

NSL - 8814

Revised March 23, 2017

ID NO. 389314

RECEIVED: <b>10/02/24</b>	REVIEWER:	TYPE:	APP NO: <b>pLEL2427838192</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. (16696) **OGRID Number:** 16696  
**Well Name:** CHUCK SMITH MDP1 8-17 FEDERAL COM 3H **API:** 30-015-54096  
**Pool:** PURPLE SAGE WOLFCAMP (GAS) **Pool Code:** 98220

**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

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

- 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

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  
Date

Print or Type Name

Roni Mathew  
Signature

10/02/2024  
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

October 2, 2024

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 3H – Purple Sage Wolfcamp  
Surface – 361' FNL 2595' FWL Unit C Sec 8 T24S R31E  
First Take Point – 100' FNL 2310' FEL Unit B, Sec 8 T24S R31E  
Last Take Point – 100' FSL 2310' FEL Unit O, Sec 17 T24S R31E  
Bottom Hole –20' FSL 2310' FEL Unit O, Sec 17 T24S R31E  
Eddy County, New Mexico***

Dear Mr. Lowe:

OXY USA Inc. respectfully requests administrative approval of a non-standard location on the Chuck Smith MDP1 8-17 Federal Com 3H well. The #3H well is proposed to be completed in the Purple Sage Wolfcamp pool, Pool Code 98220 which has special pool rules specifying the completed interval must be located 330 feet from the exterior boundary of the applicable spacing unit. The proposed completed interval is projected as follows:

Surface – 361' FNL 2595' FWL Unit C Sec 8 T24S R31E  
First Take Point – 100' FNL 2310' FEL Unit B, Sec 8 T24S R31E  
Last Take Point – 100' FSL 2310' FEL Unit O, Sec 17 T24S R31E  
Bottom Hole –20' FSL 2310' FEL Unit O, Sec 17 T24S R31E

The Horizontal Spacing Unit will be 640-acres including the East ½ of section 8 and section 17, T24S R31E. The adjoining units which the completed interval, unorthodox location encroaches are located in the following areas:

- To the North the adjoining units which the unorthodox location encroaches are located in T24S R31E, Section 5 – Units I, J, O, and P.
- To the South the adjoining units which the unorthodox location encroaches are located in T24S R31E, Section 20 – Units A, B, G, and H, which is operated by XTO Permian Operating, LLC.

Approval of the unorthodox, completed interval will allow for efficient spacing of horizontal wells and thereby prevent waste.

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

1. C-102 Plat for the proposed well and additional plats with offsetting well and affected spacing units.
2. List of affected offset parties in each adjoining spacing unit in the same pool or formation located closer to the unorthodox well location than the minimum distance prescribed by applicable rule or order, copies of the signed certified return receipts will be furnished upon request.
3. Statement from Oxy Development Area Reservoir Engineer.

If you need any additional information, please call me at 713-215-7827.

Sincerely,

A handwritten signature in blue ink that reads "Roni Mathew".

Roni Mathew  
Regulatory Advisor  
roni\_mathew@oxy.com



# OXY USA Inc

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

October 2, 2024

CERTIFIED MAIL – RETURN RECEIPT REQUESTED

Re: ***Application for Administrative Approval of Non-Standard Location  
Chuck Smith MDP1 8-17 Federal Com 3H – Purple Sage Wolfcamp  
Surface – 361' FNL 2595' FWL Unit C Sec 8 T24S R31E  
First Take Point – 100' FNL 2310' FEL Unit B, Sec 8 T24S R31E  
Last Take Point – 100' FSL 2310' FEL Unit O, Sec 17 T24S R31E  
Bottom Hole –20' FSL 2310' FEL Unit O, 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 – 361' FNL 2595' FWL Unit C Sec 8 T24S R31E  
First Take Point – 100' FNL 2310' FEL Unit B, Sec 8 T24S R31E  
Last Take Point – 100' FSL 2310' FEL Unit O, Sec 17 T24S R31E  
Bottom Hole –20' FSL 2310' FEL Unit O, 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 me at 713-215-7827.

Thank you,

*Roni Mathew*

Roni Mathew  
Regulatory Advisor  
OXY USA Inc.

<p><b>C-102</b></p> <p>Submit Electronically Via OCD Permitting</p>	<p>State of New Mexico Energy, Minerals, &amp; Natural Resources Department <b>OIL CONSERVATION DIVISION</b></p>	<p>Revised July 9, 2024 PAGE 1 OF 2</p>		
		<table border="1" style="width:100%; border-collapse: collapse;"> <tr> <td style="width:10%; text-align: right;">Submittal Type:</td> <td> <input checked="" type="checkbox"/> Initial Submittal  <input type="checkbox"/> Amended Report  <input type="checkbox"/> As Drilled                 </td> </tr> </table>	Submittal Type:	<input checked="" type="checkbox"/> Initial Submittal <input type="checkbox"/> Amended Report <input type="checkbox"/> As Drilled
Submittal Type:	<input checked="" type="checkbox"/> Initial Submittal <input type="checkbox"/> Amended Report <input type="checkbox"/> As Drilled			

**WELL LOCATION INFORMATION**

API Number <b>30-015-54096</b>	Pool Code <b>98220</b>	Pool Name <b>PURPLE SAGE; WOLFCAMP</b>
Property Code <b>334580</b>	Property Name <b>CHUCK SMITH MDP1 8_17 FED COM</b>	Well Number <b>3H</b>
OGRID No. <b>16696</b>	Operator Name <b>OXY USA INC.</b>	Ground Level Elevation <b>3470'</b>
Surface Owner: <input type="checkbox"/> State <input type="checkbox"/> Fee <input type="checkbox"/> Tribal <input checked="" type="checkbox"/> Federal		Mineral Owner: <input type="checkbox"/> State <input type="checkbox"/> Fee <input type="checkbox"/> Tribal <input checked="" type="checkbox"/> Federal

**Surface Location**

UL	Section	Township	Range	Lot	Ft. from N/S	Ft. from E/W	Latitude (NAD83)	Longitude (NAD83)	County
C	08	24S	31E		361' FNL	2595' FWL	32.23812196	-103.79999246	EDDY

**Bottom Hole Location**

UL	Section	Township	Range	Lot	Ft. from N/S	Ft. from E/W	Latitude (NAD83)	Longitude (NAD83)	County
O	17	24S	31E		20' FSL	2310' FEL	32.21013167	-103.79876315	EDDY

Dedicated Acres <b>640.00</b>	Infill or Defining Well <b>INFILL</b>	Defining Well API <b>30-015-54047</b>	Overlapping Spacing Unit (Y/N)	Consolidation Code
Order Numbers:			Well setbacks are under Common Ownership: <input type="checkbox"/> Yes <input type="checkbox"/> No	

**Kick Off Point (KOP)**

UL	Section	Township	Range	Lot	Ft. from N/S	Ft. from E/W	Latitude (NAD83)	Longitude (NAD83)	County
O	05	24S	31E		300' FSL	2310' FEL	32.23993832	-103.79878832	EDDY

**First Take Point (FTP)**

UL	Section	Township	Range	Lot	Ft. from N/S	Ft. from E/W	Latitude (NAD83)	Longitude (NAD83)	County
B	08	24S	31E		100' FNL	2310' FEL	32.23883881	-103.79879382	EDDY

**Last Take Point (LTP)**

UL	Section	Township	Range	Lot	Ft. from N/S	Ft. from E/W	Latitude (NAD83)	Longitude (NAD83)	County
O	17	24S	31E		100' FSL	2310' FEL	32.21035158	-103.79876332	EDDY

Unitized Area or Area of Uniform Interest	Spacing Unit Type: <input checked="" type="checkbox"/> Horizontal <input type="checkbox"/> Vertical	Ground Floor Elevation <b>3470'</b>
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<p><b>OPERATOR CERTIFICATIONS</b></p> <p><i>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and, if the well is a vertical or directional well, 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 a working interest or unleased mineral interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.</i></p> <p><i>If this well is a horizontal well, I further certify that this organization has received the consent of at least one lessee or owner of a working interest or unleased mineral interest in each tract (in the target pool or formation) in which any part of the well's completed interval will be located as contained in a compulsory pooling order from the division.</i></p> <p style="font-size: 1.2em; color: blue;"><i>Roni Mathew</i>      9/30/24</p> <p>Signature _____ Date _____</p> <p><b>Roni Mathew</b> Printed Name _____</p> <p><b>roni_mathew@oxy.com</b> Email Address _____</p>	<p><b>SURVEYOR CERTIFICATIONS</b></p> <p><i>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.</i></p> <div style="text-align: center;">  </div> <p>Signature and Seal of Professional Surveyor</p> <table style="width:100%;"> <tr> <td style="width:50%;">Certificate Number <b>21653</b></td> <td style="width:50%;">Date of Survey <b>SEPTEMBER 18, 2024</b></td> </tr> </table>	Certificate Number <b>21653</b>	Date of Survey <b>SEPTEMBER 18, 2024</b>
Certificate Number <b>21653</b>	Date of Survey <b>SEPTEMBER 18, 2024</b>		

CHUCK SMITH MDP1 8\_17 FED COM 3H

ACREAGE DEDICATION PLATS

PAGE 2 OF 2

<b>SHL (NAD83)</b> X:706239.13' / Y:450771.75' LAT:32.23812196 / LON:-103.79999246
<b>SHL (NAD27)</b> X:665055.22' / Y:450712.72' LAT:32.23799875 / LON:-103.79950789

<b>KOP (NAD83)</b> X:706608.15' / Y:451434.37' LAT:32.23993832 / LON:-103.79878832
<b>KOP (NAD27)</b> X:665424.26' / Y:451375.33' LAT:32.23981512 / LON:-103.79830369

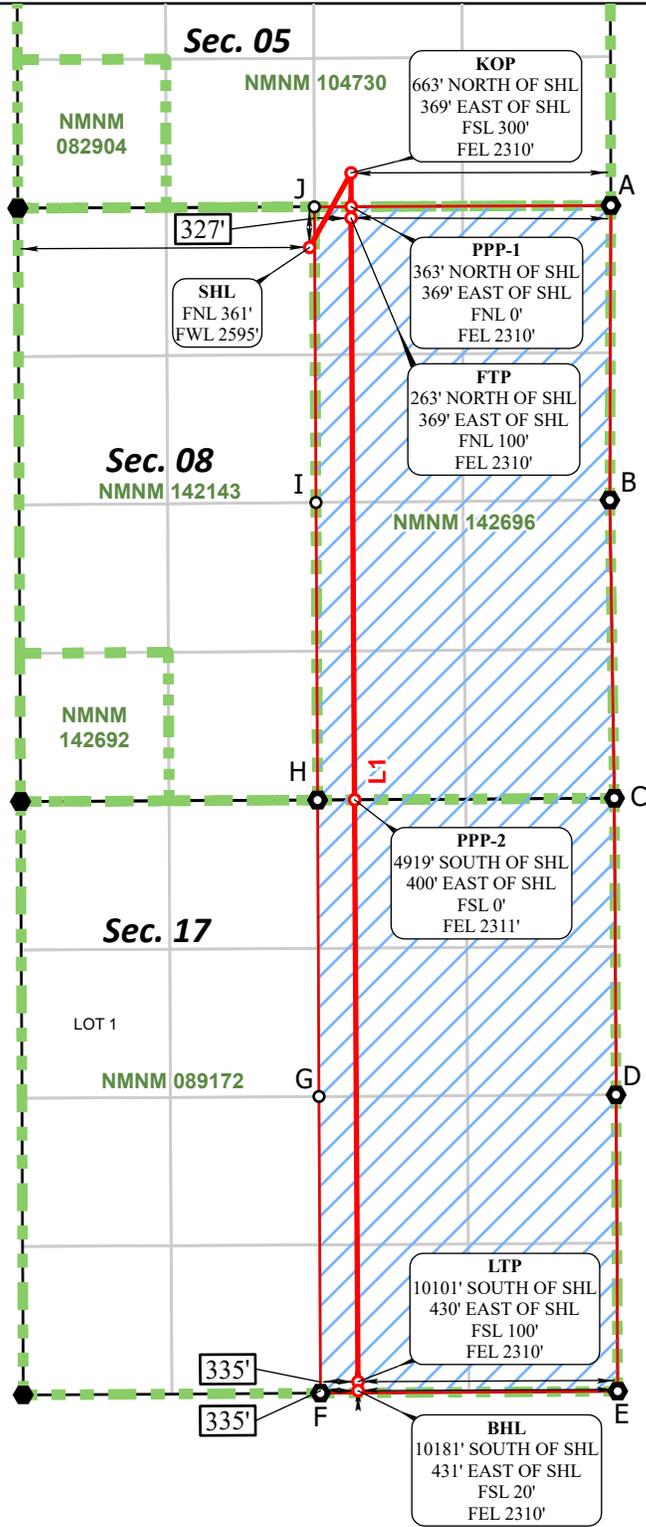
<b>PPP-1 (NAD83)</b> X:706608.37' / Y:451134.37' LAT:32.23911368 / LON:-103.79879245
<b>PPP-1 (NAD27)</b> X:665424.47' / Y:451075.33' LAT:32.23899048 / LON:-103.79830786

<b>FTP (NAD83)</b> X:706608.44' / Y:451034.37' LAT:32.23883881 / LON:-103.79879382
<b>FTP (NAD27)</b> X:665424.54' / Y:450975.34' LAT:32.23871560 / LON:-103.79830924

<b>PPP-2 (NAD83)</b> X:706638.94' / Y:445852.44' LAT:32.22459438 / LON:-103.79877858
<b>PPP-2 (NAD27)</b> X:665454.85' / Y:445793.52' LAT:32.22447104 / LON:-103.79829467

<b>LTP (NAD83)</b> X:706669.43' / Y:440671.11' LAT:32.21035158 / LON:-103.79876332
<b>LTP (NAD27)</b> X:665485.16' / Y:440612.31' LAT:32.21022811 / LON:-103.79828008

<b>BHL (NAD83)</b> X:706669.88' / Y:440591.11' LAT:32.21013167 / LON:-103.79876315
<b>BHL (NAD27)</b> X:665485.61' / Y:440532.31' LAT:32.21000820 / LON:-103.79827992



CORNER COORDINATES NAD 83, SPCS NM EAST	
A - X: 708918.82' / Y:451145.50'	
B - X: 708910.09' / Y:448521.63'	
C - X: 708950.29' / Y:445866.89'	
D - X: 708965.12' / Y:443226.55'	
E - X: 708979.94' / Y:440586.20'	
F - X: 706335.13' / Y:440568.92'	
G - X: 706322.46' / Y:443210.66'	
H - X: 706309.79' / Y:445850.38'	
I - X: 706295.17' / Y:448500.08'	
J - X: 706280.65' / Y:451132.79'	

CORNER COORDINATES NAD 27, SPCS NM EAST	
A - X: 667734.92' / Y:451086.46'	
B - X: 667726.09' / Y:448462.66'	
C - X: 667766.19' / Y:445807.98'	
D - X: 667780.93' / Y:443167.69'	
E - X: 667795.66' / Y:440527.41'	
F - X: 665150.86' / Y:440510.12'	
G - X: 665138.28' / Y:443151.81'	
H - X: 665125.71' / Y:445791.46'	
I - X: 665111.18' / Y:448441.10'	
J - X: 665096.75' / Y:451073.75'	

*FTP TO LTP LINE BEARINGS	
LINE	BEARING
L1	S 00°20'14" E ~ 10363.44'

*FTP TO LTP LEASE DISTANCES	
TRACT	DISTANCE
NMNM 142696	5182.02'
NMNM 089172	5181.42'
TOTAL	10363.44'

○ Drill Line Events    ● Section Corners    — Drill Line    ← Dimension Lines    □ Federal Leases    ▨ HSU    ○ HSU Corners  
 All bearings and coordinates refer to New Mexico State Plane Coordinate System, East Zone, U.S. Survey Feet.

JOB No. R4289\_003\_13739  
 REV 3 NDS 9/18/2024



Distances/areas relative to NAD 83 grid measurements. Combined Scale Factor: 0.99977581 and a Convergence Angle: 0.27195833°

OXY USA Inc.

CHUCK SMITH MDP1 8\_17 FED COM 3H

Section 8 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 3H



**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

October 1, 2024

Re: Chuck Smith MDP1 8-17 Federal Com 1H, 2H, 3H, 31H, 32H - NSL

Section 8, T24S, R31E, Eddy County  
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 Wolfcamp Formation. If you have any questions, please contact me at the number listed below.

Best Regards,

**OXY USA INC.**

Leslie E. Mullin, CPL  
Advisor Land Negotiator  
713-497-2647



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

October 1, 2024

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 1H, 2H, 31H, 32H  
T24S R31E, Section 8 & 17 – West 1/2, Eddy County*

*Chuck Smith MDP1 8-17 Federal Com 3H  
T24S R31E, Section 8 & 17 – East 1/2, Eddy County*

Dear Mr. Lowe:

Oxy USA Inc. respectfully seeks approval for a non-standard location, decreasing the first and last take point for the wells *Chuck Smith MDP1 8-17 Federal Com 1H, 2H, 31H, 32H and Chuck Smith MDP1 8-17 Federal Com 3H* in the Wolfcamp formation of the Purple Sage Pool from 330 feet to 100 feet. It is Oxy's responsibility as a prudent operator to maximize lateral length and minimize reserves left in the ground. Decreasing the first and last take point will increase the well's effective lateral length by 460 feet and increase the estimated ultimate recovery of the well by approximately 5%. Any increase in first or last take point would result in untapped reserves left in the reservoir, and waste of a resource that would otherwise go undeveloped.

Sincerely,

A handwritten signature in blue ink, appearing to read "P. Cabal", enclosed in a light blue rectangular box.

Pablo Cabal  
Development Engineer

**Application Non-Standard Location - Service List**

**OXY USA Inc.**

**Chuck Smith MDP1 8-17 Federal Com 3H**

**Online Submission**

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

**Certified Mail # 9407 1118 9876 5488 5539 13**

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

**Offset Tracts Section 5 (T24S-R31E) - Units I, J, O, and P**

**Offset Tracts Section 20 (T24S-R31E) - Units A, B, G, and H**

**100% Working Interest Owner**

OXY USA Inc.

5 Greenway Plaza, Suite 110

Houston, Texas 77046

**Existing Horizontal Spacing Unit Sections 20 (T24S-R31E) - Units A, B, G, H, I, J, O, P (E 1/2 HSU)**

**Certified Mail # 9407 1118 9876 5488 5539 51**

**Operator:**

XTO Permian Operating, LLC (373075)

22777 Springwoods Village Parkway

Spring, Texas 77389

Copies of this application were mailed to the following individuals, companies and organizations on or before October 2, 2024

*Roni Mathew*

---

Roni Mathew, Regulatory Advisor  
OXY USA Inc.

OXY USA INC.  
PO BOX 4294  
HOUSTON TX 77210-4294

---

**USPS CERTIFIED MAIL**



9407 1118 9876 5488 5539 13

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



Chuck Smith Fed Com 3H-NSL Appl.

**\$6.35 US POSTAGE**  
FIRST-CLASS  
Oct 02 2024  
Mailed from ZIP 77210  
1 OZ FIRST-CLASS MAIL FLATS RATE  
ZONE 4  
11923275



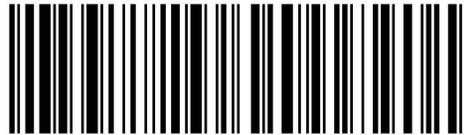
endicia

062S0010937442

OXY USA INC.  
PO BOX 4294  
HOUSTON TX 77210-4294

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**USPS CERTIFIED MAIL**



**9407 1118 9876 5488 5539 51**

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XTO Permian Operating, LLC  
22777 SPRINGWOODS VILLAGE PKWY  
SPRING TX 77389-1425



Chuck Smith Fed Com 3H-NSL Appl.

**\$6.35 US POSTAGE**  
FIRST-CLASS  
Oct 02 2024  
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1 OZ FIRST-CLASS MAIL FLATS RATE  
ZONE 2  
11923275



endicia

062S0011718299

Sante Fe Main Office  
Phone: (505) 476-3441

General Information  
Phone: (505) 629-6116

Online Phone Directory  
<https://www.emnrd.nm.gov/ocd/contact-us>

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

CONDITIONS

Action 389314

**CONDITIONS**

Operator: OXY USA INC P.O. Box 4294 Houston, TX 772104294	OGRID: 16696
	Action Number: 389314
	Action Type: [UF-NSL] Non-Standard Location (NSL)

**CONDITIONS**

Created By	Condition	Condition Date
llowe	None	10/4/2024