

**BEFORE THE OIL CONSERVATION DIVISION
EXAMINER HEARING DECEMBER 1, 2022**

CASE NO. 23204

STACK CATS 25 36 FED COM #31H, #32H, #33H AND #311H WELLS

LEA COUNTY, NEW MEXICO



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

**APPLICATION OF OXY USA INC. FOR
COMPULSORY POOLING, LEA COUNTY,
NEW MEXICO.**

CASE NO. 23204

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COMPULSORY POOLING APPLICATION CHECKLIST**ALL INFORMATION IN THE APPLICATION MUST BE SUPPORTED BY SIGNED AFFIDAVITS**

Case: 23204	APPLICANT'S RESPONSE
Date	December 1, 2022
Applicant	OXY USA Inc.
Designated Operator & OGRID (affiliation if applicable)	OGRID No. 16696
Applicant's Counsel:	Holland & Hart LLP
Case Title:	APPLICATION OF OXY USA INC. FOR COMPULSORY POOLING, LEA COUNTY, NEW MEXICO.
Entries of Appearance/Intervenors:	N/A
Well Family	Stack Cats 25_36
Formation/Pool	
Formation Name(s) or Vertical Extent:	Wolfcamp (oil)
Primary Product (Oil or Gas):	Oil
Pooling this vertical extent:	N/A
Pool Name and Pool Code:	WC-025 G-08 S223227D; Upper Wolfcamp [Pool code 98286]
Well Location Setback Rules:	Statewide oil rules
Spacing Unit Size:	640 acres
Spacing Unit	
Type (Horizontal/Vertical)	Horizontal
Size (Acres)	640
Building Blocks:	40 acres
Orientation:	North-South
Description: TRS/County	W/2 of Sections 25 and 36, Township 22 South, Range 32 East, NMPM, Lea County, New Mexico
Standard Horizontal Well Spacing Unit (Y/N), If No, describe	Yes
Other Situations	
Depth Severance: Y/N. If yes, description	No
Proximity Tracts: If yes, description	Yes; The completed interval of the <u>Stack Cats 25 36 Fed Com #311H</u> is expected to remain within 330 feet of the adjoining quarter-quarter section (or equivalent) tracts to allow inclusion of these proximity tracts within the proposed horizontal spacing unit under 19.15.16.15.B(1)(b) NMAC.
Proximity Defining Well: if yes, description	Stack Cats 25 36 Fed Com #311H; see above.
Applicant's Ownership in Each Tract	See Exhibit C-2
Well(s)	BEFORE THE OIL CONSERVATION DIVISION
Name & API (if assigned), surface and bottom hole location, footages, completion target, orientation, completion status (standard or non-standard)	Santa Fe, New Mexico Exhibit No. A Submitted by: OXY USA Inc. Hearing Date: December 1, 2022

Well #1	<u>Stack Cats 25 36 FED COM #31H well</u> SHL: 390' FSL, 1,335' FWL (Unit N) of Section 24 FTP: 100' FNL, 330' FWL (Unit D) of Section 25 LTP: 100' FSL, 330' FWL (Unit M) of Section 36 BHL: 20' FSL, 330' FWL (Unit M) of Section 36 Target: Wolfcamp (oil) Orientation: North-South Completion: Standard Location
Well #2	<u>Stack Cats 25 36 FED COM #32H well</u> SHL: 390' FSL, 1,395' FWL (Unit N) of Section 24 FTP: 100' FNL, 1,730' FWL (Unit C) of Section 25 LTP: 100' FSL, 1,730' FWL (Unit N) of Section 36 BHL: 20' FSL, 1,730' FWL (Unit N) of Section 36 Target: Wolfcamp (oil) Orientation: North-South Completion: Standard Location
Well #3	<u>Stack Cats 25 36 FED COM #33H well</u> SHL: 390' FSL, 1,425' FWL (Unit N) of Section 24 FTP: 100' FNL, 2,580' FWL (Unit C) of Section 25 LTP: 100' FSL, 2,580' FWL (Unit N) of Section 36 BHL: 20' FSL, 2,580' FWL (Unit N) of Section 36 Target: Wolfcamp (oil) Orientation: North-South Completion: Non-standard
Well #4	<u>Stack Cats 25 36 FED COM #311H well</u> SHL: 390' FSL, 1,365' FWL (Unit N) of Section 24 FTP: 100' FNL, 1,080' FWL (Unit D) of Section 25 LTP: 100' FSL, 1,080' FWL (Unit M) of Section 36 BHL: 20' FSL, 1,080' FWL (Unit M) of Section 36 Target: Wolfcamp (oil) Orientation: North South Completion: Proximity well
Horizontal Well First and Last Take Points	Exhibit C-1
Completion Target (Formation, TVD and MD)	Exhibit C-3; Exhibit D, D-3, D-4
AFE Capex and Operating Costs	
Drilling Supervision/Month \$	Exhibit C-3
Production Supervision/Month \$	Exhibit C-3
Justification for Supervision Costs	Exhibit C-3
Requested Risk Charge	Exhibit C-3
Notice of Hearing	
Proposed Notice of Hearing	Exhibit B
Proof of Mailed Notice of Hearing (20 days before hearing)	Exhibit E
Proof of Published Notice of Hearing (10 days before hearing)	Exhibit F
Ownership Determination	
Land Ownership Schematic of the Spacing Unit	Exhibit C-2
Tract List (including lease numbers and owners)	Exhibit C-2
Released to Imaging: 11/29/2022 4:44:37 PM Pooled Parties (including ownership type)	Exhibit C-2

Unlocatable Parties to be Pooled	N/A
Ownership Depth Severance (including percentage above & below)	N/A
Joinder	
Sample Copy of Proposal Letter	Exhibit C-3
List of Interest Owners (ie Exhibit A of JOA)	Exhibit C-2
Chronology of Contact with Non-Joined Working Interests	Exhibit C-4
Overhead Rates In Proposal Letter	Exhibit C-3; JOA
Cost Estimate to Drill and Complete	Exhibit C-3
Cost Estimate to Equip Well	Exhibit C-3
Cost Estimate for Production Facilities	Exhibit C-3
Geology	
Summary (including special considerations)	Exhibit D
Spacing Unit Schematic	Exhibit D-1, D-2
Gunbarrel/Lateral Trajectory Schematic	N/A
Well Orientation (with rationale)	Exhibit D
Target Formation	Exhibit D, D-3, D-4
HSU Cross Section	Exhibit D-3
Depth Severance Discussion	N/A
Forms, Figures and Tables	
C-102	Exhibit C-1
Tracts	Exhibit C-2
Summary of Interests, Unit Recapitulation (Tracts)	Exhibit C-2
General Location Map (including basin)	Exhibit D-1, D-2
Well Bore Location Map	Exhibit D-1, D-2
Structure Contour Map - Subsea Depth	Exhibit D-3
Cross Section Location Map (including wells)	Exhibit D-3, D-4
Cross Section (including Landing Zone)	Exhibit D-3, D-4
Additional Information	
Special Provisions/Stipulations	N/A
CERTIFICATION: I hereby certify that the information provided in this checklist is complete and accurate.	
Printed Name (Attorney or Party Representative):	Paula M. Vance
Signed Name (Attorney or Party Representative):	
Date:	29-Nov-12

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

**APPLICATION OF OXY USA INC. FOR
COMPULSORY POOLING, LEA COUNTY,
NEW MEXICO.**

CASE NO. 23204

APPLICATION

OXY USA Inc. (“Applicant” or “OXY”) (OGRID No. 16696), through its undersigned attorneys, hereby files this application with the Oil Conservation Division pursuant to the provisions of NMSA 1978, § 70-2-17, for an order pooling all uncommitted interests in the Wolfcamp (oil) formation underlying a standard 640-acre, more or less, horizontal spacing unit comprised of the W/2 of Sections 25 and 36, Township 22 South, Range 32 East, NMPM, Lea County, New Mexico. In support of its application, OXY states:

1. Applicant is a working interest owner in the proposed horizontal spacing unit and has the right to drill thereon.

2. Applicant seeks to dedicate the above-referenced horizontal spacing unit to the following proposed wells:

- the **Stack Cats 25 36 Fed Com #31H** and **Stack Cats 25 36 Fed Com #311H** to be horizontally drilled from a surface location in the SE/4 SW/4 (Unit N) of Section 24, to a bottom hole location in the SW/4 SW/4 (Unit M) of Section 36; and
- the **Stack Cats 25 36 Fed Com #32H** and **Stack Cats 25 36 Fed Com #33H** to be horizontally drilled from a surface location in the SE/4 SW/4 (Unit N) of Section 24, to a bottom hole location in the SE/4 SW/4 (Unit N) of Section 36.

**BEFORE THE OIL CONSERVATION DIVISION
Santa Fe, New Mexico
Exhibit No. B
Submitted by: OXY USA Inc.
Hearing Date: December 1, 2022
Case No. 23204**

3. The completed interval of the **Stack Cats 25 36 Fed Com #311H** is expected to remain within 330 feet of the adjoining quarter-quarter section (or equivalent) tracts to allow inclusion of these proximity tracts within the proposed horizontal spacing unit under 19.15.16.15.B(1)(b) NMAC.

4. Applicant has sought and been unable to obtain voluntary agreement for the development of these lands from all the interest owners in the subject spacing unit.

5. The pooling of interests will allow Applicant to obtain a just and fair share of the oil and gas underlying the subject lands, avoid the drilling of unnecessary wells, will prevent waste, and will protect correlative rights.

WHEREFORE, Applicant requests that this application be set for hearing before an Examiner of the Oil Conservation Division on December 1, 2022, and, after notice and hearing as required by law, the Division enter an order:

- A. Pooling all uncommitted interests in the horizontal spacing unit;
- B. Designating Applicant operator of this horizontal spacing unit and the horizontal wells to be drilled thereon;
- C. Authorizing Applicant to recover its costs of drilling, equipping, and completing the wells;
- D. Approving the actual operating charges and costs of supervision while drilling and after completion, together with a provision adjusting the rates pursuant to the COPAS accounting procedures; and
- E. Imposing a 200% charge for the risk assumed by Applicant in drilling and completing the wells against any working interest owner who does not voluntarily participate in the drilling of the wells.

Respectfully submitted,

HOLLAND & HART LLP



By: _____

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Adam G. Rankin
Julia Broggi
Paula M. Vance
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pmvance@hollandhart.com

ATTORNEYS FOR OXY USA INC.

Application of OXY USA Inc. for Compulsory Pooling, Lea County, New Mexico. Applicant in the above-styled cause seeks an order pooling all uncommitted interest owners in the Wolfcamp (oil) formation underlying a standard 640-acre, more or less, horizontal spacing unit comprised of the W/2 of Sections 25 and 36, Township 22 South, Range 32 East, NMPM, Lea County, New Mexico. The above-referenced unit will be dedicated to the proposed initial:

- **Stack Cats 25 36 Fed Com #31H** and **Stack Cats 25 36 Fed Com #311H** to be horizontally drilled from a surface location in the SE/4 SW/4 (Unit N) of Section 24, to a bottom hole location in the SW/4 SW/4 (Unit M) of Section 36; and
- **Stack Cats 25 36 Fed Com #32H** and **Stack Cats 25 36 Fed Com #33H** to be horizontally drilled from a surface location in the SE/4 SW/4 (Unit N) of Section 24, to a bottom hole location in the SE/4 SW/4 (Unit N) of Section 36.

The completed interval of the **Stack Cats 25 36 Fed Com #311H** is expected to remain within 330 feet of the adjoining quarter-quarter section (or equivalent) tracts to allow inclusion of these proximity tracts within the proposed horizontal spacing unit under 19.15.16.15.B(1)(b) NMAC. Also, to be considered will be the cost of drilling and completing the wells, the allocation of the cost thereof, the actual operating costs and charges for supervision, the designation of applicant as operator, and a 200% charge for risk involved in drilling and completing the wells. Said area is located approximately 27 miles southwest of Eunice, New Mexico.

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

APPLICATION OF OXY USA INC. FOR
COMPULSORY POOLING, LEA COUNTY,
NEW MEXICO.

CASE NO. 23204

SELF-AFFIRMED STATEMENT OF AMBER DELACH

1. My name is Amber Delach, and I work for OXY USA Inc., ("OXY") as a Land Negotiator. I am familiar with the application filed in this case and have personal knowledge of the information provided in this self-affirmed statement.

2. I have previously testified before the New Mexico Oil Conservation Division as an expert witness in petroleum land matters. My credentials as a land negotiator and in petroleum land matters have been accepted by the Division and made a matter of record.

3. None of the interest owners to be pooled have opposed this case proceeding by self-affirmed statement, so I do not expect any opposition at the hearing.

4. In Case No. 23204, OXY seeks an order pooling all uncommitted interests in the Wolfcamp (oil) formation (WC-025 G-08 S223227D; Upper Wolfcamp [Pool code 98286]) underlying a standard 640-acre, more or less, horizontal spacing unit comprised of the W/2 of Sections 25 and 36, Township 22 South, Range 32 East, NMPM, Lea County, New Mexico. OXY seeks to dedicate the above-referenced horizontal spacing unit to the following proposed wells:

- the **Stack Cats 25 36 Fed Com #31H** and **Stack Cats 25 36 Fed Com #311H** to be horizontally drilled from a surface location in the SE/4 SW/4 (Unit N) of Section 24, to a bottom hole location in the SW/4 SW/4 (Unit M) of Section 36; and

BEFORE THE OIL CONSERVATION DIVISION
Santa Fe, New Mexico
Exhibit No. C
Submitted by: OXY USA Inc.
Hearing Date: December 1, 2022
Case No. 23204

- the **Stack Cats 25 36 Fed Com #32H** and **Stack Cats 25 36 Fed Com #33H** to be horizontally drilled from a surface location in the SE/4 SW/4 (Unit N) of Section 24, to a bottom hole location in the SE/4 SW/4 (Unit N) of Section 36.
5. The completed interval of the **Stack Cats 25 36 Fed Com #311H** is expected to remain within 330 feet of the adjoining quarter-quarter section (or equivalent) tracts to allow inclusion of these proximity tracts within the proposed horizontal spacing unit under 19.15.16.15.B(1)(b) NMAC.
 6. **OXY Exhibit C-1** contains the C-102s for the proposed wells. These forms demonstrate that the completed interval for completed interval for the **Stack Cats 25 36 Fed Com #31H**, **#32H**, and **#311H** wells will comply with statewide setbacks for oil wells. The **Stack Cats 25 36 Fed Com #33H** will be at a non-standard location; therefore, OXY will apply separately by administrative application. The exhibit also shows that these wells will be assigned to the WC-025 G-08 S223227D; Upper Wolfcamp [Pool code 98286].
 7. **OXY Exhibit C-2** identifies ownership interests by tract and on a unit basis within the proposed spacing unit and also includes a breakdown of ownership interests. OXY seeks to pool the interest owners identified in the exhibit. The subject acreage is comprised of federal and state lands.
 8. No depth severances exist within the Wolfcamp (oil) formation underlying this acreage.
 9. **OXY Exhibit C-3** contains a sample of the well proposal letters and AFEs sent to owners with a working interest. The costs reflected in the AFEs are consistent with what OXY and other operators have incurred for drilling similar horizontal wells in the Wolfcamp (oil) in this formation.

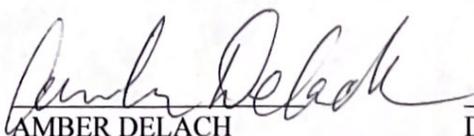
10. **OXY Exhibit C-4** contains a summary chronology of the contacts with the interest owners that OXY seeks to pool. In my opinion, OXY has made a good faith effort to obtain voluntary joinder of the uncommitted interest owners.

11. OXY requests overhead and administrative rates of \$8,000 per month for drilling and \$800 per month for a producing well. These rates are consistent with the rates charged by OXY and other operators for wells of this type in this area of southeastern New Mexico.

12. I have provided the law firm of Holland and Hart, LLP, with the names and addresses of the uncommitted interest owners that OXY seeks to pool. In providing the name and address, OXY has examined the county records, conducted computer searches and engaged in other good faith efforts to locate the most recent addresses for the interest owners that it seeks to pool.

13. **OXY Exhibits C-1 through C-4** were prepared by me or compiled under my direction from OXY's company business records.

14. I affirm under penalty of perjury under the laws of the State of New Mexico that the foregoing statements are true and correct. I understand that this self-affirmed statement will be used as written testimony in this case. This statement is made on the date next to my signature below.

 11/29/22
AMBER DELACH Date

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

¹ API Number	² Pool Code	³ Pool Name
⁴ Property Code	⁵ Property Name STACK CATS 25_36 FED COM	
⁷ OGRID No. 16696	⁸ Operator Name OXY USA INC.	⁶ Well Number 31H ⁹ Elevation 3756'

¹⁰ Surface Location

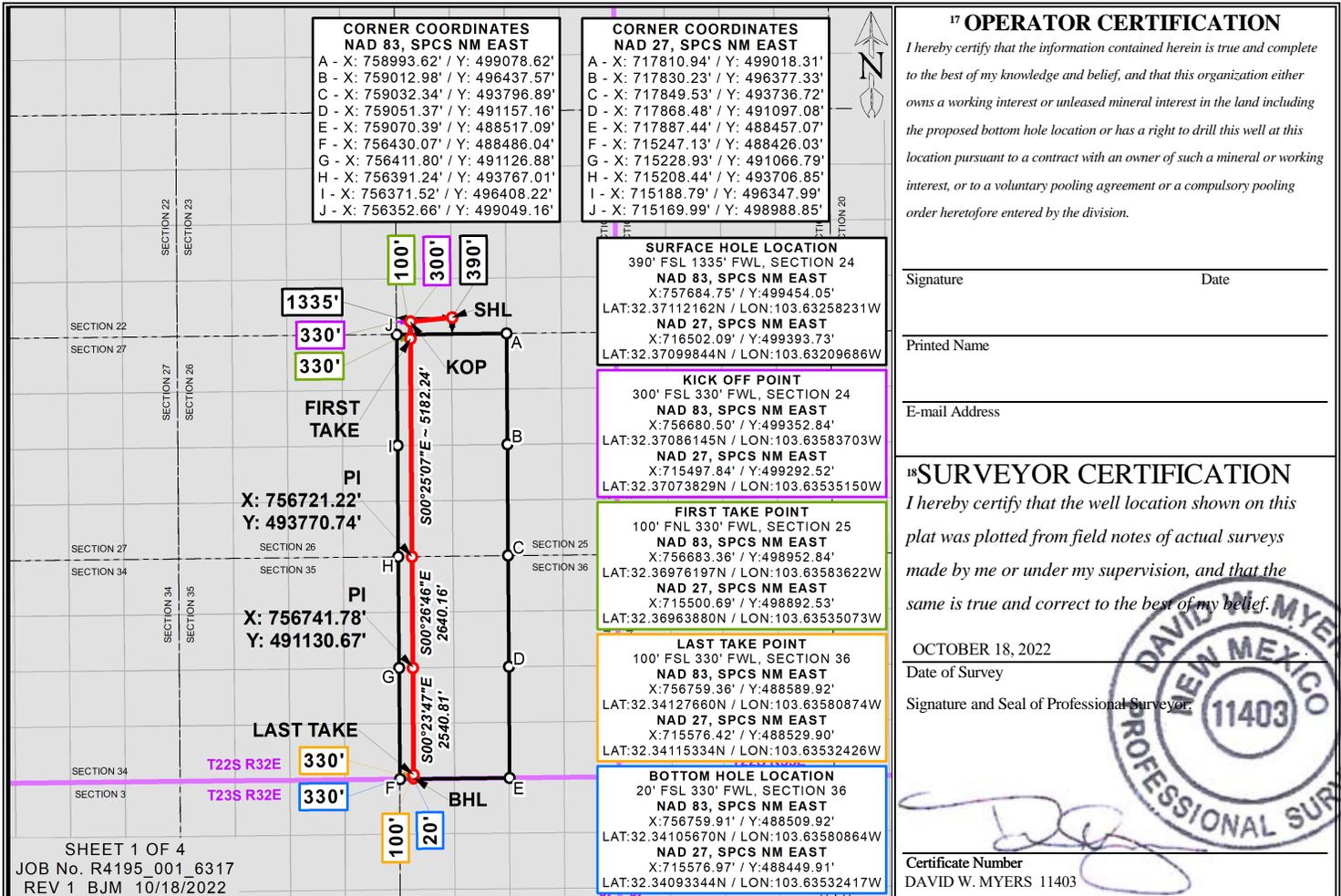
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
N	24	22S	32E		390	SOUTH	1335	WEST	LEA

¹¹ 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
M	36	22S	32E		20	SOUTH	330	WEST	LEA

¹² Dedicated Acres 640.0	¹³ Joint or Infill	¹⁴ Consolidation Code	¹⁵ 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: 0.99975697 Convergence Angle: 00°04'14.40001"

BEFORE THE OIL CONSERVATION DIVISION
Santa Fe, New Mexico
Exhibit No. C-1
Submitted by: OXY USA Inc.
Hearing Date: December 1, 2022
Case No. 23204

District I
1625 N. French Dr., Hobbs, NM 88240
Phone: (575) 393-6161 Fax: (575) 393-0720
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Form C-102
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WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number	² Pool Code	³ Pool Name
⁴ Property Code	⁵ Property Name STACK CATS 25_36 FED COM	
⁷ OGRID No. 16696	⁸ Operator Name OXY USA INC.	⁶ Well Number 33H
		⁹ Elevation 3757'

¹⁰ Surface Location

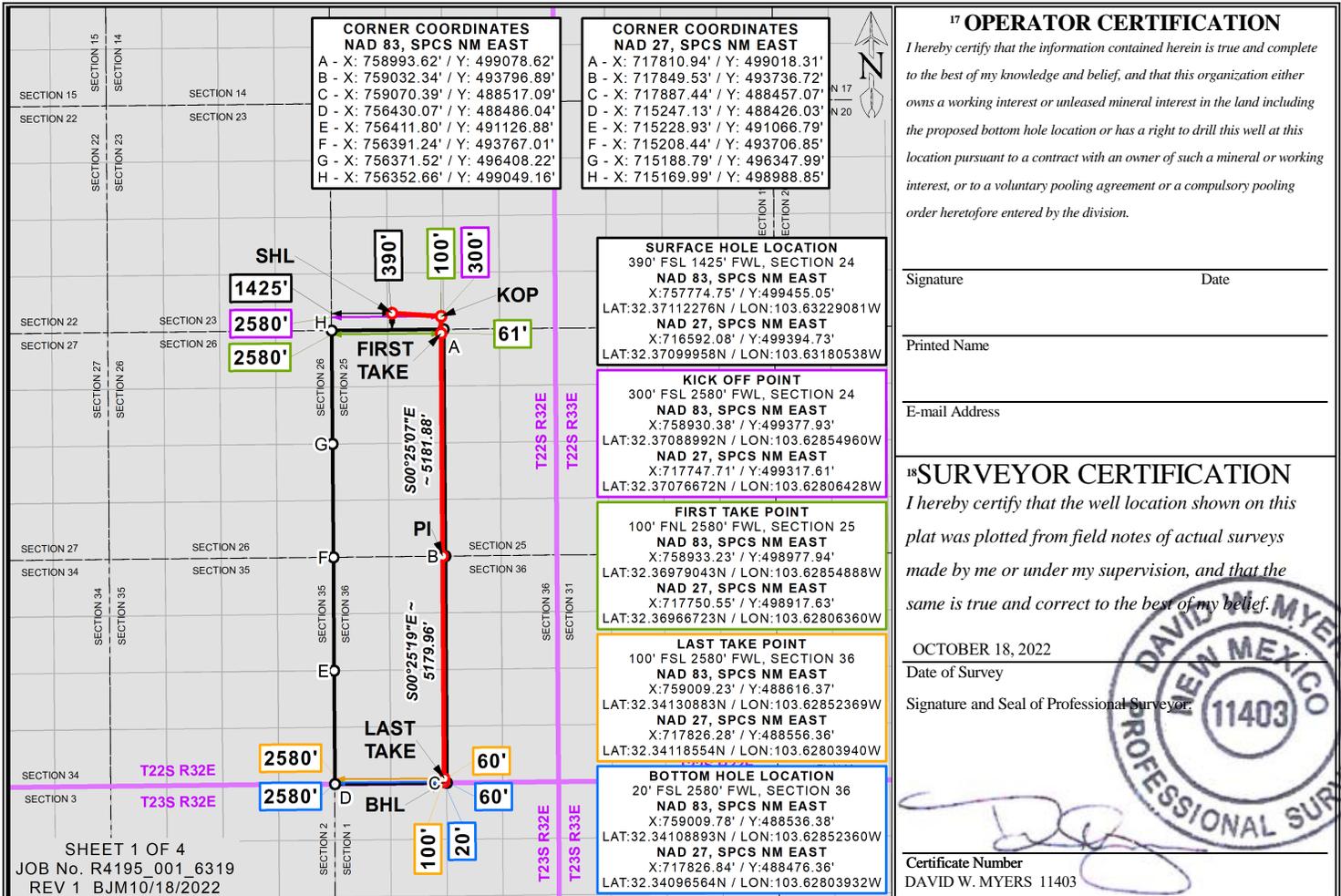
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
N	24	22S	32E		390	SOUTH	1425	WEST	LEA

¹¹ 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	36	22S	32E		20	SOUTH	2580	WEST	LEA

¹² Dedicated Acres 640.0	¹³ Joint or Infill	¹⁴ Consolidation Code	¹⁵ 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: 0.99975697 Convergence Angle: 00°04'14.40001"

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Form C-102
Revised August 1, 2011
Submit one copy to appropriate
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WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number		² Pool Code		³ Pool Name	
⁴ Property Code		⁵ Property Name STACK CATS 25_36 FED COM			⁶ Well Number 311H
⁷ OGRID No. 16696		⁸ Operator Name OXY USA INC.			⁹ Elevation 3757'

¹⁰ 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	24	22S	32E		390	SOUTH	1365	WEST	LEA

¹¹ 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
M	36	22S	32E		20	SOUTH	1080	WEST	LEA

¹² Dedicated Acres 640.0	¹³ Joint or Infill	¹⁴ Consolidation Code	¹⁵ 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.

CORNER COORDINATES NAD 83, SPCS NM EAST

A - X: 758993.62' / Y: 499078.62'
 B - X: 759012.98' / Y: 496437.57'
 C - X: 759032.34' / Y: 493796.89'
 D - X: 759051.37' / Y: 491157.16'
 E - X: 759070.39' / Y: 488517.09'
 F - X: 756430.07' / Y: 488486.04'
 G - X: 756411.80' / Y: 491126.88'
 H - X: 756391.24' / Y: 493767.01'
 I - X: 756371.52' / Y: 496408.22'
 J - X: 756352.66' / Y: 499049.16'

CORNER COORDINATES NAD 27, SPCS NM EAST

A - X: 717810.94' / Y: 499018.31'
 B - X: 717830.23' / Y: 496377.33'
 C - X: 717849.53' / Y: 493736.72'
 D - X: 717868.48' / Y: 491097.08'
 E - X: 717887.44' / Y: 488457.07'
 F - X: 715247.13' / Y: 488426.03'
 G - X: 715228.93' / Y: 491066.79'
 H - X: 715208.44' / Y: 493706.85'
 I - X: 715188.79' / Y: 496347.99'
 J - X: 715169.99' / Y: 498988.85'

SURFACE HOLE LOCATION
 390' FSL 1365' FWL, SECTION 24
NAD 83, SPCS NM EAST
 X:757714.75' / Y:499454.38'
 LAT:32.37112200N / LON:103.63248514W
NAD 27, SPCS NM EAST
 X:716532.09' / Y:499394.06'
 LAT:32.37099882N / LON:103.63199970W

KICK OFF POINT
 300' FSL 1080' FWL, SECTION 24
NAD 83, SPCS NM EAST
 X:757430.46' / Y:499361.20'
 LAT:32.37087099N / LON:103.63340788W
NAD 27, SPCS NM EAST
 X:716247.79' / Y:499300.88'
 LAT:32.37074781N / LON:103.63292243W

FIRST TAKE POINT
 100' FNL 1080' FWL, SECTION 25
NAD 83, SPCS NM EAST
 X:757433.32' / Y:498961.21'
 LAT:32.36977150N / LON:103.63340711W
NAD 27, SPCS NM EAST
 X:716250.64' / Y:498900.90'
 LAT:32.36964832N / LON:103.63292169W

LAST TAKE POINT
 100' FSL 1080' FWL, SECTION 36
NAD 83, SPCS NM EAST
 X:757509.32' / Y:488598.74'
 LAT:32.34128739N / LON:103.63338039W
NAD 27, SPCS NM EAST
 X:716326.38' / Y:488538.72'
 LAT:32.34116412N / LON:103.63289598W

BOTTOM HOLE LOCATION
 20' FSL 1080' FWL, SECTION 36
NAD 83, SPCS NM EAST
 X:757509.87' / Y:488518.74'
 LAT:32.34106749N / LON:103.63338029W
NAD 27, SPCS NM EAST
 X:716326.93' / Y:488458.73'
 LAT:32.34094422N / LON:103.63289589W

¹⁷ OPERATOR CERTIFICATION

I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and 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 such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.

Signature _____ Date _____

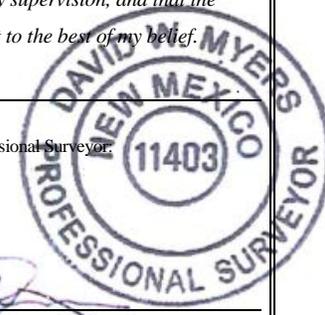
Printed Name _____

E-mail Address _____

¹⁸ SURVEYOR CERTIFICATION

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.

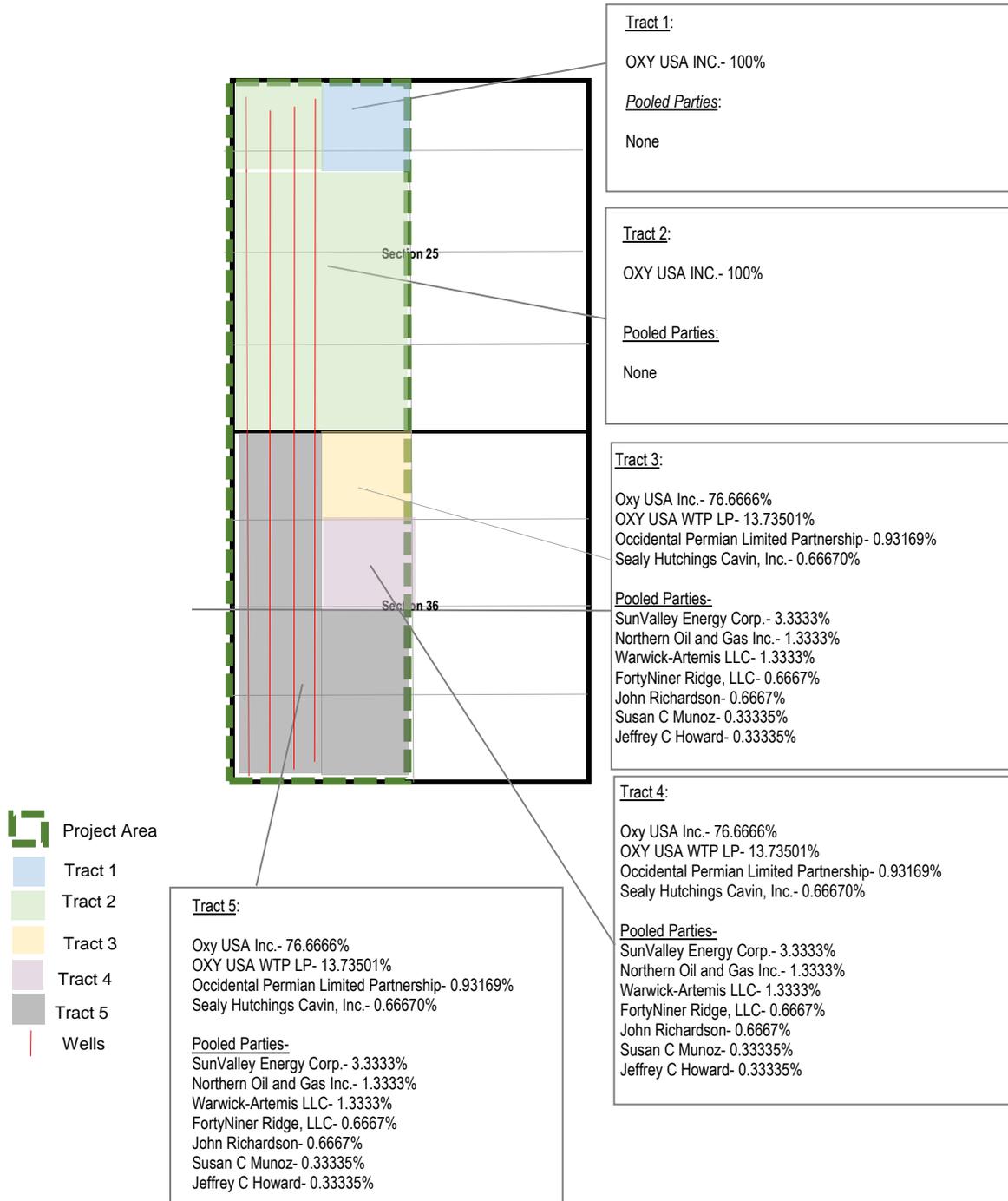
OCTOBER 18, 2022
Date of Survey

Signature and Seal of Professional Surveyor: 

Certificate Number
DAVID W. MYERS 11403

Distances/areas relative to NAD 83 Combined Scale Factor: 0.99975697 Convergence Angle: 00°04'14.40001"

**W/2 of Section 25 and 36, T22S-R32E,
Lea County, New Mexico, containing 640 acres**

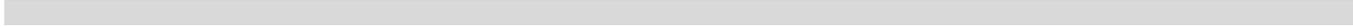


BEFORE THE OIL CONSERVATION DIVISION
 Santa Fe, New Mexico
 Exhibit No. C-2
 Submitted by: OXY USA Inc.
 Hearing Date: December 1, 2022
 Case No. 23204

W/2 of Section 25 and 36, Township 22 South, Range 32 East, Lea County, NM

		Total Acres in proposed spacing unit:	640
Tract 1	NE/4NW/4 of Section 25		
	100.000000% OXY USA INC.	Acres contributed to proposed spacing unit:	40
	Total Committed Interest		100.000000%
	Total Uncommitted Interest		0.000000%
Tract 2	NW/4NW/4, S/2NW/4, SW/4 of Section 25		
	100.000000% OXY USA INC.	Acres contributed to proposed spacing unit:	280
	Total Committed Interest		100.000000%
	Total Uncommitted Interest		0.000000%
Tract 3	NE/4NW/4 of Section 36		
	76.666600% OXY USA Inc.	Acres contributed to proposed spacing unit:	40
	13.735009% OXY USA WTP Limited Partnership		
	0.931691% Occidental Permian Limited Partnership		
	3.333300% SunValley Energy Corporation		
	1.333300% Northern Oil and Gas Inc.		
	1.333300% Warwick-Artemis LLC		
	0.666700% FortyNiner Ridge, LLC		
	0.666700% John Richardson		
	0.666700% Sealy Hutchings Cavin, Inc.		
	0.333350% Susan C. Munoz		
	0.333350% Jeffrey C. Howard		
	100.000000%		
	Total Committed Interest		92.000000%
	Total Uncommitted Interest		8.000000%
Tract 4	SE/4NW/4 of Section 36		
	76.666600% OXY USA Inc.	Acres contributed to proposed spacing unit:	40
	13.735009% OXY USA WTP Limited Partnership		
	0.931691% Occidental Permian Limited Partnership		
	3.333300% SunValley Energy Corporation		
	1.333300% Northern Oil and Gas Inc.		
	1.333300% Warwick-Artemis LLC		
	0.666700% FortyNiner Ridge, LLC		
	0.666700% John Richardson		
	0.666700% Sealy Hutchings Cavin, Inc.		
	0.333350% Susan C. Munoz		
	0.333350% Jeffrey C. Howard		
	100.000000%		
	Total Committed Interest		92.000000%
	Total Uncommitted Interest		8.000000%
Tract 5	W/2NW/4, SW/4 of Section 36		
	76.666600% OXY USA Inc.	Acres contributed to proposed spacing unit:	240
	13.735009% OXY USA WTP Limited Partnership		
	0.931691% Occidental Permian Limited Partnership		
	3.333300% SunValley Energy Corporation		
	1.333300% Northern Oil and Gas Inc.		
	1.333300% Warwick-Artemis LLC		
	0.666700% FortyNiner Ridge, LLC		
	0.666700% John Richardson		
	0.666700% Sealy Hutchings Cavin, Inc.		
	0.333350% Susan C. Munoz		
	0.333350% Jeffrey C. Howard		
	100.000000%		
	Total Committed Interest		92.000000%
	Total Uncommitted Interest		8.000000%

KEY	
	Indicates Party to be Pooled





OXY USA INC.

A subsidiary of Occidental Petroleum Corporation

5 Greenway Plaza, Suite 110, Houston, Texas 77046-0521
P.O. Box 27570, Houston, Texas 77227-7570

October 18, 2022

CERTIFIED MAIL – RETURN RECEIPT REQUESTED

WORKING INTEREST PARTIES
(see attached list)

Re: Four Well Proposals – Stack Cats 25_36 Fed Com wells
W/2 of Sections 25 and 36
Township 22 South, Range 32 East
Lea County, New Mexico

Dear WI Owner,

This letter is meant to replace the existing proposal letter dated September 30, 2022. OXY USA Inc. (“OXY”) hereby proposes the drilling of four wells at the following locations:

- Stack Cats 25_36 Fed Com 31H- Wolfcamp
 - SHL: 390’ FSL, 1335’ FWL (Section 24)
 - BHL: 20’ FSL, 330’ FWL (Section 36)
 - Approximate TVD: 11,900’
- Stack Cats 25_36 Fed Com 32H- Wolfcamp
 - SHL: 390’ FSL, 1395’ FWL (Section 24)
 - BHL: 20’ FSL, 1730’ FWL (Section 36)
 - Approximate TVD: 11,925’
- Stack Cats 25_36 Fed Com 33H- Wolfcamp
 - SHL: 390’ FSL, 1425’ FWL (Section 24)
 - BHL: 20’ FSL, 2580’ FWL (Section 36)
 - Approximate TVD: 12,170’
- Stack Cats 25_36 Fed Com 311H- Wolfcamp
 - SHL: 390’ FSL, 1365’ FWL (Section 24)
 - BHL: 20’ FSL, 1080’ FWL (Section 36)
 - Approximate TVD: 12,120’

The proposed operations include drilling and completing these Stack Cats 25_36 Fed Com wells at the above stated locations, subject to modification, as approximate 10,000’ laterals in the above stated formation. A detailed description of the total estimated cost to drill and complete the wells is provided in the enclosed AFEs.

Simultaneously with this letter, OXY is proposing to drill these wells under the terms of a modified 1989 AAPL form of Operating Agreement, enclosed herewith and dated October 1, 2022 with OXY USA Inc., as Operator, covering the W/2 of Sections 25 and 36, Township 22 South, Range 32 East, N.M.P.M., Lea County, New Mexico. This proposed Operating Agreement will supersede any and all existing Operating Agreements as to these wells.

If we do not reach an agreement within 30 days of the date of this letter, OXY will apply to the New Mexico Oil Conservation Division for compulsory pooling of your interest into a spacing unit for the proposed wells.

Please indicate your elections to participate in the drilling, completing, and equipping of the proposed wells by executing and returning one copy of this letter and the enclosed AFEs in the self-addressed stamped envelope provided.

In the event you do not wish to participate in this development, OXY is willing to discuss a deal to either trade for, or purchase your interest in the proposed development area.

If you have any questions, or would like to discuss this proposal in greater detail, please don’t hesitate to call or e-mail.

BEFORE THE OIL CONSERVATION DIVISION

Santa Fe, New Mexico

Exhibit No. C3

Submitted by: OXY USA Inc.

Hearing Date: December 1, 2022

Case No. 23204

OXY USA Inc.

Amber Delach
713.552.8502
Amber_delach@oxy.com

Enclosures

WIO elects to:

___ participate in the drilling of the Stack Cats 25_36 Fed Com 31H

___ non-consent the drilling of the Stack Cats 25_36 Fed Com 31H

By: _____

Name: _____

Title: _____

Date: _____

WIO elects to:

___ participate in the drilling of the Stack Cats 25_36 Fed Com 32H

___ non-consent the drilling of the Stack Cats 25_36 Fed Com 32H

By: _____

Name: _____

Title: _____

Date: _____

WIO elects to:

___ participate in the drilling of the Stack Cats 25_36 Fed Com 33H

___ non-consent the drilling of the Stack Cats 25_36 Fed Com 33H

By: _____

Name: _____

Title: _____

Date: _____

WIO elects to:

___ participate in the drilling of the Stack Cats 25_36 Fed Com 311H

___ non-consent the drilling of the Stack Cats 25_36 Fed Com 311H

By: _____

Name: _____

Title: _____

Date: _____

Working Interest Owners
 *subject to final title verification

WIO Name	% WI ownership in W/2 of Sections 25 and 36
OXY USA INC.	82.978800%
OXY Y-1 COMPANY	5.354500%
OXY USA WTP LIMITED PARTNERSHIP	6.867500%
OCCIDENTAL PERMIAN LIMITED PARTNERSHIP	0.465800%
SunValley Energy Corporation	1.666700%
Northern Oil & Gas Inc.	0.666700%
Warwick-Artemis LLC	0.666700%
FortyNiner Ridge, LLC	0.333400%
Sealy Hutchings Cavin, Inc.	0.333400%
John Richardson	0.333400%
Jeffrey C. Howard	0.166700%
Susan C. Munoz	0.166700%
	100.00000%

	Occidental Oil and Gas Corporation STACK CATS 25_36 FED COM 31H	RMT: PERMIAN RESOURCES NEW MEXICO
		State & County: NEW MEXICO, EDDY
		Field: TANKS
		Well Type: TANK_3BSXY_3S_10K_2500R_250
		Date: 11/29/2022

Code	Element Name	1 Prep Phase	2 Location/Rig Move	3 Drilling	4 P&A	5 Completion	6 Artificial Lift	7 Hookup	8 Facilities
Location, Mobilization, Rig Move									
3010	Major Mob / Demob	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
3011	Location & Roads + Maintenance	\$ -	\$ 142,000	\$ -	\$ -	\$ 1,000	\$ -	\$ -	\$ -
3021	Rig Move	\$ -	\$ 130,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Labor, Services & Equipment Rentals									
1000	Employee Wages	\$ -	\$ 6,000	\$ 56,000	\$ -	\$ 129,000	\$ -	\$ -	\$ -
1050	Location Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2004	Contractor Maintenance/Roustabouts	\$ -	\$ -	\$ -	\$ -	\$ 19,000	\$ -	\$ -	\$ -
2017	Contract Supervision	\$ -	\$ 8,000	\$ 77,000	\$ -	\$ 70,000	\$ -	\$ -	\$ -
2019	Contractor HES	\$ -	\$ 1,000	\$ 14,000	\$ -	\$ -	\$ -	\$ -	\$ -
2034	Labor services	\$ -	\$ 5,000	\$ 120,000	\$ -	\$ -	\$ 243,000	\$ -	\$ -
3001	Services Hot Oiling	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
3002	Services Misc Heavy Equipment	\$ -	\$ -	\$ -	\$ -	\$ 30,000	\$ -	\$ -	\$ -
3003	Fluid Haul	\$ -	\$ -	\$ 180,000	\$ -	\$ 101,000	\$ -	\$ -	\$ -
3005	Services Inspection	\$ -	\$ 1,000	\$ 88,000	\$ -	\$ -	\$ -	\$ -	\$ -
3009	Services Wellhead	\$ -	\$ 2,000	\$ 17,000	\$ -	\$ 17,000	\$ -	\$ -	\$ -
3012	Cased/Open Hole Logging	\$ -	\$ -	\$ -	\$ -	\$ 30,000	\$ -	\$ -	\$ -
3013	Services Coiled Tubing	\$ -	\$ -	\$ -	\$ -	\$ 177,000	\$ -	\$ -	\$ -
3014	Directional Drilling & LWD	\$ -	\$ -	\$ 482,000	\$ -	\$ -	\$ -	\$ -	\$ -
3015	Fishing	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
3016	Mud Logging	\$ -	\$ -	\$ 20,000	\$ -	\$ -	\$ -	\$ -	\$ -
3018	Services Perforating	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
3019	Wire line & Slick line	\$ -	\$ -	\$ -	\$ -	\$ 342,000	\$ -	\$ -	\$ -
3020	Rig Work	\$ -	\$ -	\$ 749,000	\$ -	\$ -	\$ 52,000	\$ -	\$ -
3022	Drilling & Completion Fluids	\$ -	\$ 7,000	\$ 89,000	\$ -	\$ -	\$ -	\$ -	\$ -
3023	Cementing	\$ -	\$ -	\$ 267,000	\$ -	\$ -	\$ -	\$ -	\$ -
3024	Services Stimulation	\$ -	\$ -	\$ -	\$ -	\$ 2,364,000	\$ -	\$ -	\$ -
3025	Services Downhole Other	\$ -	\$ -	\$ 48,000	\$ -	\$ -	\$ -	\$ -	\$ -
3026	Formation Testing and Coring	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
3029	Camp & Catering	\$ -	\$ 3,000	\$ 9,000	\$ -	\$ -	\$ -	\$ -	\$ -
3032	Communications & IT	\$ -	\$ 2,000	\$ 23,000	\$ -	\$ -	\$ -	\$ -	\$ -
3035	Services Disposal	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
3039	Services Fluid Hauling from Site	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
4005	Rental Downhole Equipment & Tools	\$ -	\$ 11,000	\$ 138,000	\$ -	\$ -	\$ -	\$ -	\$ -
4007	HES & Industrial waste handling	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
4013	Rental Surface Equipment & Tools	\$ -	\$ 14,000	\$ 110,000	\$ -	\$ 440,000	\$ 8,000	\$ -	\$ -
Consum: Consumables									
5021	Material Surface Other	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 237,000	\$ 127,000	\$ -
5023	Wellhead & X-mas tree	\$ -	\$ -	\$ 50,000	\$ -	\$ 97,000	\$ 42,000	\$ -	\$ -
5027	Material Subsurface Lift Equipment Other	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 43,000	\$ -	\$ -
5028	Casing and Casing Accessories	\$ -	\$ -	\$ 1,624,000	\$ -	\$ -	\$ -	\$ -	\$ -
5029	Material Tubing and Accs	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 33,000	\$ -	\$ -
5500	Material Consumables	\$ -	\$ -	\$ 15,000	\$ -	\$ 823,000	\$ -	\$ -	\$ -
5502	Drilling Fluids Products	\$ -	\$ -	\$ 273,000	\$ -	\$ 4,000	\$ -	\$ -	\$ -
5503	Bits, Reamers, Scrapers, HO's	\$ -	\$ -	\$ 63,000	\$ -	\$ -	\$ -	\$ -	\$ -
5505	Fuel & Lubricants	\$ -	\$ 14,000	\$ 142,000	\$ -	\$ -	\$ -	\$ -	\$ -
7004	Utilities: Electricity, Water & Sewers & Trash	\$ -	\$ 1,000	\$ 13,000	\$ -	\$ -	\$ -	\$ -	\$ -
Logistics, Insurance & Tax									
8000	Land Transportation	\$ -	\$ 2,000	\$ 43,000	\$ -	\$ 19,000	\$ -	\$ -	\$ -
8102	Tax & contingency	\$ -	\$ 17,000	\$ 505,000	\$ -	\$ -	\$ -	\$ -	\$ -
8918	Permits/Settlements/Other	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
8921	Waste Handling and Disp	\$ -	\$ -	\$ 34,000	\$ -	\$ -	\$ -	\$ -	\$ -
8945	Loss & Loss Expenses Paid	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
9999	Other Costs	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Subtotal		\$ -	\$ 366,000	\$ 5,249,000	\$ -	\$ 4,663,000	\$ 658,000	\$ 127,000	\$ -

Signature: _____

Company: _____

Printed Name: _____

Title: _____

Date: _____ Approval % WI

This AFE is only an estimate. By signing, you agree to pay your proportional share of the actual costs incurred.

Total Drilling (1+2+3):	\$	5,615,000
Total Completion (5+6):	\$	5,321,000
Total Facilities (7+8):	\$	127,000
Total Well Cost (1+2+3+4+5+6+7+8):	\$	11,063,000

Jeremy Magness - Project Manager
Amber Delach - Land Negotiator

	Occidental Oil and Gas Corporation STACK CATS 25_36 FED COM 32H	RMT: PERMIAN RESOURCES NEW MEXICO
		State & County: NEW MEXICO, EDDY
		Field: TANKS
		Well Type: TANK_3BSXY_3S_10K_2500R_250
		Date: 11/29/2022

Code	Element Name	1 Prep Phase	2 Location/Rig Move	3 Drilling	4 P&A	5 Completion	6 Artificial Lift	7 Hookup	8 Facilities
Location, Mobilization, Rig Move									
3010	Major Mob / Demob	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
3011	Location & Roads + Maintenance	\$ -	\$ 142,000	\$ -	\$ -	\$ 1,000	\$ -	\$ -	\$ -
3021	Rig Move	\$ -	\$ 130,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Labor, Services & Equipment Rentals									
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1050	Location Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2004	Contractor Maintenance/Roustabouts	\$ -	\$ -	\$ -	\$ -	\$ 19,000	\$ -	\$ -	\$ -
2017	Contract Supervision	\$ -	\$ 8,000	\$ 77,000	\$ -	\$ 70,000	\$ -	\$ -	\$ -
2019	Contractor HES	\$ -	\$ 1,000	\$ 14,000	\$ -	\$ -	\$ -	\$ -	\$ -
2034	Labor services	\$ -	\$ 5,000	\$ 120,000	\$ -	\$ -	\$ 243,000	\$ -	\$ -
3001	Services Hot Oiling	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
3002	Services Misc Heavy Equipment	\$ -	\$ -	\$ -	\$ -	\$ 30,000	\$ -	\$ -	\$ -
3003	Fluid Haul	\$ -	\$ -	\$ 180,000	\$ -	\$ 101,000	\$ -	\$ -	\$ -
3005	Services Inspection	\$ -	\$ 1,000	\$ 88,000	\$ -	\$ -	\$ -	\$ -	\$ -
3009	Services Wellhead	\$ -	\$ 2,000	\$ 17,000	\$ -	\$ 17,000	\$ -	\$ -	\$ -
3012	Cased/Open Hole Logging	\$ -	\$ -	\$ -	\$ -	\$ 30,000	\$ -	\$ -	\$ -
3013	Services Coiled Tubing	\$ -	\$ -	\$ -	\$ -	\$ 177,000	\$ -	\$ -	\$ -
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3016	Mud Logging	\$ -	\$ -	\$ 20,000	\$ -	\$ -	\$ -	\$ -	\$ -
3018	Services Perforating	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
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3023	Cementing	\$ -	\$ -	\$ 267,000	\$ -	\$ -	\$ -	\$ -	\$ -
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Subtotal		\$ -	\$ 366,000	\$ 5,249,000	\$ -	\$ 4,663,000	\$ 658,000	\$ 127,000	\$ -

Signature:	
Company:	
Printed Name:	
Title:	
Date:	Approval % WI
This AFE is only an estimate. By signing, you agree to pay your proportional share of the actual costs incurred.	

Total Drilling (1+2+3):	\$ 5,615,000
Total Completion (5+6):	\$ 5,321,000
Total Facilities (7+8):	\$ 127,000
Total Well Cost (1+2+3+4+5+6+7+8):	\$ 11,063,000
Jeremy Magness - Project Manager Amber Delach - Land Negotiator	

	Occidental Oil and Gas Corporation STACK CATS 25_36 FED COM 33H	RMT: PERMIAN RESOURCES NEW MEXICO
		State & County: NEW MEXICO, EDDY
		Field: TANKS
		Well Type: TANK_WCA_3S_10K_2500R_250
		Date: 11/29/2022

Code	Element Name	1 Prep Phase	2 Location/Rig Move	3 Drilling	4 P&A	5 Completion	6 Artificial Lift	7 Hookup	8 Facilities
Location, Mobilization, Rig Move									
3010	Major Mob / Demob	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
3011	Location & Roads + Maintenance	\$ -	\$ 142,000	\$ -	\$ -	\$ 1,000	\$ -	\$ -	\$ -
3021	Rig Move	\$ -	\$ 130,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Labor, Services & Equipment Rentals									
1000	Employee Wages	\$ -	\$ 6,000	\$ 56,000	\$ -	\$ 129,000	\$ -	\$ -	\$ -
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3005	Services Inspection	\$ -	\$ 1,000	\$ 88,000	\$ -	\$ -	\$ -	\$ -	\$ -
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3024	Services Stimulation	\$ -	\$ -	\$ -	\$ -	\$ 2,364,000	\$ -	\$ -	\$ -
3025	Services Downhole Other	\$ -	\$ -	\$ 48,000	\$ -	\$ -	\$ -	\$ -	\$ -
3026	Formation Testing and Coring	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
3029	Camp & Catering	\$ -	\$ 3,000	\$ 9,000	\$ -	\$ -	\$ -	\$ -	\$ -
3032	Communications & IT	\$ -	\$ 2,000	\$ 23,000	\$ -	\$ -	\$ -	\$ -	\$ -
3035	Services Disposal	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
3039	Services Fluid Hauling from Site	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
4005	Rental Downhole Equipment & Tools	\$ -	\$ 11,000	\$ 138,000	\$ -	\$ -	\$ -	\$ -	\$ -
4007	HES & Industrial waste handling	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
4013	Rental Surface Equipment & Tools	\$ -	\$ 14,000	\$ 110,000	\$ -	\$ 440,000	\$ 8,000	\$ -	\$ -
Consum: Consumables									
5021	Material Surface Other	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 237,000	\$ 127,000	\$ -
5023	Wellhead & X-mas tree	\$ -	\$ -	\$ 50,000	\$ -	\$ 97,000	\$ 42,000	\$ -	\$ -
5027	Material Subsurface Lift Equipment Other	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 43,000	\$ -	\$ -
5028	Casing and Casing Accessories	\$ -	\$ -	\$ 1,624,000	\$ -	\$ -	\$ -	\$ -	\$ -
5029	Material Tubing and Accs	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 33,000	\$ -	\$ -
5500	Material Consumables	\$ -	\$ -	\$ 15,000	\$ -	\$ 823,000	\$ -	\$ -	\$ -
5502	Drilling Fluids Products	\$ -	\$ -	\$ 273,000	\$ -	\$ 4,000	\$ -	\$ -	\$ -
5503	Bits, Reamers, Scrapers, HO's	\$ -	\$ -	\$ 63,000	\$ -	\$ -	\$ -	\$ -	\$ -
5505	Fuel & Lubricants	\$ -	\$ 14,000	\$ 142,000	\$ -	\$ -	\$ -	\$ -	\$ -
7004	Utilities: Electricity, Water & Sewers & Trash	\$ -	\$ 1,000	\$ 13,000	\$ -	\$ -	\$ -	\$ -	\$ -
Logistics, Insurance & Tax									
8000	Land Transportation	\$ -	\$ 2,000	\$ 43,000	\$ -	\$ 19,000	\$ -	\$ -	\$ -
8102	Tax & contingency	\$ -	\$ 17,000	\$ 505,000	\$ -	\$ -	\$ -	\$ -	\$ -
8918	Permits/Settlements/Other	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
8921	Waste Handling and Disp	\$ -	\$ -	\$ 34,000	\$ -	\$ -	\$ -	\$ -	\$ -
8945	Loss & Loss Expenses Paid	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
9999	Other Costs	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Subtotal		\$ -	\$ 366,000	\$ 5,249,000	\$ -	\$ 4,663,000	\$ 658,000	\$ 127,000	\$ -

Signature:	
Company:	
Printed Name:	
Title:	
Date:	Approval % WI
This AFE is only an estimate. By signing, you agree to pay your proportional share of the actual costs incurred.	

Total Drilling (1+2+3):	\$	5,615,000
Total Completion (5+6):	\$	5,321,000
Total Facilities (7+8):	\$	127,000
Total Well Cost (1+2+3+4+5+6+7+8):	\$	11,063,000
Jeremy Magness - Project Manager Amber Delach - Land Negotiator		

	Occidental Oil and Gas Corporation STACK CATS 25_36 FED COM 311H	RMT: PERMIAN RESOURCES NEW MEXICO
		State & County: NEW MEXICO, EDDY
		Field: TANKS
		Well Type: TANK_WCA_3S_10K_2500R_250
		Date: 11/29/2022

Code	Element Name	1 Prep Phase	2 Location/Rig Move	3 Drilling	4 P&A	5 Completion	6 Artificial Lift	7 Hookup	8 Facilities
Location, Mobilization, Rig Move									
3010	Major Mob / Demob	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
3011	Location & Roads + Maintenance	\$ -	\$ 142,000	\$ -	\$ -	\$ 1,000	\$ -	\$ -	\$ -
3021	Rig Move	\$ -	\$ 130,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Labor, Services & Equipment Rentals									
1000	Employee Wages	\$ -	\$ 6,000	\$ 56,000	\$ -	\$ 129,000	\$ -	\$ -	\$ -
1050	Location Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2004	Contractor Maintenance/Roustabouts	\$ -	\$ -	\$ -	\$ -	\$ 19,000	\$ -	\$ -	\$ -
2017	Contract Supervision	\$ -	\$ 8,000	\$ 77,000	\$ -	\$ 70,000	\$ -	\$ -	\$ -
2019	Contractor HES	\$ -	\$ 1,000	\$ 14,000	\$ -	\$ -	\$ -	\$ -	\$ -
2034	Labor services	\$ -	\$ 5,000	\$ 120,000	\$ -	\$ -	\$ 243,000	\$ -	\$ -
3001	Services Hot Oiling	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
3002	Services Misc Heavy Equipment	\$ -	\$ -	\$ -	\$ -	\$ 30,000	\$ -	\$ -	\$ -
3003	Fluid Haul	\$ -	\$ -	\$ 180,000	\$ -	\$ 101,000	\$ -	\$ -	\$ -
3005	Services Inspection	\$ -	\$ 1,000	\$ 88,000	\$ -	\$ -	\$ -	\$ -	\$ -
3009	Services Wellhead	\$ -	\$ 2,000	\$ 17,000	\$ -	\$ 17,000	\$ -	\$ -	\$ -
3012	Cased/Open Hole Logging	\$ -	\$ -	\$ -	\$ -	\$ 30,000	\$ -	\$ -	\$ -
3013	Services Coiled Tubing	\$ -	\$ -	\$ -	\$ -	\$ 177,000	\$ -	\$ -	\$ -
3014	Directional Drilling & LWD	\$ -	\$ -	\$ 482,000	\$ -	\$ -	\$ -	\$ -	\$ -
3015	Fishing	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
3016	Mud Logging	\$ -	\$ -	\$ 20,000	\$ -	\$ -	\$ -	\$ -	\$ -
3018	Services Perforating	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
3019	Wire line & Slick line	\$ -	\$ -	\$ -	\$ -	\$ 342,000	\$ -	\$ -	\$ -
3020	Rig Work	\$ -	\$ -	\$ 749,000	\$ -	\$ -	\$ 52,000	\$ -	\$ -
3022	Drilling & Completion Fluids	\$ -	\$ 7,000	\$ 89,000	\$ -	\$ -	\$ -	\$ -	\$ -
3023	Cementing	\$ -	\$ -	\$ 267,000	\$ -	\$ -	\$ -	\$ -	\$ -
3024	Services Stimulation	\$ -	\$ -	\$ -	\$ -	\$ 2,364,000	\$ -	\$ -	\$ -
3025	Services Downhole Other	\$ -	\$ -	\$ 48,000	\$ -	\$ -	\$ -	\$ -	\$ -
3026	Formation Testing and Coring	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
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3032	Communications & IT	\$ -	\$ 2,000	\$ 23,000	\$ -	\$ -	\$ -	\$ -	\$ -
3035	Services Disposal	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
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5500	Material Consumables	\$ -	\$ -	\$ 15,000	\$ -	\$ 823,000	\$ -	\$ -	\$ -
5502	Drilling Fluids Products	\$ -	\$ -	\$ 273,000	\$ -	\$ 4,000	\$ -	\$ -	\$ -
5503	Bits, Reamers, Scrapers, HO's	\$ -	\$ -	\$ 63,000	\$ -	\$ -	\$ -	\$ -	\$ -
5505	Fuel & Lubricants	\$ -	\$ 14,000	\$ 142,000	\$ -	\$ -	\$ -	\$ -	\$ -
7004	Utilities: Electricity, Water & Sewers & Trash	\$ -	\$ 1,000	\$ 13,000	\$ -	\$ -	\$ -	\$ -	\$ -
Logistics, Insurance & Tax									
8000	Land Transportation	\$ -	\$ 2,000	\$ 43,000	\$ -	\$ 19,000	\$ -	\$ -	\$ -
8102	Tax & contingency	\$ -	\$ 17,000	\$ 505,000	\$ -	\$ -	\$ -	\$ -	\$ -
8918	Permits/Settlements/Other	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
8921	Waste Handling and Disp	\$ -	\$ -	\$ 34,000	\$ -	\$ -	\$ -	\$ -	\$ -
8945	Loss & Loss Expenses Paid	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
9999	Other Costs	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Subtotal		\$ -	\$ 366,000	\$ 5,249,000	\$ -	\$ 4,663,000	\$ 658,000	\$ 127,000	\$ -

Signature:	
Company:	
Printed Name:	
Title:	
Date:	Approval % WI
This AFE is only an estimate. By signing, you agree to pay your proportional share of the actual costs incurred.	

Total Drilling (1+2+3):	\$ 5,615,000
Total Completion (5+6):	\$ 5,321,000
Total Facilities (7+8):	\$ 127,000
Total Well Cost (1+2+3+4+5+6+7+8):	\$ 11,063,000
Jeremy Magness - Project Manager Amber Delach - Land Negotiator	

	Correspondence Status
SunValley Energy Corporation	Corresponding- Multiple emails back and forth regarding possible purchase of interest.
Northern Oil and Gas Inc.	Corresponding- 10/17- Answered email with questions about NRI. 11/17- Email from Northern saying elections, AFE's ,and executed JOA were being sent to my attention.
Warwick-Artmeis LLC	Corresponding- 11/9- Sent email with title showing WI/NRI calculations.
FortyNiner Ridge, LLC	10/13- Confirmed delivery Locatable. No correspondence.
Sealy Hutchings Cavin, Jr.	Elected to participate. Signed JOA.
John Richardson	Corresponding- Multiple emails back and forth regarding possible purchase of interest.
Susan C Munoz	10/13- Confirmed delivery Locatable. No correspondence.
Jeffrey C Howard	Delivery in transit. Locatable. No correspondence.

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

**APPLICATION OF OXY USA INC. FOR
COMPULSORY POOLING, LEA COUNTY,
NEW MEXICO.**

CASE NO. 23204

SELF-AFFIRMED STATEMENT OF DANIEL BURNETT

1. My name is Daniel Burnett, and I work for OXY USA Inc. (“OXY”) as a Geologist. I am familiar with the application filed in this case and have personal knowledge of the information provided in this self-affirmed statement.

2. I have previously testified before the New Mexico Oil Conservation Division as an expert witness in petroleum geology matters and my credentials as an expert petroleum geologist have been accepted by the Division and been made a matter of record.

3. In this case, OXY is targeting the Wolfcamp (oil) formation.

4. **OXY Exhibit D-1** is a locator map depicting OXY’s proposed spacing unit. Existing producing wells in the Wolfcamp (oil) formation are also depicted. The approximate wellbore paths for the proposed initial wells in this case are shown with dashed lines.

5. **OXY Exhibit D-2** shows a subsea structure map that I prepared for the top of the Wolfcamp (oil) formation. The contour interval is 50-feet and the approximate wellbore paths for the proposed initial wells are depicted with dashed lines. This map shows that the Wolfcamp (oil) formation gently dips to the South-East. I do not observe any faulting, pinch outs, or geologic impediments to developing this targeted interval with horizontal wells.

6. **OXY Exhibit D-3** is a structural cross-section that identifies the 4 wells penetrating the targeted intervals that I used to construct a cross-section from A to A’. I utilized these well

BEFORE THE OIL CONSERVATION DIVISION
Santa Fe, New Mexico
Exhibit No. D
Submitted by: OXY USA Inc.
Hearing Date: December 1, 2022
Case No. 23204

logs because they penetrate the targeted interval, are of good quality, and are representative of the geology within the proposed spacing unit.

7. **OXY Exhibit D-4** is a stratigraphic cross section using the representative wells depicted on Exhibit D-3. It contains a gamma ray and resistivity logs for each well. The proposed target interval within the Wolfcamp (oil) formation is labeled on the exhibit. The cross-section demonstrates that the targeted interval is continuous and consistent in thickness across the proposed spacing unit.

8. In my opinion, the standup orientation of the wells is the preferred orientation for horizontal well development of the targeted interval in the Wolfcamp (oil) formation in this area. This standup orientation will efficiently and effectively develop the subject acreage.

9. Based on my geologic study, the targeted interval within the Wolfcamp formation underlying the subject area is suitable for development by horizontal wells and the tracts comprising the proposed spacing unit will contribute more-or-less equally to the production from the wellbores.

10. In my opinion, the granting of OXY's application will be in the best interest of conservation, the preservation of waste, and protection of correlative rights.

11. **OXY Exhibits D-1 through D-4** were either prepared by me or compiled under my direction and supervision.

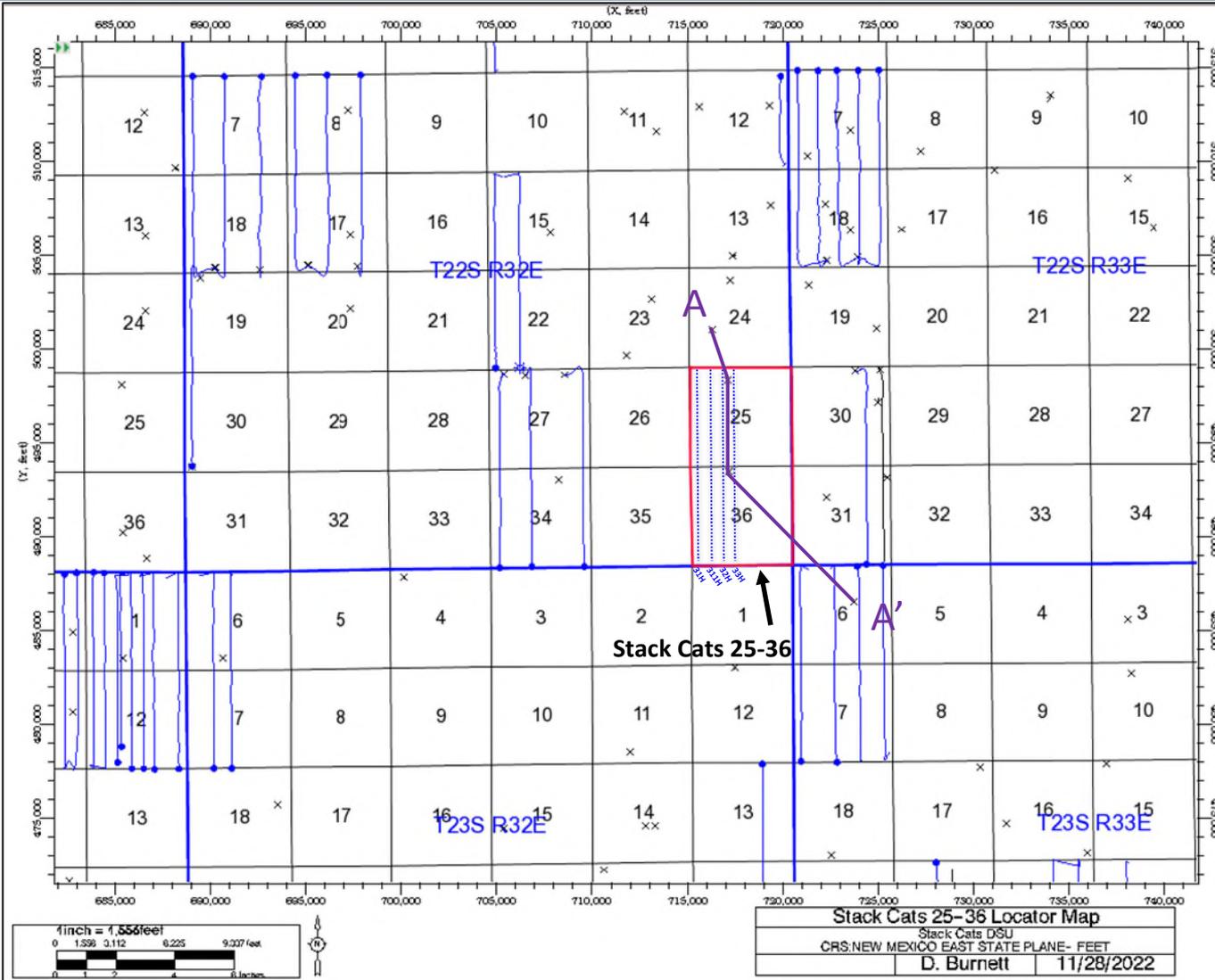
12. I affirm under penalty of perjury under the laws of the State of New Mexico that the foregoing statements are true and correct. I understand that this self-affirmed statement will be used as written testimony in this case. This statement is made on the date next to my signature below.


DANIEL BURNETT

11-23-2022
Date

Locator Map – Stack Cats DSU Exhibit D - 1

BEFORE THE OIL CONSERVATION DIVISION
Santa Fe, New Mexico
Exhibit No. D-1
Submitted by: OXY USA Inc.
Hearing Date: December 1, 2022
Case No. 23204

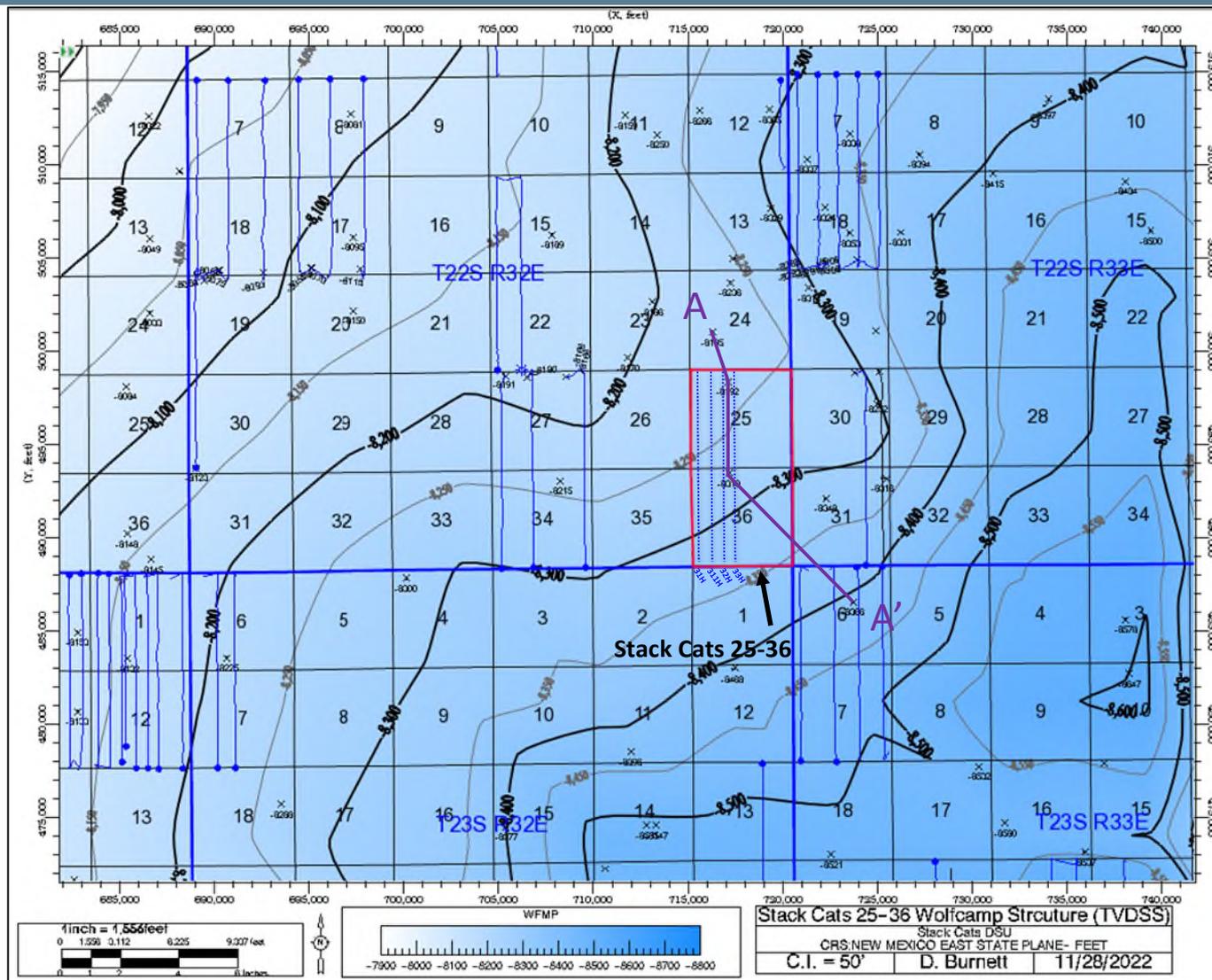


Legend

- X Wells w/ GR
- WFMP Wells
- WFMP Plans

Structure Map – Wolfcamp Exhibit D – 2

Santa Fe, New Mexico
Exhibit No. D-2
Submitted by: OXY USA Inc.
Hearing Date: December 1, 2022
Case No. 23204



Legend

- X Wells w/ GR
- TVDSS (WFMP)
- WFMP Wells
- WFMP Plans



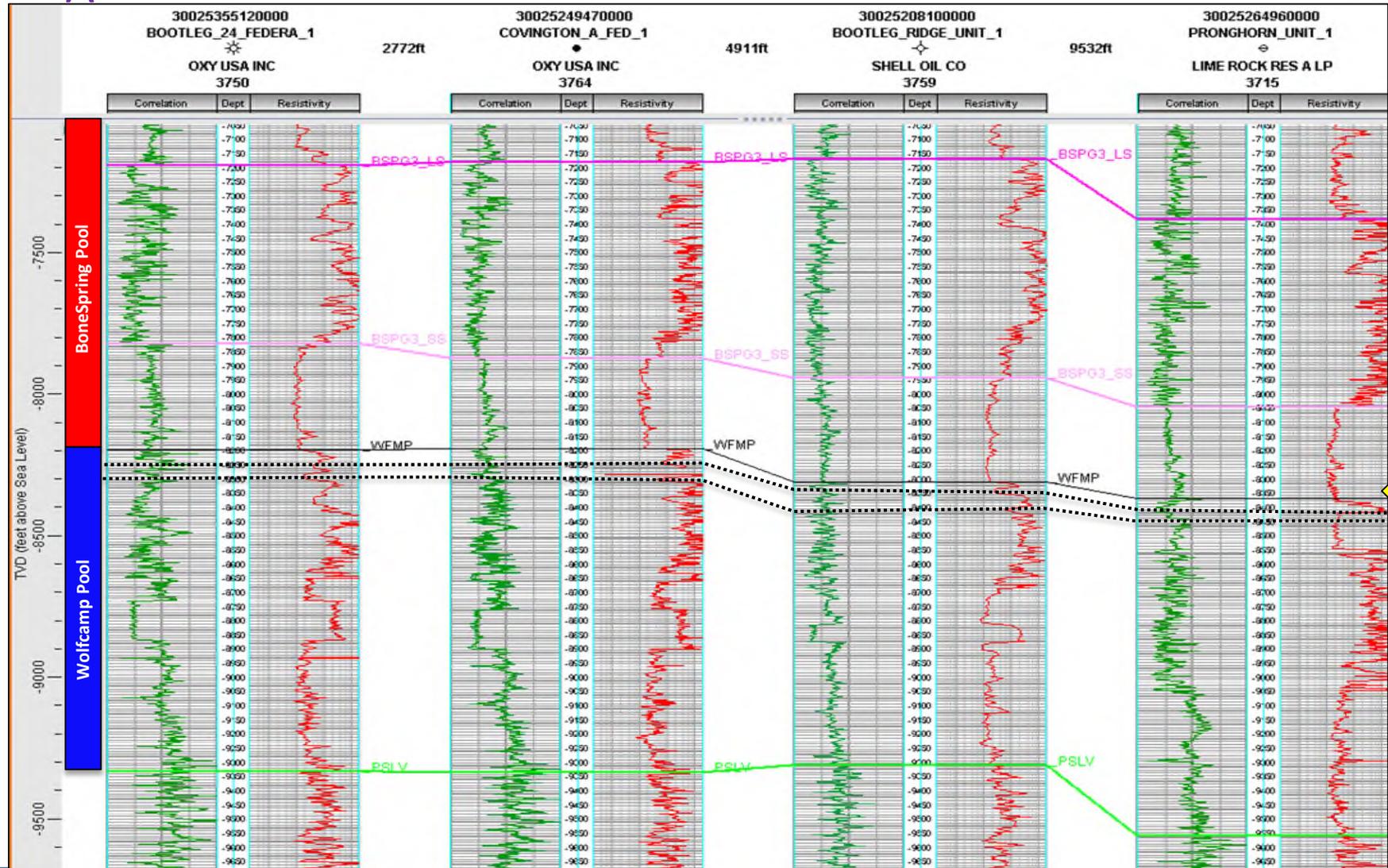
Structural Cross-Section – Wolfcamp

Exhibit D – 3

Exhibit No. D-3
Submitted by: OXY USA Inc.
Hearing Date: December 1, 2022
Case No. 23204

A

A'



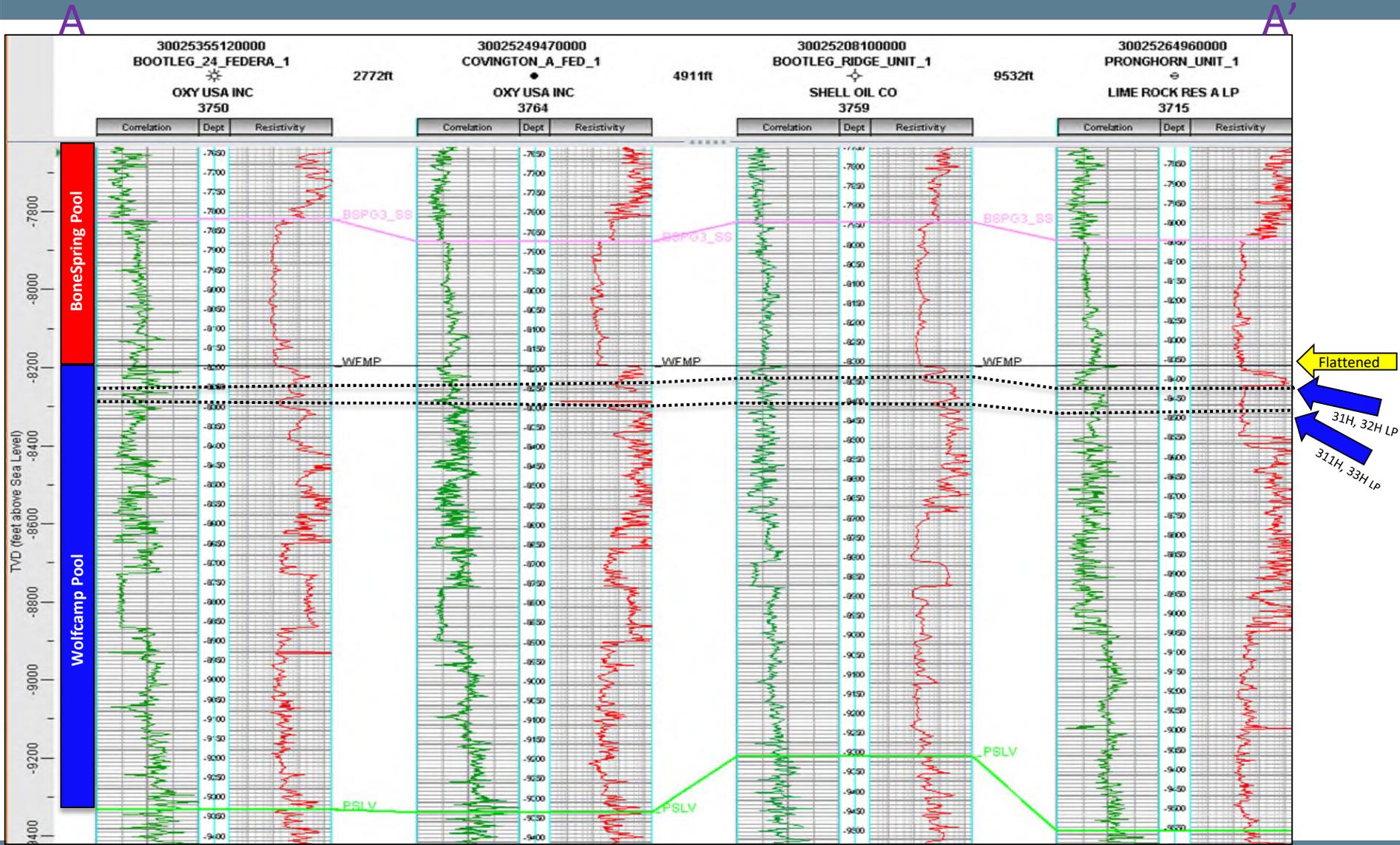
Structure Map
(Exhibit D-2)

31H, 32H LP

31H, 33H LP



Stratigraphic Cross-Section – Wolfcamp Flattened Exhibit D – 4



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

**APPLICATION OF OXY USA INC. FOR
COMPULSORY POOLING, LEA COUNTY,
NEW MEXICO.**

CASE NO. 23204

**SELF-AFFIRMED STATEMENT OF
PAULA M. VANCE**

1. I am attorney in fact and authorized representative of OXY USA Inc. (“OXY”), the Applicant herein. I have personal knowledge of the matters addressed herein and am competent to provide this self-affirmed statement.

2. The above-referenced application and notice of the hearing on this application was sent by certified mail to the affected parties on the date set forth in the letter attached hereto.

3. The spreadsheet attached hereto contains the names of the parties to whom notice was provided.

4. The spreadsheet attached hereto contains the information provided by the United States Postal Service on the status of the delivery of this notice as of November 23, 2022.

5. I caused a notice to be published to all parties subject to these compulsory pooling proceedings. An affidavit of publication from the publication’s legal clerk with a copy of the notice publication is attached as Exhibit F.

6. I affirm under penalty of perjury under the laws of the State of New Mexico that the foregoing statements are true and correct. I understand that this self-affirmed statement will be used as written testimony in this case. This statement is made on the date next to my signature below.



Paula M. Vance

11/29/22
Date

**BEFORE THE OIL CONSERVATION DIVISION
Santa Fe, New Mexico
Exhibit No. E
Submitted by: OXY USA Inc.
Hearing Date: December 1, 2022
Case No. 23204**



Paula M. Vance
Associate Attorney
Phone (505) 988-4421
Email pmvance@hollandhart.com

November 11, 2022

VIA CERTIFIED MAIL
CERTIFIED RECEIPT REQUESTED

TO: ALL INTEREST OWNERS SUBJECT TO POOLING PROCEEDINGS

Re: Application of OXY USA Inc. for Compulsory Pooling, Lea County, New Mexico.
Stack Cats 25 36 Fed Com #31H, #32H, #33H and #311H wells

Ladies & Gentlemen:

This letter is to advise you that OXY USA Inc. has filed the enclosed application with the New Mexico Oil Conservation Division. A hearing has been requested before a Division Examiner on December 1, 2022, and the status of the hearing can be monitored through the Division’s website at <https://www.emnrd.nm.gov/ocd/>.

During the COVID-19 Public Health Emergency, state buildings are closed to the public and hearings will be conducted remotely beginning at 8:15 a.m. To participate in the electronic hearing, see the instructions posted on the OCD Hearings website: <https://www.emnrd.nm.gov/ocd/hearing-info/>.

You are not required to attend this hearing, but as an owner of an interest that may be affected by this application, you may appear and present testimony. Failure to appear at that time and become a party of record will preclude you from challenging the matter at a later date. Parties appearing in cases are required to file a Pre-hearing Statement four business days in advance of a scheduled hearing that complies with the provisions of NMAC 19.15.4.13.B.

If you have any questions about this matter, please contact Amber Delach at (713) 552-8502, or Amber_Delach@oxy.com.

Sincerely,

Paula M. Vance
ATTORNEY FOR OXY USA INC.

T 505.988.4421 F 505.983.6043
110 North Guadalupe, Suite 1, Santa Fe, NM 87501-1849
Mail to: P.O. Box 2208, Santa Fe, NM 87504-2208
www.hollandhart.com

Alaska	Montana	Utah
Colorado	Nevada	Washington, D.C.
Idaho	New Mexico	Wyoming

OXY - Stack Cats
Case No. 23204 Postal Delivery Report

TrackingNo	ToName	DeliveryAddress	City	State	Zip	USPS_Status
9414811898765816751942	SunValley Energy Corporation	PO Box 1000	Roswell	NM	88202-100	Your item was picked up at the post office at 1:03 pm on November 16, 2022 in ROSWELL, NM 88201.
9414811898765816751690	Bureau of Land Management	301 Dinosaur Trl	Santa Fe	NM	87508-156	Your item was delivered to an individual at the address at 2:04 pm on November 15, 2022 in SANTA FE, NM 87508.
9414811898765816751980	Northern Oil and Gas Inc.	4350 Baker Rd Ste 400	Minnetonk	MN	55343-862	Your item has been delivered to an agent for final delivery in HOPKINS, MN 55343 on November 18, 2022 at 12:02 pm.
9414811898765816751935	Warwick-Artemis LLC	6608 N. Western Ave., Box 417	Oklahoma	OK	73117	Your item was delivered to an individual at the address at 9:23 am on November 16, 2022 in OKLAHOMA CITY, OK 73116.
9414811898765816751973	FortyNiner Ridge, LLC	12000 Santa Monica Dr NE	Albuquerque	NM	87122-104	Your item departed our ALBUQUERQUE, NM 87101 destination facility on November 20, 2022 at 2:59 am. The item is currently in transit to the destination.
9414811898765816751614	Sealy Hutchings Cavin, Inc.	504 N Wyoming Ave	Roswell	NM	88201-216	Your package will arrive later than expected, but is still on its way. It is currently in transit to the next facility.
9414811898765816751652	John Richardson	4428 34th St S	Arlington	VA	22206-191	Your item was delivered to an individual at the address at 1:34 pm on November 16, 2022 in ARLINGTON, VA 22206.
9414811898765816751669	Susan C. Munoz	230 Rainbow Dr unit 13080	Livingston	TX	77399-203	Your package will arrive later than expected, but is still on its way. It is currently in transit to the next facility.
9414811898765816751621	Jeffrey C. Howard	1979 County Road 171	Guntown	MS	38849-854	This is a reminder to arrange for redelivery of your item or your item will be returned to sender.
9414811898765816751607	State of New Mexico	PO Box 1148	Santa Fe	NM	87504-114	Your item was picked up at a postal facility at 6:51 am on November 15, 2022 in SANTA FE, NM 87501.

Affidavit of Publication

STATE OF NEW MEXICO
COUNTY OF LEA

I, Daniel Russell, Publisher of the Hobbs News-Sun, a newspaper published at Hobbs, New Mexico, solemnly swear that the clipping attached hereto was published in the regular and entire issue of said newspaper, and not a supplement thereof for a period of 1 issue(s).

Beginning with the issue dated
November 13, 2022
and ending with the issue dated
November 13, 2022.



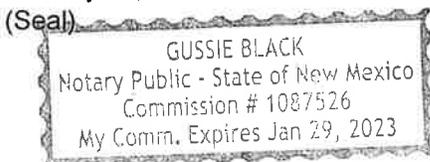
Publisher

Sworn and subscribed to before me this
13th day of November 2022.



Business Manager

My commission expires
January 29, 2023

(Seal)


This newspaper is duly qualified to publish legal notices or advertisements within the meaning of Section 3, Chapter 167, Laws of 1937 and payment of fees for said

LEGAL NOTICE
November 13, 2022
STATE OF NEW MEXICO
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT OIL CONSERVATION DIVISION
SANTA FE, NEW MEXICO

The State of New Mexico, Energy Minerals and Natural Resources Department, Oil Conservation Division ("Division") hereby gives notice that the Division will hold public hearings before a hearing examiner on the following case. During the COVID-19 Public Health Emergency, state buildings are closed to the public and Division hearings will be conducted remotely. The public hearing for the following case will be electronic and conducted remotely. The hearing will be conducted on **Thursday, December 1, 2022, beginning at 8:15 a.m.** To participate in the electronic hearing, see the instructions posted below. The docket may be viewed at <https://www.emnrd.nm.gov/ocd/hearing-info/> or obtained from Marlene Salvidrez, at Marlene.Salvidrez@emnrd.nm.org. Documents filed in the case may be viewed at <https://ocdimage.emnrd.nm.gov/Imaging/Default.aspx>. If you are an individual with a disability who needs a reader, amplifier, qualified sign language interpreter, or other form of auxiliary aid or service to attend or participate in a hearing, contact Marlene Salvidrez at Marlene.Salvidrez@emnrd.nm.org, or the New Mexico Relay Network at 1-800-659-1779, no later than **November 21, 2022**.

Persons may view and participate in the hearings through the following link:

<https://nmemnrd.webex.com/nmemnrd/j.php?MTID=m5be2d8594df145217ab2d12e1eac be95>
Webinar number : 2486 863 8751
Panelist password : KJg4GNPTg25 (55444678 from phones and video systems)

Join by video: 24868638751@nmemnrd.webex.com
You can also dial 173.243.2.68 and enter your webinar number

Join by audio: 1-844-992-4726 United States Toll Free
+1-408-418-9388 United States Toll
Access code: 2486 863 8751

STATE OF NEW MEXICO TO:
All named parties and persons having any right, title, interest or claim in the following case and notice to the public.

(NOTE: All land descriptions herein refer to the New Mexico Principal Meridian whether or not so stated.)

To: All interest owners subject to pooling proceedings, including: SunValley Energy Corporation; Northern Oil and Gas Inc.; Warwick-Artemis LLC; FortyNiner Ridge, LLC; Sealy Hutchings Cavin, Inc.; John Richardson, his heirs and devisees; Susan C. Munoz, her heirs and devisees; Jeffrey C. Howard, his heirs and devisees; State of New Mexico; and Bureau of Land Management.

Case No. 23204: Application of OXY USA Inc. for Compulsory Pooling, Lea County, New Mexico. Applicant in the above-styled cause seeks an order pooling all uncommitted interest owners in the Wolfcamp (oil) formation underlying a standard 640-acre, more or less, horizontal spacing unit comprised of the W/2 of Sections 25 and 36, Township 22 South, Range 32 East, NMPM, Lea County, New Mexico. The above-referenced unit will be dedicated to the proposed initial:

- **Stack Cats 25 36 Fed Com #31H and Stack Cats 25 36 Fed Com #311H** to be horizontally drilled from a surface location in the SE/4 SW/4 (Unit N) of Section 24, to a bottom hole location in the SW/4 SW/4 (Unit M) of Section 36; and
- **Stack Cats 25 36 Fed Com #32H and Stack Cats 25 36 Fed Com #33H** to be horizontally drilled from a surface location in the SE/4 SW/4 (Unit N) of Section 24, to a bottom hole location in the SE/4 SW/4 (Unit N) of Section 36.

The completed interval of the **Stack Cats 25 36 Fed Com #311H** is expected to remain within 330 feet of the adjoining quarter-quarter section (or equivalent) tracts to allow inclusion of these proximity tracts within the proposed horizontal spacing unit under 19.15.16.15.B(1)(b) NMAC. Also, to be considered will be the cost of drilling and completing the wells, the allocation of the cost thereof, the actual operating costs and charges for supervision, the designation of applicant as operator, and a 200% charge for risk involved in drilling and completing the wells. Said area is located approximately 27 miles southwest of Eunice, New Mexico.
#00273091

67100754

00273091

HOLLAND & HART LLC
PO BOX 2208
SANTA FE, NM 87504-2208

BEFORE THE OIL CONSERVATION DIVISION
Santa Fe, New Mexico
Exhibit No. F
Submitted by: OXY USA Inc.
Hearing Date: December 1, 2022
Case No. 23204