24S R31E  
Eddy County, New Mexico***

To Whom it May Concern:

Enclosed is a copy of an application, filed with the New Mexico Oil Conservation Division by OXY USA Inc., requesting administrative approval for a non-standard location. As an affected party, notice is being provided to you pursuant to Rule 19.15.4.12(A)(2)(a), 19.15.15.9(A) and 19.15.16.15(B). The well is located as follows:

Surface – 280' FSL 1365' FWL Unit N Sec 5 T24S R31E  
First Take Point – 100' FNL 2360' FWL Unit C, Sec 8 T24S R31E  
Last Take Point – 100' FSL 2360' FWL Unit N, Sec 17 T24S R31E  
Bottom Hole –20' FSL 2360' FWL Unit N, Sec 17 T24S R31E

If you object to the well's location, you must notify the Division in writing no later than 20 days from the date the application is received by the NMOCD (1220 South St. Francis Drive, Santa Fe, NM 87505; Attention: Leonard Lowe).

If you need any additional information, you can contact Matthew Cole at 713-366-5928 or myself at 713-215-7827.

Thank you,

A handwritten signature in blue ink, appearing to read "Roni Mathew". The signature is fluid and cursive, with a long horizontal stroke extending to the right.

Roni Mathew  
Regulatory Advisor  
OXY USA Inc.

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

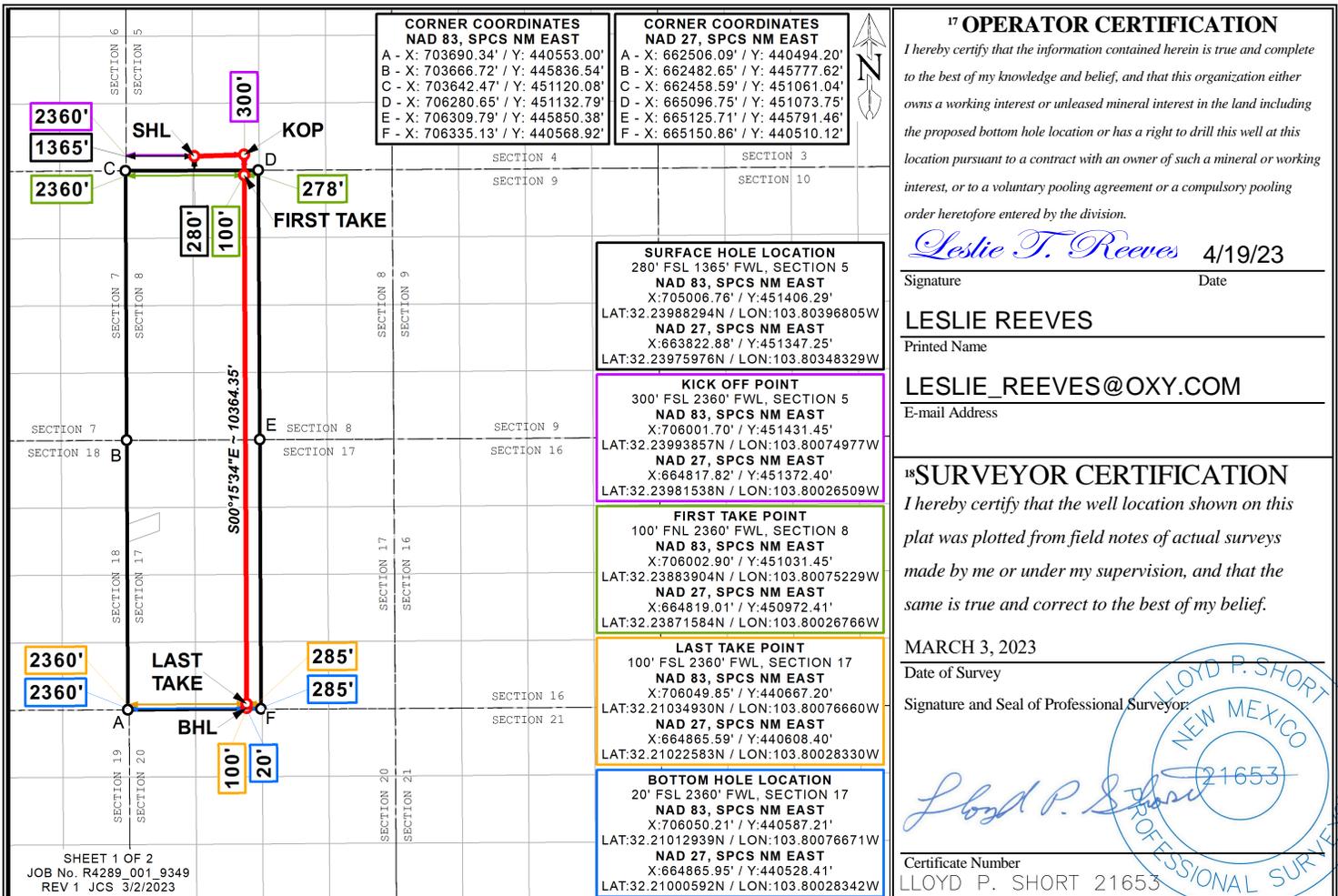
<sup>1</sup> API Number 30-015-	<sup>2</sup> Pool Code 13367	<sup>3</sup> Pool Name COTTON DRAW; BONE SPRING
<sup>4</sup> Property Code 334580	<sup>5</sup> Property Name CHUCK SMITH MDP1 8_17 FED COM	
<sup>7</sup> OGRID No. 16696	<sup>8</sup> Operator Name OXY USA INC.	<sup>9</sup> Elevation 3477'

<sup>10</sup> Surface Location									
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
N	5	24S	31E		280	SOUTH	1365	WEST	EDDY

<sup>11</sup> 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
N	17	24S	31E		20	SOUTH	2360	WEST	EDDY

<sup>12</sup> Dedicated Acres 640.0	<sup>13</sup> Joint or Infill	<sup>14</sup> Consolidation Code	<sup>15</sup> 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.



Distances/areas relative to NAD 83 Combined Scale Factor: 0.99977581 Convergence Angle: 00°16'19.04999"

OXY USA Inc.

CHUCK SMITH MDP1 8\_17 FED COM 23H

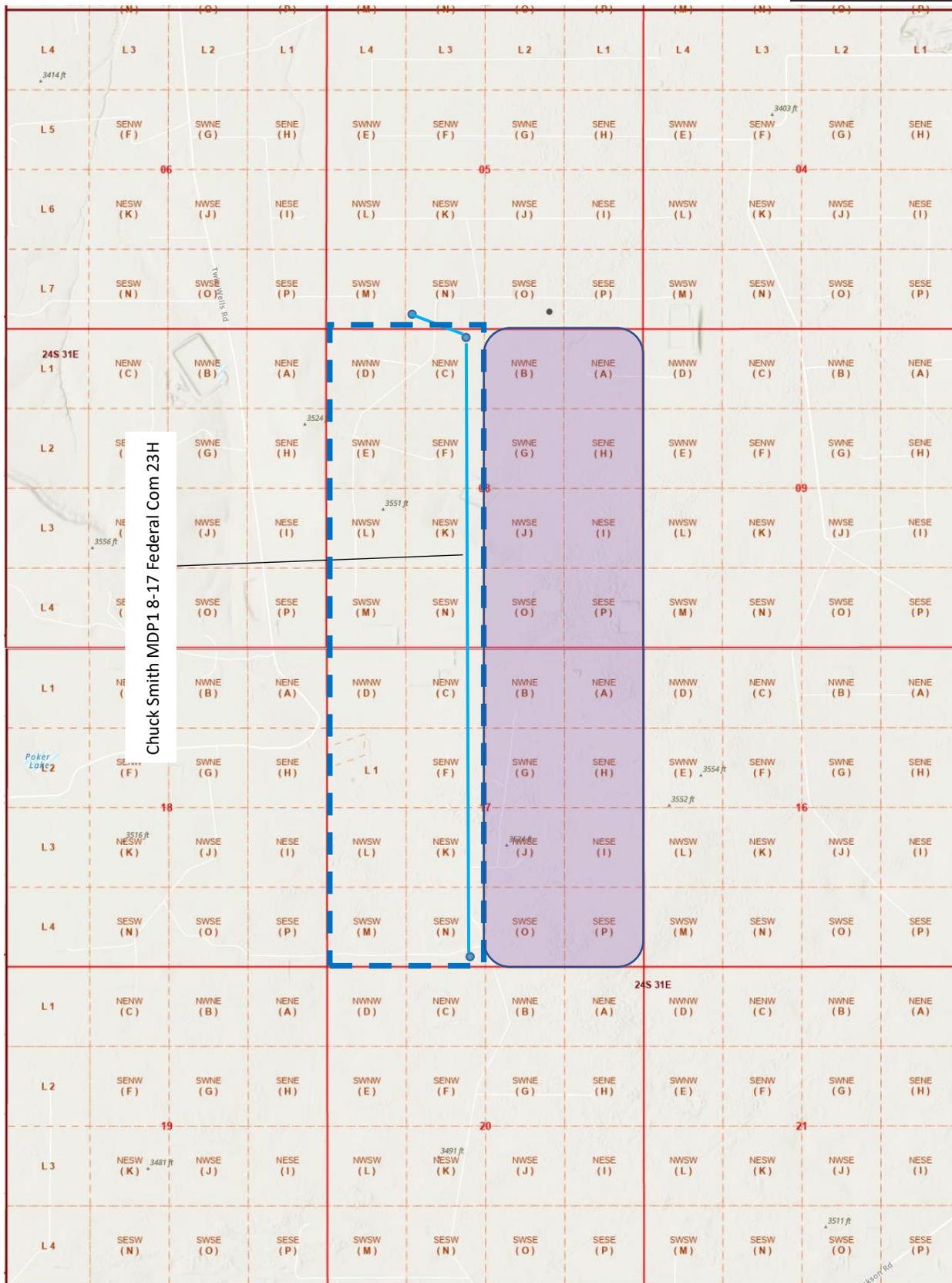
Section 5 Township 24 South, Range 31 East, N.M.P.M.

Eddy County, New Mexico

Offset Encroaching Tracts

HSU boundary

Wellbore



Chuck Smith MDP1 8-17 Federal Com 23H



**OXY USA INC.**

A subsidiary of Occidental Petroleum Corporation

5 Greenway Plaza, Suite 110, Houston, Texas 77046  
P.O. Box 4294, Houston, Texas 77210-4294

September 14, 2023

**Re: Chuck Smith MDP1 8-17 Federal Com 23H - NSL**

**Units A, B, G, H, I, J, O, and P, Section 8, T24S, R31E, Eddy County**

**Units A, B, G, H, I, J, O, and P, Section 17, T24S, R31E, Eddy County**

To Whom It May Concern:

OXY USA INC. and OXY Y-1 Company, all subsidiaries of Occidental Petroleum Corporation, are the sole Working Interest Owners of the above described lands as to depths in the Bone Spring Formation. If you have any questions, please contact me at the number listed below.

Best Regards,

**OXY USA INC.**

A handwritten signature in black ink, appearing to read "MWC", is written over a light blue horizontal line.

Matthew W. Cole  
Sr Advisor Land Negotiator  
713-366-5928



**Occidental Oil and Gas Corporation**  
**ATTN: Pablo Cabal**  
**5 Greenway Plaza, Suite 110**  
**Houston, TX 77046**  
**713-215-7433**  
**pablo\_cabal@oxy.com**

September 14, 2023

Mr. Leonard Lowe  
New Mexico Oil Conservation Division  
1220 South Francis Drive  
Santa Fe, New Mexico 87505

RE: *Application for Nonstandard Location—Engineering Justification*  
*OXY USA Inc.*  
*Chuck Smith MDP1 8-17 Federal Com 23H*  
*T24S R31E, Section 8 & 17 – West 1/2, Eddy County*

Dear Mr. Lowe:

Oxy USA Inc. respectfully seeks approval for a non-standard location for the Chuck Smith MDP1 8-17 Federal Com 23H well to be drilled within 330' of the HSU boundary. It is Oxy's responsibility as a prudent operator to optimize the section's well spacing and minimize reserves left in the ground. Placing the well within the setback, allows for a horizontal well spacing of 6 wells per section, optimizing the recoverable reserves. Any reduction in well spacing will result in untapped reserves being left in the reservoir resulting in waste of a resource that will not be developed otherwise.

Sincerely,

A handwritten signature in blue ink that appears to read "P. Cabal".

Pablo Cabal  
Development Engineer

Intent  As Drilled

API # <b>PENDING</b>		
Operator Name: OXY USA Inc.	Property Name: CHUCK SMITH MDP1 8_17 FED COM	Well Number 23H

Kick Off Point (KOP)

UL	Section	Township	Range	Lot	Feet	From N/S	Feet	From E/W	County
N	5	24S	31E		300	FSL	2360	FWL	EDDY
Latitude 32.23993857					Longitude -103.80074977				NAD NAD83

First Take Point (FTP)

UL	Section	Township	Range	Lot	Feet	From N/S	Feet	From E/W	County
C	8	24S	31E		100	FNL	2360	FWL	EDDY
Latitude 32.23883904					Longitude -103.80075229				NAD NAD83

Last Take Point (LTP)

UL	Section	Township	Range	Lot	Feet	From N/S	Feet	From E/W	County
N	17	24S	31E		100	FSL	2360	FWL	EDDY
Latitude 32.21022583					Longitude -103.80028330				NAD NAD83

Is this well the defining well for the Horizontal Spacing Unit?  N

Is this well an infill well?  Y

If infill is yes please provide API if available, Operator Name and well number for Defining well for Horizontal Spacing Unit.

API # 30-015-54097		
Operator Name: OXY USA INC.	Property Name: CHUCK SMITH MDP1 8_17 FED COM	Well Number 22H

KZ 06/29/2018

**Application Non-Standard Location - Service List**  
**OXY USA Inc.**  
**Chuck Smith MDP1 8\_17 Federal Com 23H**

**Online Submission**

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

**Certified Mail # 9407111898765413240932**

Bureau of Land Management Carlsbad  
620 E. Greene Street  
Carlsbad, NM 88220-6292

**Offset Tracts Section 8 (T24S-R31E) - Units A, B, G, H, I, J, O, P**

**Offset Tracts Section 17 (T24S-R31E) - Units A, B, G, H, I, J, O, P**

**Offset Operator/Interest Owner**

OXY USA, Inc.  
5 Greenway Plaza, Suite 110  
Houston, TX 77046-0521

Copies of this application were mailed to the individuals, companies and organizations  
on or before September 15, 2023

*Roni Mathew*

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Roni Mathew, Regulatory Advisor  
OXY USA Inc.

RONI MATHEW  
PO BOX 4294  
HOUSTON TX 77210-4294

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**USPS CERTIFIED MAIL**



9407 1118 9876 5413 2409 32

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Bureau of Land Management Carlsbad  
620 E GREENE ST  
CARLSBAD NM 88220-6292



Chuck Smith Fed Com 23H - NSL Appl.

**\$5.70 US POSTAGE**  
**FIRST-CLASS**  
Sep 15 2023  
Mailed from ZIP 77210  
1 OZ FIRST-CLASS MAIL FLATS RATE  
ZONE 4  
11923275



062S0014949827

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

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 Phone:(505) 476-3470 Fax:(505) 476-3462

**State of New Mexico**  
**Energy, Minerals and Natural Resources**  
**Oil Conservation Division**  
**1220 S. St Francis Dr.**  
**Santa Fe, NM 87505**

CONDITIONS

Action 265630

**CONDITIONS**

Operator: OXY USA INC P.O. Box 4294 Houston, TX 772104294	OGRID: 16696
	Action Number: 265630
	Action Type: [UF-NSL] Non-Standard Location (NSL)

**CONDITIONS**

Created By	Condition	Condition Date
llowe	None	9/15/2023