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

APPLICATION OF OXY USA INC. TO POOL AN ADDITIONAL WORKING INTEREST OWNER UNDER THE TERMS OF ORDER NO. R-21021, EDDY COUNTY, NEW MEXICO.

CASE NO. ____ORDER NO. R-21021

APPLICATION

OXY USA Inc. ("OXY" or "Applicant") (OGRID No. 16696) through its undersigned attorneys, hereby files this application with the Oil Conservation Division to pool additional working interests under the terms of Order No. R-21021. In support of its application, OXY states:

- 1. Division Order No. R-21021, entered on January 15, 2020, created a 640-acre, more or less, standard horizontal spacing unit consisting of the W/2 equivalent of Section 8 and the W/2 of Section 17, Township 24 South, Range 29 East, NMPM, Eddy County, New Mexico (the "Unit"), and designated Oxy as the operator of the Unit. Order No. R-21021 further pooled the uncommitted interests in the Wolfcamp formation (Purple Sage; Wolfcamp Pool (Pool Code 98220)) in the Unit and dedicated the Unit to the following initial wells:
 - The Oxbow CC 17-8 Fed Com #31H Well and the Oxbow CC 17-8 Fed Com #32H Well, to be horizontally drilled from surface locations in the SW/4 SW/4 (Unit M) of Section 17 to bottom-hole locations in the NW/4 NW/4 (Unit D) of Section 8.
 - The Oxbow CC 17-8 Fed Com #37H Well to be horizontally drilled from a surface location in the SE/4 SW/4 (Unit N) of Section 17 to a bottom-hole location in the NE/4 NW/4 (Unit C) of Section 8.

- 3. Since the entry of Order No. R-21021, Oxy has determined that there is an additional working interest owner in the Unit that requires pooling because Oxy has been unable to obtain voluntary joinder.
- 4. The pooling of the additional working interest owner under the terms of Order No. R-21021 will prevent waste, will protect correlative rights, and will promote administrative efficiency.
- 5. In order to permit Applicant to obtain its just and fair share of the oil and gas underlying the subject lands, the working interest owner should be pooled in the Unit pursuant to the terms of Order No. R-21021.

WHEREFORE, Applicant requests that this application be set for hearing before an Examiner of the Oil Conservation Division on March 5, 2020, and after notice and hearing as required by law, the Division pool the additional working interest owner pursuant to the terms of Order No. R-21021.

Respectfully submitted,

HOLLAND & HART LLP

3v:

Michael H. Feldewert

Adam G. Rankin

Julia Broggi

Kaitlyn A. Luck

Post Office Box 2208

Santa Fe, New Mexico 87504-2208

(505) 988-4421

(505) 983-6043 Facsimile

mfeldewert@hollandhart.com

jlkeslser@hollandhart.com

agrankin@hollandhart.com

jbroggi@hollandhart.com

kaluck@hollandhart.com

ATTORNEYS FOR OXY USA INC.