

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

**APPLICATION OF OXY USA INC. TO AMEND ORDER PLC-483B TO ADD
ADDITIONAL LEASES AND POOLS TO THE APPROVED COMMINGLING, EDDY
COUNTY, NEW MEXICO.**

CASE NO. _____

APPLICATION

OXY USA Inc. (“Oxy” or “Applicant”) (OGRID No. 16696) through its undersigned attorneys, files this application with the Oil Conservation Division for an order adding additional leases and pools to the surface and pool commingling approved by Order PLC-483B for the Cedar Canyon 23 Federal 3H and Cedar Canyon 22 Satellites located in Section 22, Township 24, South, Range 29 East, NMPM, Eddy County, New Mexico. In support of this application, Oxy states:

1. On March 1, 2022, Oxy submitted to the Division a complete Form C-107-B Application for Surface Commingling (Diverse Ownership) (hereinafter “March Commingling Application”) to add additional leases and pools to the surface and pool commingling approved by Order PLC-483B for the Cedar Canyon 23 Federal 3H and Cedar Canyon 22 Satellites located in Section 22, Township 24, South, Range 29 East, NMPM, Eddy County, New Mexico.

2. The March Commingling Application reflects notice was provided as required by Division rule.

3. On March 8, 2022, attorneys for Rebecca Gaines Hooks, Micaella Gaines Klapuch, Robert E. Gaines, Jr. and Mary Martha Gaines England (collectively the "Gaines Heirs") filed an Entry of Appearance and Notice of Protest to the March Commingling Application raising concerns about the request to add “unnamed ‘other wells’” in the subject leases to the approved commingling.

4. The Division assigned action ID: 85413 to the March Commingling Application and placed the matter on hold pending a resolution of the protest or a public hearing.

5. Efforts to resolve the Protest raised by the Gaines Heirs have not been successful.

6. Approval of the March Commingling Application will result in efficient production, storage, and measurement operations for the subject leases; lessens the impact on the surface estate; and is otherwise in the best interest of conservation, the prevention of waste, and the protection of correlative rights.

WHEREFORE, Oxy requests that this matter be set for hearing before an Examiner of the Oil Conservation Division on June 2, 2022, and that after notice and hearing as required by law, the Division enter an order adding the additional leases and pools identified in the March Commingling Application to the surface and pool commingling approved by Order PLC-483B for the Cedar Canyon 23 Federal 3H and Cedar Canyon 22 Satellites.

Respectfully submitted,

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