

Stogner, Michael

From: Johnson, Roy
Sent: Monday, August 09, 2004 1:32 PM
To: Stogner, Michael
Subject: FW: Draft NSL Order for 11th and 12th Well (Second Application)

-----Original Message-----

From: Danny_Holcomb@oxy.com [mailto:Danny_Holcomb@oxy.com]
Sent: Wednesday, July 14, 2004 3:36 PM
To: REJOHNSON@state.nm.us
Cc: Alan_Schwartz@oxy.com
Subject: Draft NSL Order for 11th and 12th Well (Second Application)

Roy,
Attached is a proposed draft order for the 11th and 12th NSL wells to be sent to you shortly by David Stewart. Both of these wells will also be on the map Alan sends to you. If you can use this draft order, please feel free to do so.

<<2004 OCD NSL Order 2.doc>>
Thanks,
Danny

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8/11/2004

August ____, 2004

OXY USA Inc.
P. O. Box 50250
Midland, Texas 79710-0250
Attention: David Stewart
david_stewart@oxy.com

Administrative Order NSL-_____

Dear Mr. Stewart:

Reference is made to the following: (i) your application submitted to the New Mexico Oil Conservation Division ("Division") on July __, 2004 (*administrative application reference No. _____*); and (ii) the records of the Division in Santa Fe, including the files in Division Cases No. 8190 and 11497 and Division Administrative Orders NSL-3966(SD), as amended, NSL-3688(SD), NSL-4762(SD), and NSL-4873(SD): all concerning OXY USA, Inc.'s ("OXY") request for eleven (11) unorthodox Bravo Dome carbon dioxide gas (CO₂) well locations all within existing standard 640-acre, more or less, gas spacing and proration units for the Bravo Dome Carbon Dioxide (640-acre) Gas Pool (96010) within its Bravo Dome Carbon Dioxide Gas Unit (BDCDGU), Union and Harding Counties, New Mexico:

(a) all of Section 18, Township 22 North, Range 34 East, NMPM, comprising 640 acres, which is currently dedicated to the BDCDGU "2234" Well No. 181 (**API No. 30-059-20338**), located at a standard CO₂ gas well location 1961 feet from the North line and 1979 feet from the East line (Unit G) of said Section 18, is to be simultaneously dedicated to said Well No. 181 and to the proposed BDCDGU "2234" **Well No. 182 (API No. 30-059-20454)** to be drilled at an unorthodox CO₂ gas well location 330 feet from the North line and 990 feet from the West line (Unit D) of said Section 18;

(b) all of Section 35, Township 22 North, Range 32 East, NMPM, comprising 640 acres, which is currently dedicated to the BDCDGU "2232" Well No. 351 (**API No. 30-059-20311**), located at a standard CO₂ gas well location 2000 feet from the North line and 2152 feet from the West line (Unit F) of said Section 35, is to be simultaneously

Administrative Order NSL-_____

OXY USA Inc.

August __, 2004

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dedicated to said Well No. 351 and to the proposed **BDCDGU "2232"**
Well No. 352 (API No. 30-059-20460) to be drilled at an unorthodox
CO₂ gas well location 1664 feet from the South line and 2578 feet from
the East line (Unit J) of said Section 35;

From the information provided by the applicant, the royalty interests in all of the affected off-setting acreage to the proposed unorthodox locations have either been notified by certified mail or have ratified the Bravo Dome Carbon Dioxide Gas Unit (BDCDGU) Agreement.

By authority granted me under the provisions of Rule 5 of the "*Special Rules and Regulations for the Bravo Dome 640-Acre Area*," as promulgated by Division Order No. R-7556, dated June 19, 1984, as amended by Division Order No. R-7556-A, dated June 10, 1987, Decretory Paragraph No. (4) of Division Order No. R-10576, and Division Rule 104.F(2) the above-described BDCDGU "2234" Well No. 182 and BDCDGU "2232" Well No. 352, both to be drilled at unorthodox CO₂ gas well locations are hereby approved.

Jurisdiction of this matter shall be further retained for the entry of any such subsequent orders, as the Division may deem necessary.

Sincerely,

Mark Fesmire
Director

MF/MES/kv

cc: Roy Johnson, District Supervisor - Santa Fe
New Mexico State Land Office - Santa Fe
Danny J. Holcomb, Operations Manager (OXY) - Amistad, New Mexico
File: NSL-_____

GALLEGOS LAW FIRM

A Professional Corporation

460 St. Michael's Drive
Building 300
Santa Fe, New Mexico 87505
Telephone No. (505) 983-6686
Telefax No. (505) 986-0741 or (505) 986-1367

2234-1820

CLIENT: Poole
CLIENT NO.: 04-370.00

DATE: August 17, 2004

TO: MICHAEL E. STOGNER

COMPANY: NMOCD

TELEFAX NO.: 476-3462

FROM: J. GALLEGOS

MESSAGE:

NUMBER OF PAGES INCLUDING COVER SHEET: 2

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GALLEGOS LAW FIRM

A Professional Corporation

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Telefax No. 505-986-1367
Telefax No. 505-986-0741
E-Mail glf460@spinn.net

August 17, 2004
(Our File No. 04-370.00)

J.E. GALLEGOS *

VIA TELECOPY

David Stewart
OXY USA Inc.
P.O. Box 50250
Midland, TX 79710-0250

Re: Bravo Dome Carbon Dioxide Gas Unit 2234-182D, Unit D, Section 18,
T22N, R34E

Dear Mr. Stewart:

Danny Holcomb provided me and I forwarded to my client data that persuaded us that Jim Poole does not have reason to object to the referenced well being developed at an unorthodox/nonstandard location. If the application of Oxy is resubmitted, the NMOCD is advised that our July 30, 2004 opposition is withdrawn.

We appreciate the fruitful efforts of Mr. Holcomb, but respectfully suggest that had the available science been provided to Mr. Poole in advance this bit of procedure could have been avoided.

Sincerely,

GALLEGOS LAW FIRM, P.C.

By


J.E. GALLEGOS

JEG:sg

fxc: Chief Examiner Michael Stogner
Danny Holcomb
Jim Poole

Stogner, Michael

From: Johnson, Roy
Sent: Monday, September 13, 2004 1:36 PM
To: Stogner, Michael
Subject: FW: NSL Application - 2232-352J

-----Original Message-----

From: Johnson, Roy
Sent: Monday, September 13, 2004 1:35 PM
To: 'Danny_Holcomb@oxy.com'
Subject: RE: NSL Application - 2232-352J

I have spoken with Mike about these and it looks like they will be out this week. The management in this place changes their priorities as often as we change our socks and your application got caught up in the wind change. It's fun working for lawyers but thank god the [REDACTED] is gone.....

-----Original Message-----

From: Danny_Holcomb@oxy.com [mailto:Danny_Holcomb@oxy.com]
Sent: Friday, September 10, 2004 8:03 AM
To: REJOHNSON@state.nm.us
Subject: FW: NSL Application - 2232-352J

Roy,
The first rig will move into the Dome on Monday or Tuesday. The second rig should be here a week after. Have you heard anything from Mike on the outstanding NSL applications?

Thanks,
Danny

-----Original Message-----

From: Holcomb, Danny
Sent: Friday, August 27, 2004 9:20 AM
To: 'Johnson, Roy'
Subject: NSL Application - 2232-352J

Roy,
Per our telcon earlier this week, were you able to find out the current status of our NSL application for BDU 2232-352J? This application was received by the OCD on 7/23/04 and the 20 day notice window expired on 8/12/04.

Attached is a recap of the twelve NLS applications we've made during our 2004 drilling program. NMOCD approval has been received on 10 of these. The two remaining applications are:

2232-352J - received by OCD on 7/23/04.
2234-182D - application resubmitted to OCD on 8/20/04 after Mr. Gallegos/Poole rescinded their objection to original application.

<<NSL Summary.XLS>>
We appreciate you checking into this matter for us.
Thanks,

9/13/2004

Danny

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Stogner, Michael

From: Johnson, Roy
Sent: Monday, September 13, 2004 2:38 PM
To: Stogner, Michael
Subject: FW: NSL Application - 2232-352J

Mike, both are in Union County.

Well No. 2232-352J: 30-059-20460
Well No. 2234-182D: 30-059-~~50454~~
20454

ROY

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9/13/2004

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**Bravo Dome Unit
2004 NSL Application Summary**

Well Count	Well Number	NMOCD Received NSL Application	Notices Sent to Affected Parties	20 Day Window Close	NMOCD Status
1	2333-261A	6/1/2004	None Required	N/A	Approved 8/12/04
2	2334-301L	6/1/2004	None Required	N/A	Approved 8/12/04
3	2333-252N	6/1/2004	None Required	N/A	Approved 8/12/04
4	2333-362N	6/1/2004	7/15/2004	8/4/2004	Approved 8/12/04
5	2234-062D	6/1/2004	7/15/2004	8/4/2004	Approved 8/12/04
6	2234-052E	6/1/2004	7/15/2004	8/4/2004	Approved 8/12/04
7	2233-021C	6/1/2004	7/15/2004	8/4/2004	Approved 8/12/04
8	2234-182D	6/1/2004	7/15/2004	8/12/2004	N/A
9	2234-072H	6/1/2004	7/15/2004	8/4/2004	Approved 8/12/04
10	2133-172O	6/1/2004	7/15/2004	8/4/2004	Approved 8/12/04
11	2133-212M	6/1/2004	7/15/2004	8/4/2004	Approved 8/12/04

1	2234-182D	7/23/2004	7/15/2004	8/12/2004	N/A
2	2232-352J	7/23/2004	7/16/2004	8/12/2004	

1	2234-182D	8/20/2004	7/15/2004 & 8/20/2004	8/12/2004	
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Well withdrawn from application 8/2/04 and resubmitted 8/20/04