



**OXY USA WTP Limited Partnership**

A subsidiary of Occidental Petroleum Corporation

5 Greenway Plaza, Suite 110, Houston, Texas 77046-0521  
P.O. Box 4294, Houston, Texas 77210-4294

October 30, 2018

VIA CERTIFIED MAIL

NON-CONSENTING POOLED WORKING INTEREST PARTIES  
(see attached list)

Re: Turkey Track Development  
Turkey Track 9-10 State Com #31H, #33H, and #34H  
N/2 of Section 9 & N/2 of Section 10  
N/2 of Section 9 & S/2 of Section 10  
S/2 of Section 9 & S/2 of Section 10  
Township 19 South, Range 29 East  
Eddy County, New Mexico

Dear WI Party,

OXY USA WTP Limited Partnership ("OXY") has been granted Compulsory Pooling Order Nos. R-14374 (Case No. 15701), R-14471 (Case No. 15780), R-14471-A (Case No. 15780, Re-Opened), R-14472 (Case No. 15781), and R-14472-A (Case No. 15781, Re-Opened), covering the acreage described above as to the Bone Spring formation. I have included copies of each of these Orders with this letter. Per paragraph 11 of the orders, OXY hereby furnishes the itemized schedule of actual well costs.

If you have any questions or would like to discuss this further, please don't hesitate to call or e-mail.

Very truly yours,

OXY USA WTP Limited Partnership

  
Jonathan I. Gonzales  
Email: [Jonathan\\_Gonzales@oxy.com](mailto:Jonathan_Gonzales@oxy.com)  
Dir: 713.366.5576

Enclosure(s)

cc (via e-mail): William V. Jones, District 4 Supervisor  
New Mexico Oil Conservation Division  
E-mail: [WilliamV.Jones@state.nm.us](mailto:WilliamV.Jones@state.nm.us)

POOLED WORKING INTEREST PARTIES

Witherspoon Motor Company 404 Pecos River Dr. Carlsbad, NM 88220 Percentage Interest: 0.70313%	HFB Investment Company LP 415 W. Wall Street, Suite 1705 Midland TX 79701 Percentage Interest: 0.15625%	Herbert F. Boles, Trustee u/w/o Norma J. Boles, deceased 415 W. Wall St, Suite 1705 Midland, TX 79701 Percentage Interest: 0.15625%
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Well Name	Element Category	Element Number	Element Name	Drilling	Completion
TURKEY TRACK 9-10 STATE 31H	Services	3002	Services Misc Heavy Equipment	\$ 170	
		3003	Services Fluid Hauling TO SITE	\$ 50,638	\$ 43,336
		3004	Services Measurement		
		3005	Services Inspection	\$ 8,596	
		3006	Services Construction		
		3009	Services Wellhead	\$ 21,215	\$ 66,593
		3011	Services Locations	\$ 103,043	\$ 42,841
		3012	Services Cased Hole Logging	\$ 4,020	\$ 254,062
		3013	Services Coiled Tubing		
		3014	Services Directional Well Drilling/LoggingDrillg	\$ 467,539	
		3016	Services Mud Logging	\$ 51,681	
		3019	Services Wireline/Slickline		\$ 190,432
		3020	Services Rig Costs	\$ 889,838	
		3021	Services Rig Move	\$ 290,766	
		3022	Services Downhole Fluids	\$ 96,702	
		3023	Services Cementing	\$ 159,233	
		3024	Services Stimulation		\$ 3,221,648
		3025	Services Downhole Other	\$ 20,155	\$ 119,885
		3026	Services Formation Test		
		3029	Services Catering	\$ 21,910	
		3030	Services Building Maint/Repair		
		3031	Services HES	\$ 880	\$ 18,936
		3032	Services Communication	\$ 2,880	
		3034	Services Seismic	\$ 2,025	\$ 10,000
		3035	Services Disposal	\$ 5,513	
		3039	Services Fluid Hauling FROM SITE		
	Intangible	5500	Material Consumables	\$ 22,535	\$ 218,023
		5502	Material Drilling Fluids	\$ 162,800	
		5503	Material Drilling Tools / Bits/Reamers/Scrapers	\$ 122,687	
		5505	Material Fuel / Off/road Diesel	\$ 259,949	
	Taxes/Tariff	8103	Taxes Sales Tax	\$ 141,960	\$ 212,086
		8107	Taxes Other	\$ 66,364	
	Chemicals and Injectants	6001	Chemicals Water Soluble		
		6004	Chemicals Treat Emulsion		
		6014	Chemicals Other		
	Rental	4005	Rental Down hole Equipment and Tools	\$ 28,864	\$ 4,570
		4007	Rental HES Equipment and Tools	\$ 8,179	\$ 23,709
		4013	Rental Surface Equipment and Tools	\$ 49,465	\$ 145,679
	Contract Labor	2004	Contractor Maintenance/Gangs/Roustabouts		\$ 5,122
		2008	Contractor Other Fabrication	\$ 7,452	
		2009	Contr Welding	\$ 8,424	
		2017	Contractor Drilling/WO/Completion Rig Superv	\$ 87,256	\$ 51,978
		2019	Contractor HES	\$ 26,365	
		2032	Contractor Oth Business Serv	\$ 195	
		2034	Contr Other	\$ 41,086	
		2034	Contr Other		
		1000	Employee Wages		\$ 100,000
		1001	Employee Overtime		
	Freight	8000	Freight Shipping	\$ 55,674	\$ 12,664
	Tangible	5014	Material Pipe Fittings		
		5016	Material Surface Pump and Acc	\$ 2,141	
		5020	Material Structural	\$ 251	
		5023	Material Wellhead Equipment	\$ 65,709	\$ 41,962
		5026	Material Electrical Submersible Pump (ESP)		
		5027	Material Subsurface Lift Equipment Other		
		5028	Material Casing Liners and Accessories	\$ 441,630	
		5029	Material Tubing and Accs	\$ 754	
		5031	Material Downhole Other		
		5032	Material HES	\$ 60	
	Power/Utilities	7004	Utilities Water/Sewers/Trash	\$ 29,890	\$ 39,745
	Other	8912	Right of Way	\$ 7,000	
		8919	Environmental Cleanup/Reclamation	\$ 69,789	
		8921	Waste Handling and Disposal	\$ 98,885	\$ 6,119
		8945	Loss and Loss Expenses Paid		
		8925	Vehicle Diesel		
	Benefits and Taxes	1200	Emp Burden and Benefits		
		1206	Employee Benefits PRA/PSA/ESRP/ESOP		
		1216	Emp COPAS Burden		
	Accrual			\$ 29,883	
TURKEY TRACK 9-10 STATE 31H Total				\$ 4,032,051	\$ 4,829,388

Well Name	Element Category	Element Number	Element Name	Drilling	Completion
TURKEY TRACK 4-3 STATE 33H	Services	3002	Services Misc Heavy Equipment	\$ 1,360	\$ 101,526
		3003	Services Fluid Hauling TO SITE	\$ 60,791	\$ 74,076
		3004	Services Measurement	\$ 150	
		3005	Services Inspection	\$ 55,215	
		3006	Services Construction	\$ 14,564	
		3009	Services Wellhead		\$ 10,200
		3011	Services Locations	\$ 46,481	
		3012	Services Cased Hole Logging	\$ 4,950	\$ 41,305
		3013	Services Coiled Tubing		\$ 189,550
		3014	Services Directional Well Drilling/LoggingDrillg	\$ 407,229	
		3016	Services Mud Logging	\$ 26,378	
		3018	Services Perforating		\$ 196,958
		3019	Services Wireline/Slickline		\$ 47,888
		3020	Services Rig Costs	\$ 824,473	
		3021	Services Rig Move	\$ 69,375	
		3022	Services Downhole Fluids	\$ 138,862	
		3023	Services Cementing	\$ 137,473	
		3024	Services Stimulation		\$ 2,514,505
		3025	Services Downhole Other	\$ 23,421	\$ 191,078
		3026	Services Formation Test		
		3029	Services Catering	\$ 18,168	\$ 4,725
		3030	Services Building Maint/Repair	\$ 2,400	
		3031	Services HES	\$ 3,948	\$ 31,156
		3032	Services Communication	\$ 1,207	
		3034	Services Seismic	\$ 2,025	
		3035	Services Disposal	\$ 10,929	\$ 12,760
		3039	Services Fluid Hauling FROM SITE		
	Intangible	5500	Material Consumables	\$ 13,146	\$ 415,006
		5502	Material Drilling Fluids	\$ 11,220	
		5503	Material Drilling Tools / Bits/Reamers/Scrapers	\$ 167,425	
		5505	Material Fuel / Off/road Diesel	\$ 248,300	\$ 256,312
	Taxes/Tariff	8103	Taxes Sales Tax	\$ 144,135	\$ 211,000
		8107	Taxes Other	\$ 55,156	\$ 1,719
	Chemicals and Injectants	6001	Chemicals Water Soluble		
		6004	Chemicals Treat Emulsion		
		6014	Chemicals Other		
	Rental	4005	Rental Down hole Equipment and Tools	\$ 57,272	\$ 48,154
		4007	Rental HES Equipment and Tools	\$ 11,061	\$ 20,060
		4013	Rental Surface Equipment and Tools	\$ 85,766	\$ 339,621
	Contract Labor	2001	Contractor Electrical and Instrumentation	\$ 332	
		2004	Contractor Maintenance/Gangs/Roustabouts		\$ 3,412
		2009	Contr Welding	\$ 4,612	
		2017	Contractor Drilling/WO/Completion Rig Superv	\$ 130,111	\$ 84,091
		2019	Contractor HES	\$ 10,065	
		2025	Contractor Surveyor	\$ 819	
		2032	Contractor Oth Business Serv	\$ 707	
		2034	Contr Other	\$ 44,096	
		2036	Contractor Consultant Reimbursable		\$ 6,871
		1000	Employee Wages	\$ 17,909	\$ 100,000
	Defined as USD Payroll	1001	Employee Overtime		
		8000	Freight Shipping	\$ 30,572	\$ 7,875
	Tangible	5014	Material Pipe Fittings		
		5023	Material Wellhead Equipment	\$ 52,175	\$ 18,498
		5026	Material Electrical Submersible Pump (ESP)		
		5027	Material Subsurface Lift Equipment Other		
		5028	Material Casing Liners and Accessories	\$ 435,152	
		5029	Material Tubing and Accs		
		5031	Material Downhole Other		
		5037	Material Shop/Hand Tools	\$ 62	
	Power/Utilities	7004	Utilities Water/Sewers/Trash	\$ 31,714	\$ 38,717
	Other	8912	Right of Way	\$ 22,100	
		8918	Permits/Settlements/Other		
		8919	Environmental Cleanup/Reclamation	\$ 98,484	
		8921	Waste Handling and Disposal	\$ 164,027	\$ 29,183
		8925	Vehicle Diesel	\$ 3,053	\$ 13,389
		8945	Loss and Loss Expenses Paid		
	Benefits and Taxes	1200	Emp Burden and Benefits		
		1206	Employee Benefits PRA/PSA/ESRP/ESOP		
		1216	Emp COPAS Burden		
	Accrual			\$ 690,049	\$ 1,013
TURKEY TRACK 4-3 STATE 33H Total				\$ 4,378,919	\$ 5,010,649

Well Name	Element Category	Element Number	Element Name	Drilling	Completion
TURKEY TRACK 4-3 STATE 34H	Services	3002	Services Misc Heavy Equipment	\$ 525	\$ 102,500
		3003	Services Fluid Hauling TO SITE	\$ 13,148	\$ 73,100
		3004	Services Measurement		
		3005	Services Inspection	\$ 30,262	
		3006	Services Construction	\$ 4,072	
		3009	Services Wellhead		\$ 10,200
		3011	Services Locations	\$ 44,591	
		3012	Services Cased Hole Logging	\$ 4,170	\$ 32,869
		3013	Services Coiled Tubing		\$ 158,479
		3014	Services Directional Well Drilling/LoggingDrillg	\$ 346,112	
		3016	Services Mud Logging	\$ 16,928	
		3018	Services Perforating		\$ 193,958
		3019	Services Wireline/Slickline		\$ 47,928
		3020	Services Rig Costs	\$ 606,474	
		3021	Services Rig Move	\$ 69,375	
		3022	Services Downhole Fluids	\$ 72,733	\$ 4,822
		3023	Services Cementing	\$ 123,664	
		3024	Services Stimulation		\$ 2,436,684
		3025	Services Downhole Other	\$ 20,526	\$ 186,523
		3026	Services Formation Test		
		3029	Services Catering	\$ 16,203	\$ 4,500
		3030	Services Building Maint/Repair	\$ 900	
		3031	Services HES	\$ 880	\$ 29,382
		3032	Services Communication		
		3034	Services Seismic	\$ 2,025	
		3035	Services Disposal	\$ 1,794	\$ 5,670
		3039	Services Fluid Hauling FROM SITE		
	Intangible	5500	Material Consumables	\$ 5,308	\$ 445,349
		5502	Material Drilling Fluids	\$ 113,183	
		5503	Material Drilling Tools / Bits/Reamers/Scrapers	\$ 91,540	
		5505	Material Fuel / Off/road Diesel	\$ 294,748	\$ 264,966
	Taxes/Tariff	8103	Taxes Sales Tax	\$ 97,739	\$ 196,446
		8107	Taxes Other	\$ 50,692	\$ 1,213
	Chemicals and Injectants	6001	Chemicals Water Soluble		
		6004	Chemicals Treat Emulsion		
		6014	Chemicals Other		
	Rental	4005	Rental Down hole Equipment and Tools	\$ 22,307	\$ 2,215
		4007	Rental HES Equipment and Tools	\$ 3,077	\$ 20,060
		4013	Rental Surface Equipment and Tools	\$ 50,800	\$ 316,706
	Contract Labor	2004	Contractor Maintenance/Gangs/Roustabouts		\$ 3,478
		2009	Contr Welding	\$ 3,209	
		2017	Contractor Drilling/WO/Completion Rig Superv	\$ 33,159	\$ 85,000
		2019	Contractor HES	\$ 2,179	
		2025	Contractor Surveyor	\$ 819	
		2032	Contractor Oth Business Serv	\$ 240	
		2034	Contr Other	\$ 39,148	
	Defined as USD Payroll	1000	Employee Wages	\$ 29,549	\$ 100,000
		1001	Employee Overtime	\$ 165	
	Freight	8000	Freight Shipping	\$ 20,872	\$ 13,088
	Tangible	5014	Material Pipe Fittings		
		5023	Material Wellhead Equipment	\$ 69,025	\$ 18,498
		5026	Material Electrical Submersible Pump (ESP)		
		5027	Material Subsurface Lift Equipment Other		
		5028	Material Casing Liners and Accessories	\$ 435,728	
		5029	Material Tubing and Accs	\$ 733	
		5031	Material Downhole Other		
		5032	Material HES	\$ 19	
		5037	Material Shop/Hand Tools	\$ 149	
		7004	Utilities Water/Sewers/Trash	\$ 16,010	\$ 38,252
	Other	8919	Environmental Cleanup/Reclamation	\$ 49,327	
		8921	Waste Handling and Disposal	\$ 20,094	
		8945	Loss and Loss Expenses Paid		
		8925	Vehicle Diesel		\$ 8,627
	Benefits and Taxes	1200	Emp Burden and Benefits	\$ 13	
		1206	Employee Benefits PRA/PSA/ESRP/ESOP	\$ 15	
		1216	Emp COPAS Burden		
	Accrual			\$ 605,800	
TURKEY TRACK 4-3 STATE 34H Total				\$ 3,430,029	\$ 4,800,515