

Protested

NSL

Application

From: [Mendiola, Jana Lyn A](#)
To: [Lowe, Leonard, EMNRD](#)
Subject: [EXT] RE: Chevron USA Inc. - Protest of Oxy USA Inc.'s NSL Application for the Oxbow CC 17 8 Federal Com Well No. 42H
Date: Monday, February 24, 2020 4:39:22 PM
Attachments: [image001.png](#)
[image002.png](#)

Yes sir that's correct.

Thanks,
Jana Mendiola
Regulatory | Permian Resources-New Mexico
6001 Deauville Blvd. Midland, TX 79706 | P.O. Box 50250 Midland, TX 79710 | Direct: 432.685.5936



From: Lowe, Leonard, EMNRD <Leonard.Lowe@state.nm.us>
Sent: Monday, February 24, 2020 5:32 PM
To: Mendiola, Jana Lyn A <Janalyn_Mendiola@oxy.com>
Subject: [EXTERNAL] RE: Chevron USA Inc. - Protest of Oxy USA Inc.'s NSL Application for the Oxbow CC 17 8 Federal Com Well No. 42H

Jana Mediola,

So you are withdrawing your two previously submitted and protested application and submitting an amended application to nullify the any protest from the previous?

Leonard R. Lowe

Engineering Bureau
OCD-EMNRD
1220 S. St. Francis
Santa Fe, N.M. 87004
O:505-476-3492
C: 505-930-6717
F: 505-476-3462
<http://www.emnrd.state.nm.us/oed/>

From: Mendiola, Jana Lyn A <Janalyn_Mendiola@oxy.com>
Sent: Monday, February 24, 2020 3:32 PM
To: Lowe, Leonard, EMNRD <Leonard.Lowe@state.nm.us>
Subject: [EXT] RE: Chevron USA Inc. - Protest of Oxy USA Inc.'s NSL Application for the Oxbow CC 17 8 Federal Com Well No. 42H

Thanks Leonard.

I just submitted the amended NSLs via the Fees Application Portal online for both the Oxbow CC 17-8 Federal Com 41H & 42H. They were both protested by Chevron so we amended our C-102 plat to change the Last Take Point back to an orthodox location at 330' FNL. This should remove them as a protestant.

If you need any additional information after reviewing the amended NSL applications please let me know.

Have a great rest of your afternoon!

Thanks,
Jana Mendiola
Regulatory | Permian Resources-New Mexico
6001 Deauville Blvd. Midland, TX 79706 | P.O. Box 50250 Midland, TX 79710 | Direct: 432.685.5936



From: Lowe, Leonard, EMNRD <Leonard.Lowe@state.nm.us>
Sent: Monday, February 24, 2020 4:23 PM
To: Mendiola, Jana Lyn A <Janalyn_Mendiola@oxy.com>
Subject: [EXTERNAL] RE: Chevron USA Inc. - Protest of Oxy USA Inc.'s NSL Application for the Oxbow CC 17 8 Federal Com Well No. 42H

Jana Mendiola,

You may submit an application at any time.

If you are submitting an application that was previously protested. The OCD needs to be informed of what that status is?

Leonard R. Lowe

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From: Mendiola, Jana Lyn A <Janalyn_Mendiola@oxy.com>
Sent: Monday, February 24, 2020 1:24 PM
To: Lowe, Leonard, EMNRD <Leonard.Lowe@state.nm.us>
Subject: [EXT] RE: Chevron USA Inc. - Protest of Oxy USA Inc.'s NSL Application for the Oxbow CC 17 8 Federal Com Well No. 42H

Hi Leonard,

I will be submitting an amended NSL application for both the Oxbow CC 17-8 Federal Com 41H & 42H to you this afternoon. Just want to confirm that I still have until the end of the day today to submit?

Thanks,
Jana Mendiola
Regulatory | Permian Resources-New Mexico
6001 Deauville Blvd. Midland, TX 79706 | P.O. Box 50250 Midland, TX 79710 | Direct: 432.685.5936



From: Lowe, Leonard, EMNRD <Leonard.Lowe@state.nm.us>
Sent: Thursday, January 23, 2020 5:48 PM

To: Mendiola, Jana Lyn A <Janalyn_Mendiola@oxy.com>

Cc: Earl E. DeBrine <edebrine@modrall.com>; Goetze, Phillip, EMNRD <Phillip.Goetze@state.nm.us>; Rose-Coss, Dylan H, EMNRD <DylanH.Rose-Coss@state.nm.us>; Murphy, Kathleen A, EMNRD <KathleenA.Murphy@state.nm.us>; Warnell, Terry G, EMNRD <TerryG.Warnell@state.nm.us>; McClure, Dean, EMNRD <Dean.McClure@state.nm.us>; Lamkin, Baylen, EMNRD <Baylen.Lamkin@state.nm.us>; Simmons, Kurt, EMNRD <Kurt.Simmons@state.nm.us>; Garcia, John A, EMNRD <JohnA.Garcia@state.nm.us>; Cox, Scott, EMNRD <Scott.Cox@state.nm.us>

Subject: [EXTERNAL] Chevron USA Inc. - Protest of Oxy USA Inc.'s NSL Application for the Oxbow CC 17 8 Federal Com Well No. 42H

Importance: High

RE:

Applicant: <u>OXY USA INC.</u>	OGRID Number: <u>16696</u>
Well Name: <u>OXBOW CC 17-8 FEDERAL COM 42H</u>	API: <u>30-015-Pending</u>
Pool: <u>PURPLE SAGE WOLFCAMP</u>	Pool Code: <u>98220</u>

Ms. Jana Mendiola,

The OCD was notified that **Chevron U.S.A. Inc.** has protested this application for approval of a Non Standard Location for the above subject well. This party is identified as an affected person for the location. Therefore, you are being notified that if **OXY USA INC.** wishes for this application to be considered, it must either go to hearing or may be reviewed administratively if the protest is withdrawn as a result of a negotiated resolution with this party.

The NSL application will be retained by OCD, but suspended from further administrative review.

Please contact the OCD once a decision regarding this application is determined within the next 30 days

01/23/20, Noticed date

02/24/20, 30 day ends

Please call/e-mail me with any questions regarding this matter.

Protestant contact information:



Earl E. DeBrine, Jr.
Modrall Sperling | www.modrall.com
P.O. Box 2168 | Albuquerque, NM 87103-2168
500 4th St. NW, Ste. 1000 | Albuquerque, NM 87102
O: 505.848.1800 Ext. 1671 | F: 505.848.9710

Leonard R. Lowe

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Lowe, Leonard, EMNRD

From: Lowe, Leonard, EMNRD
Sent: Thursday, January 23, 2020 4:47 PM
To: 'Mendiola, Jana Lyn A'
Cc: Earl E. DeBrine; Goetze, Phillip, EMNRD; Rose-Coss, Dylan H, EMNRD; Murphy, Kathleen A, EMNRD; Warnell, Terry G, EMNRD; McClure, Dean, EMNRD; Lamkin, Baylen, EMNRD; Simmons, Kurt, EMNRD; Garcia, John A, EMNRD; Cox, Scott, EMNRD
Subject: Chevron USA Inc. - Protest of Oxy USA Inc.'s NSL Application for the Oxbow CC 17 8 Federal Com Well No. 41H
Importance: High

RE:
Applicant: OXY USA INC. **OGRID Number:** 16696
Well Name: OXBOW CC 17-8 FEDERAL COM 41H **API:** 30-015-Pending
Pool: PURPLE SAGE WOLFCAMP **Pool Code:** 98220

Ms. Jana Mendiola,

The OCD was notified that **Chevron U.S.A. Inc.** has protested this application for approval of a Non Standard Location for the above subject well. This party is identified as an affected person for the location. Therefore, you are being notified that if **OXY USA INC.** wishes for this application to be considered, it must either go to hearing or may be reviewed administratively if the protest is withdrawn as a result of a negotiated resolution with this party.

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Please contact the OCD once a decision regarding this application is determined within the next 30 days

01/23/20, Noticed date
02/24/20, 30 day ends

Please call/e-mail me with any questions regarding this matter.

Protestant contact information:



Earl E. DeBrine, Jr.
Modrall Sperling | www.modrall.com
P.O. Box 2168 | Albuquerque, NM 87103-2168
500 4th St. NW, Ste. 1000 | Albuquerque, NM 87102
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January 23, 2020

Via E-Mail and US Mail
leonard.lowe@state.nm.us

Earl E. DeBrine, Jr.
505.848.1810
Fax: 505.848.1891
edebrine@modrall.com

Leonard Lowe
NM Oil Conservation Division
1220 S. St. Francis Drive
Santa Fe, NM 87505

Re: In the Matter of the Administrative Applications of Oxy USA Inc. for Nonstandard Locations for the following wells located in T24S, R29E, Section 17 and T24S, R29E, Section 8, Eddy County, New Mexico:

- Oxbow CC 17-8 Federal Com 41H - Purple Sage Wolfcamp
- Oxbow CC 17-8 Federal Com 42H - Purple Sage Wolfcamp

Dear Mr. Lowe:

Chevron U.S.A. Inc., by and through its counsel, hereby protests the above-referenced administration applications for Nonstandard Locations for the wells listed above and more fully described in such applications filed by Oxy USA Inc. on January 6, 2020.

Chevron owns a working interest in the adjacent sections upon which the proposed last take point for these wells will encroach and is therefore an "affected person" under Rule 19.15.15.13(D) and was provided notice of the applications.

Chevron requests that the applications be set for hearing in accordance with NMAC 19.15.15.13(E) and denied after hearing for the following reasons:

- Chevron has producing Purple Sage wells to the north of the Oxbow wells' last take points. Chevron's wells were permitted and drilled per standard field rules. Chevron believes that allowing Oxy to perf closer to the lease line will cause drainage of Chevron's minerals and impair its correlative rights.
- The current field and spacing rules are appropriate to develop this area, and nothing about these particular sections merits the need for a non-standard location.

Modrall Sperling
Roehl Harris & Sisk
P.A.

Bank of America
Centre
500 Fourth Street
NW
Suite 1000
Albuquerque,
New Mexico 87102

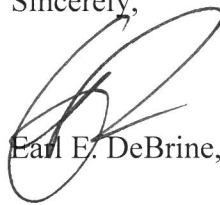
PO Box 2168
Albuquerque,
New Mexico
87103-2168

Tel: 505 848 1800

Leonard Lowe
NM Oil Conservation Division
January 23, 2020
Page 2

Thank you for your consideration. Please contact me if you have any questions or need any additional information.

Sincerely,

A handwritten signature in black ink, consisting of a large, stylized 'E' followed by a smaller 'D' and 'B', with a horizontal line extending from the end.

Earl E. DeBrine, Jr.

EED/hta/w3672120.DOCX
cc: Jana Mendiola, OXY USA
Kerry McEniry
Kelly Rau

Lowe, Leonard, EMNRD

From: Kathleen Allen <KATA@modrall.com>
Sent: Thursday, January 23, 2020 4:25 PM
To: Lowe, Leonard, EMNRD
Cc: Earl E. DeBrine; 'McEniry, Kerry'; 'kelly.rau@chevron.com'; 'janalyn_mendiola@oxy.com'
Subject: [EXT] Chevron's protest of Administrative Application of OXY for NSL re Oxbow CC 17-8 Fed Com 41H & 42H
Attachments: L NMOCD re Chevron's protest of Oxy's Oxbow.pdf

EXTERNAL EMAIL: Please do not click any links or open any attachments unless you trust the sender and are expecting this message and know the content is safe.

Mr. Lowe: Attached is a letter dated today to you from Earl DeBrine regarding Chevron's protest of the above-referenced matter. This letter is also being sent to you today by U.S. mail.

Please contact me if you have any questions or trouble opening the attachment.



Kathleen Allen
Legal Assistant to Earl E. DeBrine, Jr., Chris Killion & Bayard Roberts
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P.O. Box 2168 | Albuquerque, NM 87103-2168
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