

State of New Mexico
Energy, Minerals and Natural Resources Department

Michelle Lujan Grisham
Governor

Melanie Kenderdine
Cabinet Secretary

Ben Shelton
Deputy Secretary

Gerasimos "Gerry" Razatos
Division Director (Acting)
Oil Conservation Division



Sara Guthrie
sara_guthrie@oxy.com

ADMINISTRATIVE NON-STANDARD LOCATION

Administrative Order NSL – 8929

**OXY USA INC. [OGRID 16696]
Iridium MDP1 28 21 Federal Com Well No. 73H
API No. 30-015-56064**

Reference is made to your application received on March 18th, 2025.

Proposed Location

	<u>Footages</u>	<u>Unit/Lot</u>	<u>Sec.</u>	<u>Twsp</u>	<u>Range</u>	<u>County</u>
Surface	670 FSL & 1687 FEL	O	28	23S	31E	Eddy
First Take Point	100 FSL & 1560 FEL	O	28	23S	31E	Eddy
Last Take Point	100 FNL & 1560 FEL	B	21	23S	31E	Eddy
Terminus	20 FNL & 1560 FEL	B	21	23S	31E	Eddy

Proposed Horizontal Units

<u>Description</u>	<u>Acres</u>	<u>Pool</u>	<u>Pool Code</u>
W/2 E/2 Section 28	320	Ingle Wells; Bone Spring	33740
W/2 E/2 Section 21			

You have requested to drill this horizontal well at an unorthodox well location described above in the referenced pool or formation. 19.15.16.15(B)(1)(a) NMAC governs this proposed well and provides that the operator shall dedicate to each horizontal **oil** well a standard horizontal spacing unit that comprises of one or more contiguous tracts that the horizontal well's completed interval penetrates, each of which consists of a governmental quarter - quarter section or equivalent. 19.15.16.15(C)(1)(a) NMAC governs the distance in the horizontal plane from any point in the completed interval to any outer boundary of the horizontal spacing unit, measured along a line perpendicular to the completed interval or to the tangent thereof, shall be a minimum of 330 feet for an **oil** well. 19.15.16.15(C)(1)(b) NMAC governs the first and last take point of a horizontal

Administrative Order NSL – 8929
OXY U.S.A., INC.
Page 2 of 2

well shall be no closer than 100 feet in the horizontal plane, to any outer boundary of the horizontal spacing unit.

The request to deviate from an orthodox location has met all requirements of 19.15.16.15 (C)(5)(a) NMAC. It is understood that you are seeking this exception in order to create a non-standard location, comprised of Take Points referenced above, within the described Horizontal Spacing Unit.

This well's completed interval is as close as 240 feet to the eastern edge of the horizontal spacing unit. Encroachment will impact the following tracts.

Section 28, encroachment to the E/2 E/2
Section 21, encroachment to the E/2 E/2

The Division understands you have given notice of this application to all operators or owners who are "affected persons," as defined in 19.15.2.7(A)(8) NMAC, in all adjoining units towards which the proposed location encroaches.

The Division understands you are seeking this unorthodox location in order to allow for efficient spacing of horizontal wells within the horizontal spacing unit. All while protecting the correlative rights within the Bone Spring formation underlying the W/2 E/2 of Section 28 and the W/2 E/2 of Section 21.

Your application has been filed under 19.15.16.15(C)(6) NMAC, 19.15.15.13 NMAC and 19.15.4.12 (A)(2) NMAC.

Per 19.15.15.13 (B) NMAC, **Division approves this unorthodox location.**

Reference this NSL order number on the As Drilled C-102 submitted with the Authorization to Transport, to place this well into production.

The above approvals are subject to your following all other applicable Division rules.

Jurisdiction of this case is retained for the entry of further orders as the Division deems necessary.



GERASIMOS RAZATOS
DIRECTOR (ACTING)
GR/lrl

Date: 4/30/2025

RECEIVED:	REVIEWER:	TYPE:	APP NO:
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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: IRIDIUM MDP1 28-21 FEDERAL COM 73H **API:** 30-015-56054
Pool: INGLE WELLS; BONE SPRING **Pool Code:** 33740

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

ID NO. 443579

- 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

FOR OCD ONLY
<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.

Sara Guthrie

Print or Type Name

Sara Guthrie
 Sara Guthrie
 Signature

3/14/2025
 Date

713-497-2851
 Phone Number

sara_guthrie@oxy.com
 e-mail Address



OXY USA Inc

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

March 18, 2025

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
Iridium MDP1 28_21 Federal Com 73H – Ingle Wells; Bone Spring
Surface – 670' FSL 1687' FEL Unit O, Sec 28 T23S R31E
First Take Point – 100' FSL 1560' FEL Unit O, Sec 28 T23S R31E
Last Take Point – 100' FNL 1560' FEL Unit B, Sec 21 T23S R31E
Bottom Hole – 20' FNL 1560' FEL Unit B, Sec 21 T23S R31E
Eddy County, New Mexico***

Dear Mr. Lowe:

OXY USA Inc. respectfully requests administrative approval of a non-standard location on the Iridium MDP1 28_21 Federal Com #73H well. The #73H well is proposed to be completed in the Ingle Wells; 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 – 670' FSL 1687' FEL Unit O, Sec 28 T23S R31E
First Take Point – 100' FSL 1560' FEL Unit O, Sec 28 T23S R31E
Last Take Point – 100' FNL 1560' FEL Unit B, Sec 21 T23S R31E
Bottom Hole – 20' FNL 1560' FEL Unit B, Sec 21 T23S R31E

The adjoining units which the completed interval, unorthodox location, encroaches are located to the East in T23S R31E:

Section 21 - Units A, H, I, and P
Section 28 - Units A, H, I, and 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 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,

Sara Guthrie

Sara Guthrie
Regulatory Advisor
Sara_Guthrie@oxy.com

BHL (NAD83)
X:712535.71' / Y:472283.84'
LAT:32.29716593 / LON:-103.77926905

BHL (NAD27)
X:671352.45' / Y:472224.27'
LAT:32.29704303 / LON:-103.77878254

LTP (NAD83)
X:712536.15' / Y:472203.85'
LAT:32.29694606 / LON:-103.77926896

LTP (NAD27)
X:671352.89' / Y:472144.28'
LAT:32.29682316 / LON:-103.77878246

PPP-2 (NAD83)
X:712565.29' / Y:467020.22'
LAT:32.28269714 / LON:-103.77926132

PPP-2 (NAD27)
X:671381.88' / Y:466960.79'
LAT:32.28257416 / LON:-103.77877539

FTP (NAD83)
X:712594.41' / Y:461839.63'
LAT:32.26845655 / LON:-103.77925366

FTP (NAD27)
X:671410.84' / Y:461780.33'
LAT:32.26833349 / LON:-103.77876831

PPP-1 (NAD83)
X:712594.96' / Y:461739.63'
LAT:32.26818167 / LON:-103.77925356

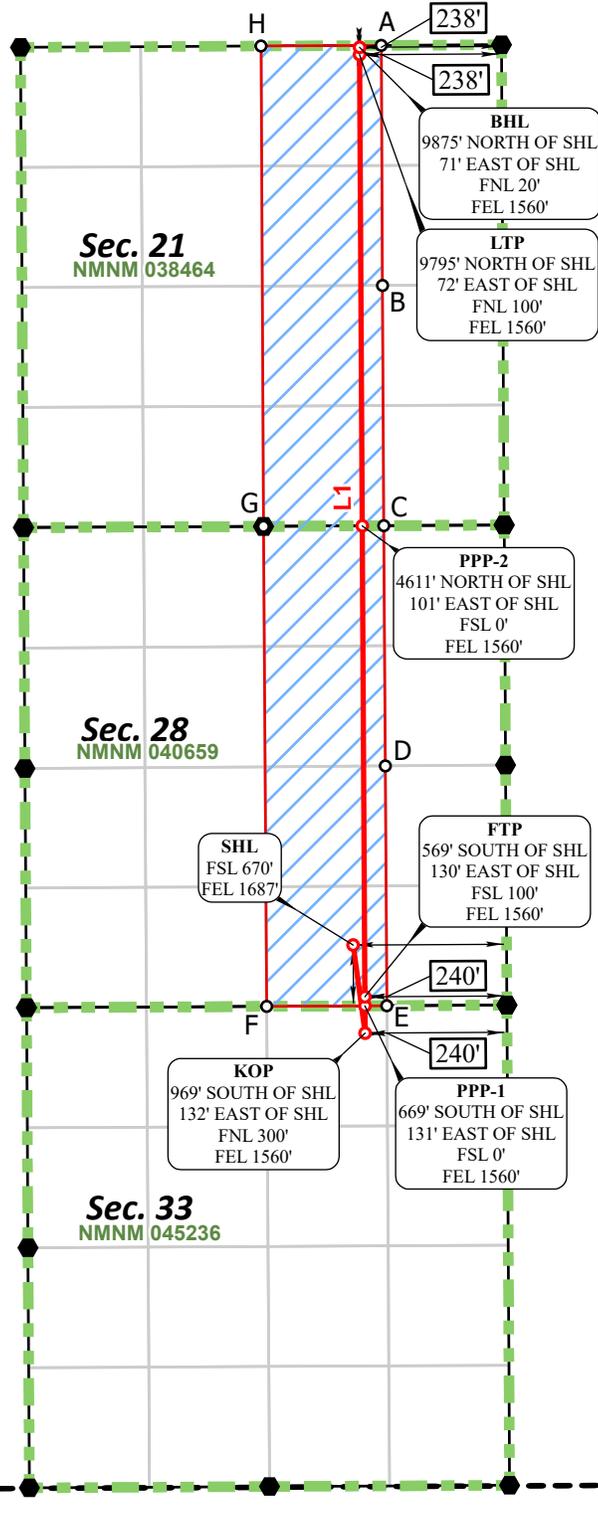
PPP-1 (NAD27)
X:671411.39' / Y:461680.33'
LAT:32.26805860 / LON:-103.77876821

KOP (NAD83)
X:712596.63' / Y:461439.63'
LAT:32.26735702 / LON:-103.77925316

KOP (NAD27)
X:671413.05' / Y:461380.34'
LAT:32.26723394 / LON:-103.77876785

SHL (NAD83)
X:712464.39' / Y:462408.95'
LAT:32.27002332 / LON:-103.77966481

SHL (NAD27)
X:671280.84' / Y:462349.63'
LAT:32.26990026 / LON:-103.77917938



T23S R31E
T24S R31E

CORNER COORDINATES NAD 83, SPCS NM EAST

A - X: 712773.83' / Y:472305.13'
B - X: 712787.85' / Y:469663.84'
C - X: 712802.26' / Y:467021.63'
D - X: 712818.72' / Y:464378.81'
E - X: 712834.81' / Y:461740.92'
F - X: 711514.68' / Y:461733.82'
G - X: 711479.57' / Y:467013.75'
H - X: 711452.07' / Y:472298.01'

CORNER COORDINATES NAD 27, SPCS NM EAST

A - X: 671590.57' / Y:472245.56'
B - X: 671604.52' / Y:469604.33'
C - X: 671618.84' / Y:466962.20'
D - X: 671635.23' / Y:464319.45'
E - X: 671651.24' / Y:461681.62'
F - X: 670331.11' / Y:461674.53'
G - X: 670296.16' / Y:466954.31'
H - X: 670268.82' / Y:472238.44'

***FTP TO LTP LINE BEARINGS**

LINE	BEARING
L1	N 00°19'19" W ~ 10364.38'

***FTP TO LTP LEASE DISTANCES**

TRACT	DISTANCE
NMNM 040659	5180.67'
NMNM 038464	5183.71'
TOTAL	10364.38'



○ 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.

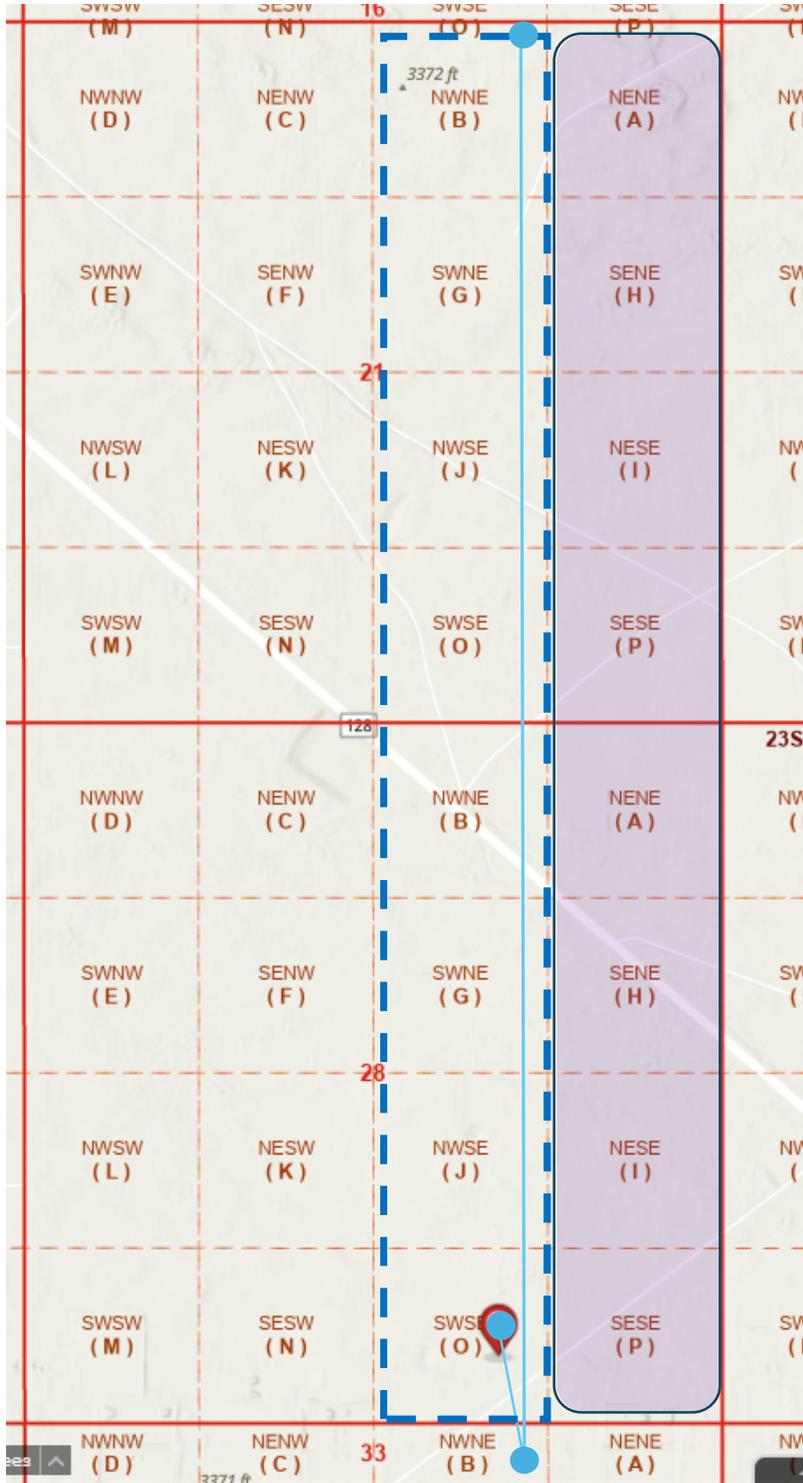
JOB No. OXY_0003_IS_14395
REV 2 NDS 1/10/2025

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

OXY USA Inc.
Iridium MDP1 28_21 Federal Com #73H
Section 28 Township 23 South, Range 31 East, N.M.P.M.
Eddy County, New Mexico



- Offset Encroaching Tracts
- HSU boundary
- Wellbore





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

March 18, 2025

Re: Iridium MDP1 28 21 Federal Com 73H - NSL

Units B, G, J and O, Section 21, T23S, R31E, Eddy County
Units B, G, J and O, Section 28, T23S, R31E, Eddy County

To Whom It May Concern:

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

Best Regards,

OXY USA INC.

Leslie E. Mullin, CPL
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

March 18, 2025

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.
Iridium MDP1 28_21 Federal Com 73H
T23S R31E, Sections 21 & 28 – East ½, Eddy County

Dear Mr. Lowe:

Oxy USA Inc. respectfully seeks approval for a non-standard location for the Iridium MDP1 28_21 Federal Com 73H 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 5 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 reads "P. Cabal".

Pablo Cabal
Development Engineer

Application Non-Standard Location - Service List
OXY USA Inc.
Iridium MDP1 28_21 Federal Com 73H

Online Submission

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

Certified Mail #_9407 1118 9876 5453 5682 32

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

Offset Tracts Section 21 (T23S-R31E) - Units A, H, I, P
Offset Tracts Section 28 (T23S-R31E) - Units A, H, I, P

Type	Affected Party
Working Interest	Occidental Petroleum Corp. P.O. Box 4294 Houston, TX 77210

Copies of this application were mailed to the individuals, companies and organizations on or before March 18, 2025



Sara Guthrie, Regulatory Advisor
OXY USA Inc.

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 443579

CONDITIONS

Operator: OXY USA INC P.O. Box 4294 Houston, TX 772104294	OGRID: 16696
	Action Number: 443579
	Action Type: [UF-NSL] Non-Standard Location (NSL)

CONDITIONS

Created By	Condition	Condition Date
llowe	None	3/20/2025