

**BEFORE THE OIL CONSERVATION DIVISION  
EXAMINER HEARING JUNE 13, 2019**

**CASE No. 20550**

*SALT FLAT CC "20-29" FEDERAL COM No. 34H WELL  
SALT FLAT CC "20-29" FEDERAL COM No. 36H WELL  
SALT FLAT CC "20-29" FEDERAL COM No. 38H WELL*

**EDDY COUNTY, NEW MEXICO**



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

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

**Case No. 20550**

**AFFIDAVIT OF JEREMY D. MURPHREY**

Jeremy D. Murphrey, being of lawful age and being first duly sworn, states as follows:

1. My name is Jeremy D. Murphrey and I am employed by OXY USA Inc. ("OXY") as a Landman. I have previously testified before the Oil Conservation Division and had my credentials as an expert in petroleum land matters accepted and made a matter of record.
2. I am familiar with the application filed by OXY in this matter and familiar with the status of the lands in the subject area.
3. None of the mineral owners to be pooled in this case have expressed opposition to this proceeding, so I do not expect any opposition at the hearing.
4. OXY seeks an order pooling uncommitted interests in the Wolfcamp formation Purple Sage Wolfcamp Pool; Pool code: 98220 underlying a standard 640-acre, more or less, horizontal well spacing unit comprised of the E/2 of Sections 20 and 29, Township 24 South, Range 29 East, NMPM, Eddy County, New Mexico.
5. **OXY Exhibit A-1** is a plat showing the tracts of land comprising the proposed horizontal spacing unit and the proposed initial wells. The subject acreage consists of federal and private lands.
6. **OXY Exhibit A-2** contains the C-102 plats for the three wells to be initially dedicated to the proposed horizontal well spacing unit:

- The **Salt Flat CC “20-29” Federal Com No. 34H Well**, which will be horizontally drilled from a surface location in the SE/4 SE/4 (Unit P) of Section 17 to a bottom-hole location in the SW/4 SE/4 (Unit O) of Section 29.
- The **Salt Flat CC “20-29” Federal Com No. 36H Well**, which will be horizontally drilled from a surface location in the SE/4 SE/4 (Unit P) of Section 17 to a bottom-hole location in the SE/4 SE/4 (Unit P) of Section 29.
- The **Salt Flat CC “20-29” Federal Com No. 38H Well**, which will be horizontally drilled from a surface location in the SE/4 SW/4 (Unit N) of Section 17 to a bottom-hole location in the SW/4 SE/4 (Unit O) of Section 29.

7. The completed interval for each well will remain within the standard setback as required by the Special Rules for the Purple Sage; Wolfcamp Pool.

8. **OXY Exhibit A-3** identifies the ownership in the proposed spacing unit and the tracts of lands within the proposed spacing unit. OXY seeks to pool only the highlighted uncommitted working interest owners and OXY has been able to locate an address for each of these interest owners.

9. **OXY Exhibit A-4** contains the well proposal letter and AFE for the wells. In addition to sending these well proposal letters, OXY representatives have contacted or attempted to contact each of these working interest owners to reach a voluntary agreement. None of these working interest owners have objected to OXY proceeding with this pooling application.

10. The costs reflected in the AFE are consistent with what OXY and other operators have incurred for drilling and completing similar horizontal wells in this formation.

11. No ownership depth severances exist in the proposed spacing unit and there are no unleased mineral interests in the subject acreage.

12. OXY has estimated the overhead and administrative costs at \$7,500.00 per month while drilling and \$750.00 per month while producing. These costs are consistent with what other operators are charging in this area for similar wells.

13. OXY Exhibits A-1 through A-4 were either prepared by me or compiled under my direction and supervision.

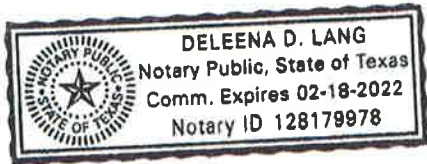
FURTHER AFFIANT SAYETH NOT

*Jeremy D. Murphrey*  
Jeremy D. Murphrey

STATE OF TEXAS )

COUNTY OF HARRIS )

SUBSCRIBED and SWORN to before me this 31<sup>st</sup> day of May,  
2019 by Jeremy D. Murphrey.



*Deleena D. Lang*  
NOTARY PUBLIC

My Commission Expires:

02/18/2022



BEFORE THE OIL CONSERVATION DIVISION  
 Santa Fe, New Mexico  
 Exhibit No. A-1  
 Submitted by: OXY USA, Inc.  
 Hearing Date: June 13, 2019  
 Case No 20550

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**

API Number	Pool Code	Pool Name
Property Code	Property Name	Well Number
	SALT FLAT CC "20-29" FEDERAL COM	34H
OGRID No.	Operator Name	Elevation
	OXY USA INC.	2925.1'

**Surface Location**

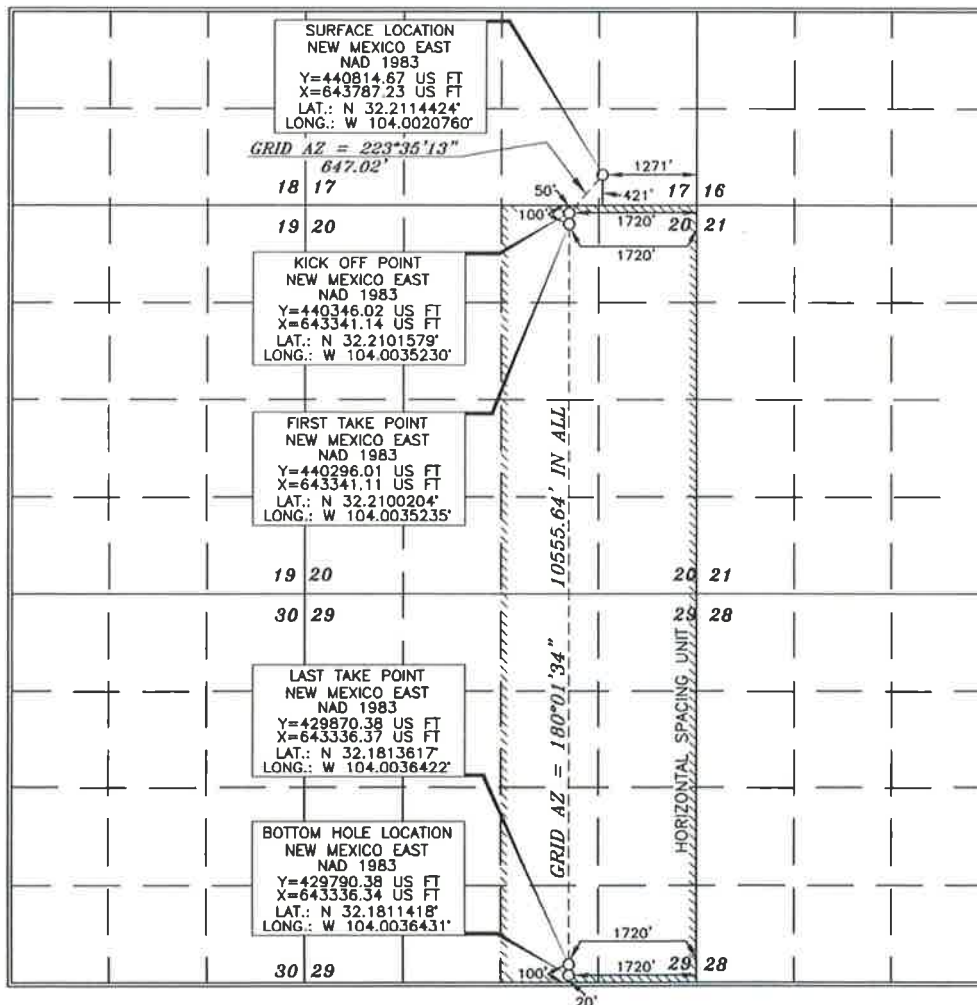
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
P	17	24 SOUTH	29 EAST, N.M.P.M.		421'	SOUTH	1271'	EAST	EDDY

**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
O	29	24 SOUTH	29 EAST, N.M.P.M.		20'	SOUTH	1720'	EAST	EDDY

Dedicated Acres	Joint or Infill	Consolidation Code	Order No.

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.



**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.

BEFORE THE OIL CONSERVATION DIVISION  
Santa Fe, New Mexico  
Exhibit No. A-2  
Submitted by: OXY USA, Inc.  
Hearing Date: June 13, 2019  
Case No 20550

**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.

Date of Survey  
Signature and Seal of Professional Surveyor

*Terry J. Asch* 3/7/2019  
Certificate Number 15079

District I  
1625 N. French Dr., Hobbs, NM 88240  
Phone: (575) 393-6161 Fax: (575) 393-0720  
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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

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1220 South St. Francis Dr.  
Santa Fe, NM 87505

Form C-102  
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☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number	Pool Code	Pool Name
Property Code	Property Name <b>SALT FLAT CC "20-29" FEDERAL COM</b>	Well Number <b>36H</b>
OGRID No.	Operator Name <b>OXY USA INC.</b>	Elevation <b>2926.5'</b>

Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
P	17	24 SOUTH	29 EAST, N.M.P.M.		421'	SOUTH	1201'	EAST	EDDY

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
P	29	24 SOUTH	29 EAST, N.M.P.M.		180'	SOUTH	500'	EAST	EDDY
Dedicated Acres		Joint or Infill	Consolidation Code	Order No.					

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.

<p><b>SURFACE LOCATION</b> NEW MEXICO EAST NAD 1983 Y=440814.30 US FT X=643857.23 US FT LAT.: N 32.2114408° LONG.: W 104.0018496°</p> <p>GRID AZ = 123°59'54" 849.03'</p> <p><b>KICK OFF POINT</b> NEW MEXICO EAST NAD 1983 Y=440339.55 US FT X=644561.12 US FT LAT.: N 32.2101298° LONG.: W 103.9995785°</p> <p><b>TOP PERF.</b> NEW MEXICO EAST NAD 1983 Y=440049.55 US FT X=644560.98 US FT LAT.: N 32.2093326° LONG.: W 103.9995819°</p> <p><b>BOTTOM PERF.</b> NEW MEXICO EAST NAD 1983 Y=430107.17 US FT X=644556.05 US FT LAT.: N 32.1820023° LONG.: W 103.9996976°</p> <p><b>BOTTOM HOLE LOCATION</b> NEW MEXICO EAST NAD 1983 Y=429947.16 US FT X=644555.97 US FT LAT.: N 32.1815625° LONG.: W 103.9996994°</p>		<p><b>OPERATOR CERTIFICATION</b></p> <p>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.</p> <p>Signature _____ Date _____</p> <p>Printed Name _____</p> <p>E-mail Address _____</p> <p><b>SURVEYOR CERTIFICATION</b></p> <p>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.</p> <p>NOVEMBER 10, 2012</p> <p>Date of Survey</p> <p>Signature and Seal of Professional Surveyor</p> <p><i>Terry J. Asch</i> 1/30/2012</p> <p>Certificate Number 15079</p> <p>WO# 171110WL-e (KA)</p>
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WO# 181129WL-c (Rev. A) (KA)

E/2 of Section 20 and 29, Township 24 South, Range 29 East, Eddy County, NM

		Total Acres in proposed spacing unit:	640
Tract 1	NE/4 NE/4 less and except the of Section 20		
		Acres contributed to proposed spacing unit:	35
	50.000000% MRC Permian Company		
	49.210750% TAP Rock Resources ,LLC		
	0.781250% Prime Rock Resources AssetCo., LLC		
	100.000000%		
	Total Committed Interest		0.000000%
	Total Uncommitted Interest		100.00%
Tract 2	S/2 SE/4 NW/4 NE/4 of Section 20		
		Acres contributed to proposed spacing unit:	5
	64.154061% OXY USA Inc.		
	35.846411% MRC Permian Company		
	100.000000%		
	Total Committed Interest		64.154061%
	Total Uncommitted Interest		35.846411%
Tract 3	E/2 NE/4, SW/4 NE/4, SW/4 NE/4 and E/2 NW/4 SE/4 of Section 20		
		Acres contributed to proposed spacing unit:	140
	80.000000% OXY USA Inc.		
	20.000000% OXY Y-1 Company		
	100.000000%		
	Total Committed Interest		100.000000%
	Total Uncommitted Interest		0.000000%
Tract 4	E/2 NE/4, SW/4 NE/4, SW/4 NE/4 and E/2 NW/4 SE/4 of Section 20		
		Acres contributed to proposed spacing unit:	50
	25.000000% OXY USA Inc.		
	25.000000% Occidental Permian Limited Partnership		
	50.000000% OXY Y-1 Company		
	100.000000%		
	Total Committed Interest		100.000000%
	Total Uncommitted Interest		0.000000%
Tract 5	E/2 NE/4, SW/4 NE/4, SW/4 NE/4 and E/2 NW/4 SE/4 of Section 20		
		Acres contributed to proposed spacing unit:	10
	20.000000% OXY USA Inc.		
	20.000000% OXY Y-1 Company		
	30.000000% Winchester Energy, LLC		
	7.500000% Maduro Oil & Gas ,LLC		
	15.000000% 1 Timothy 6, LLC		
	7.500000% Lonsdale Resources, LLC		
	100.000000%		
	Total Committed Interest		100.000000%
	Total Uncommitted Interest		0.000000%
Tract 6	E/2 SE/4 of Section 20		
		Acres contributed to proposed spacing unit:	80
	100.000000% OXY USA Inc.		
	100.000000%		
	Total Committed Interest		100.000000%
	Total Uncommitted Interest		0.000000%
Tract 7	NE/4 NE/4 of Section 29		
		Acres contributed to proposed spacing unit:	40
	80.000000% OXY USA Inc.		
	20.000000% OXY Y-1 Company		
	100.000000%		
	Total Committed Interest		100.000000%
	Total Uncommitted Interest		0.000000%
Tract 8	W/2 NE/4 and SE/4 NE/4 of Section 29		
		Acres contributed to proposed spacing unit:	120
	100.000000% OXY USA Inc.		
	100.000000%		
	Total Committed Interest		100.000000%

BEFORE THE OIL CONSERVATION DIVISION

Santa Fe, New Mexico

Exhibit No. A-3

Submitted by: OXY USA, Inc.

Hearing Date: June 13, 2019

Case No 20550

	<b>Total Uncommitted Interest</b>		<b>0.000000%</b>
<b>Tract 9</b>	<b>NE/4 SE/4 of Section 29</b>		
		<b>Acres contributed to proposed spacing unit:</b>	<b>40</b>
	66.666667% OXY USA Inc.		
	33.333333% WPX Energy Permian, LLC		
	100.000000%		
	<b>Total Committed Interest</b>		<b>66.666667%</b>
	<b>Total Uncommitted Interest</b>		<b>33.333333%</b>
<b>Tract 10</b>	<b>W/2 SE/4 and SE/4 SE/4 of Section 29</b>		
		<b>Acres contributed to proposed spacing unit:</b>	<b>120</b>
	100.000000% OXY USA Inc.		
	100.000000%		
	<b>Total Committed Interest</b>		<b>100.000000%</b>
	<b>Total Uncommitted Interest</b>		<b>0.000000%</b>
<b>Working Interest for each party in 640 acre proposed spacing unit:</b>			
	OXY USA Inc.		78.152723%
	OXY Y-1 Company		11.093799%
	Occidental Permian Limited Partnership		1.953134%
	MRC Permian Company		3.045551%
	TAP Rock Resources ,LLC		2.691225%
	Prime Rock Resources AssetCo., LLC		0.042725%
	Winchester Energy, LLC		0.468752%
	Maduro Oil & Gas ,LLC		0.117188%
	1 Timothy 6, LLC		0.234376%
	Lonsdale Resources, LLC		0.117188%
	WPX Energy Permian, LLC		2.083340%
			100.000000%



**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

April 15, 2019

CERTIFIED MAIL – RETURN RECEIPT REQUESTED

MRC Permian Co.  
5400 LBJ Freeway, Suite 1500  
Dallas, TX 75240

Re: Well Proposal – Salt Flat CC 20-29 Fed Com 34H  
SHL – 421' FSL & 1271' FEL  
Section 17-24S-29E, Eddy County, NM  
BHL – 20' FSL & 1720' FEL  
Section 29-24S-29E, Eddy County, NM

Dear Sir/Madam:

OXY USA Inc. ("OXY") hereby proposes the drilling of the Salt Flat CC 20-29 Fed Com 34H well at the referenced surface location to its terminus at the referenced bottom hole location in Section 29-24S-29E, Eddy County, New Mexico. The proposed horizontal well will be drilled to an approximate vertical depth of 10,050', and to an approximate measured depth of 19,800' to evaluate the Wolfcamp. A detailed description of the total estimated cost to drill and complete the well is set out in the enclosed AFE.

OXY proposes to drill this well under the terms of the previously provided modified 1989 AAPL form of Operating Agreement, dated January 24, 2019, by and between OXY USA Inc., as Operator, and MRC Permian Company, et al as Non-Operators, covering the E/2 of Sections 20 and 29, Township 24 South, Range 29 East, N.M.P.M., Eddy Co., New Mexico.

Please indicate your election to participate in the drilling, completing, and equipping of the proposed well by executing and returning one copy of this letter, signature pages of the Operating Agreement and enclosed AFE.

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

Very truly yours,

OXY USA Inc.

Jeremy Murphrey, CPL  
Land Negotiator Advisor  
Dir: 713.350.4816  
Fax: 713.985.4942  
Email: jeremy\_murphrey@oxy.com

MRC Permian Co. elects to:

\_\_\_ participate in the drilling of the Salt Flat CC 20-29 Fed  
Com #34H

\_\_\_ non-consent the drilling of the Salt Flat CC 20-29 Fed  
Com #34H

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

Enclosures

BEFORE THE OIL CONSERVATION DIVISION

Santa Fe, New Mexico

Exhibit No. A-4

Submitted by: OXY USA, Inc.

Hearing Date: June 13, 2019

Case No 20550



# Occidental Oil and Gas Corporation

## 10k WC

RMT:	PRN
State & County:	NM, Eddy
Field:	Corral
Well Type:	10k WC
Date:	4/1/2019

Code	Element Name	1 Prep Phase	2 Location/Rig Move	3 Drilling	4 P&A	5 Completion	6 Artificial Lift	7 Hookup	8 Facilities
<b>Location, Mobilization, Rig Move</b>									
3010	Major Mob / Demob	\$ -	\$ -	\$ -	\$ -	\$ 8,163	\$ -	\$ -	\$ -
3011	Location & Roads + Maintenance	\$ -	\$ 103,000	\$ -	\$ -	\$ 3,500	\$ -	\$ -	\$ -
3021	Rig Move	\$ -	\$ 75,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>Labor, Services &amp; Equipment Rentals</b>									
1000	Employee Wages	\$ -	\$ 4,000	\$ 141,000	\$ -	\$ 100,000	\$ -	\$ -	\$ -
1050	Location Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2004	Contractor Maintenance/Roustabouts	\$ -	\$ -	\$ -	\$ -	\$ 1,500	\$ -	\$ -	\$ -
2017	Contract Supervision	\$ -	\$ -	\$ -	\$ -	\$ 57,400	\$ 8,678	\$ -	\$ -
2019	Contractor HES	\$ -	\$ -	\$ -	\$ -	\$ 10,931	\$ -	\$ -	\$ -
2034	Labor services	\$ -	\$ 1,000	\$ 47,000	\$ -	\$ -	\$ -	\$ -	\$ -
3001	Services Hot Oiling	\$ -	\$ -	\$ -	\$ -	\$ 12,500	\$ 5,710	\$ -	\$ -
3002	Services Misc Heavy Equipment	\$ -	\$ -	\$ -	\$ -	\$ 40,500	\$ 1,713	\$ -	\$ -
3003	Fluid Haul	\$ -	\$ 7,000	\$ 53,000	\$ -	\$ -	\$ -	\$ -	\$ -
3005	Services Inspection	\$ -	\$ -	\$ 38,000	\$ -	\$ 4,500	\$ -	\$ -	\$ -
3009	Services Wellhead	\$ -	\$ -	\$ 16,000	\$ -	\$ 45,100	\$ 5,710	\$ -	\$ -
3012	Cased/Open Hole Logging	\$ -	\$ -	\$ -	\$ -	\$ 9,500	\$ -	\$ -	\$ -
3013	Services Coiled Tubing	\$ -	\$ -	\$ -	\$ -	\$ 178,535	\$ -	\$ -	\$ -
3014	Directional Drilling & LWD	\$ -	\$ -	\$ 486,000	\$ -	\$ -	\$ -	\$ -	\$ -
3015	Fishing	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
3016	Mud Logging	\$ -	\$ -	\$ 30,000	\$ -	\$ -	\$ -	\$ -	\$ -
3018	Services Perforating	\$ -	\$ -	\$ -	\$ -	\$ 172,200	\$ -	\$ -	\$ -
3019	Wire line & Slick line	\$ -	\$ -	\$ -	\$ -	\$ 42,000	\$ 7,422	\$ -	\$ -
3020	Rig Work	\$ -	\$ -	\$ 727,000	\$ -	\$ -	\$ 24,936	\$ -	\$ -
3022	Drilling & Completion Fluids	\$ -	\$ 6,000	\$ 69,000	\$ -	\$ -	\$ -	\$ -	\$ -
3023	Cementing	\$ -	\$ -	\$ 249,000	\$ -	\$ -	\$ -	\$ -	\$ -
3024	Services Stimulation	\$ -	\$ -	\$ -	\$ -	\$ 3,188,848	\$ -	\$ -	\$ -
3025	Services Downhole Other	\$ -	\$ -	\$ 13,000	\$ -	\$ 53,550	\$ 13,726	\$ -	\$ -
3026	Formation Testing and Coring	\$ -	\$ -	\$ -	\$ -	\$ 224,269	\$ -	\$ -	\$ -
3029	Camp & Catering	\$ -	\$ 8,000	\$ 38,000	\$ -	\$ -	\$ -	\$ -	\$ -
3032	Communications & IT	\$ -	\$ 1,000	\$ 20,000	\$ -	\$ -	\$ -	\$ -	\$ -
3035	Services Disposal	\$ -	\$ -	\$ 135,000	\$ -	\$ 179,000	\$ 4,111	\$ -	\$ -
3039	Services Fluid Hauling from Site	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
4005	Rental Downhole Equipment & Tools	\$ -	\$ -	\$ 4,000	\$ -	\$ -	\$ -	\$ -	\$ -
4007	HES & Industrial waste handling	\$ -	\$ -	\$ 8,000	\$ -	\$ -	\$ -	\$ -	\$ -
4013	Rental Surface Equipment & Tools	\$ -	\$ 19,000	\$ 104,000	\$ -	\$ 125,908	\$ 7,177	\$ -	\$ -
<b>Consumables</b>									
5021	Material Surface Other	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
5023	Wellhead & X-mas tree	\$ -	\$ -	\$ 69,000	\$ -	\$ 22,500	\$ -	\$ -	\$ -
5027	Material Subsurface Lift Equipment Other	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 66,231	\$ -	\$ -
5028	Casing and Casing Accessories	\$ -	\$ -	\$ 775,000	\$ -	\$ -	\$ -	\$ -	\$ -
5029	Material Tubing and Accs	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 39,967	\$ -	\$ -
5500	Material Consumables	\$ -	\$ 10,000	\$ -	\$ -	\$ 260,131	\$ -	\$ -	\$ -
5502	Drilling Fluids Products	\$ -	\$ -	\$ 195,000	\$ -	\$ -	\$ -	\$ -	\$ -
5503	Bits, Reamers, Scrapers, HO's	\$ -	\$ -	\$ 78,000	\$ -	\$ -	\$ -	\$ -	\$ -
5505	Fuel & Lubricants	\$ -	\$ 2,000	\$ 77,000	\$ -	\$ -	\$ -	\$ -	\$ -
7004	Utilities: Electricity, Water & Sewers & Trash	\$ -	\$ -	\$ 12,000	\$ -	\$ 3,196	\$ 1,440	\$ -	\$ -
<b>Logistics, Insurance &amp; Tax</b>									
8000	Land Transportation	\$ -	\$ 1,000	\$ 47,000	\$ -	\$ 10,000	\$ -	\$ -	\$ -
8102	Tax & contingency	\$ -	\$ 12,000	\$ 297,000	\$ -	\$ 220,686	\$ 8,180	\$ -	\$ -
8918	Permits/Settlements/Other	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
8921	Waste Handling and Disp	\$ -	\$ -	\$ 40,000	\$ -	\$ -	\$ -	\$ -	\$ -
8945	Loss & Loss Expenses Paid	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
9999	Other Costs	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>Subtotal</b>		\$ -	\$ 249,000	\$ 3,768,000	\$ -	\$ 4,974,415	\$ 195,000	\$ -	\$ -

Drilling / Comp Engr
Drilling Engr Supervisor - Diego Tellez
Completions Engr Supervisor - Robert Rodriguez
Drilling & Completions Manager - John Willis

Total Drilling (1+2+3+4):	\$ 4,017,000
Total Completion (5+6+7):	\$ 5,169,415
Total Facilities (8):	\$ -
Total Well Cost (1+2+3+4+5+6+7+8):	\$ 9,186,415
Assumptions:	



**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

January 24, 2019

CERTIFIED MAIL – RETURN RECEIPT REQUESTED

TAP Rock Resources, LLC  
602 Park Drive, Suite 200  
Golden, CO 80401

Re: Well Proposal – Salt Flat CC 20-29 Fed Com 36H  
SHL – 421' FSL & 1201' FEL  
Section 17-24S-29E, Eddy County, NM  
BHL – 180' FSL & 500' FEL  
Section 29-24S-29E, Eddy County, NM

Dear Sir/Madam:

OXY USA Inc. ("OXY") hereby proposes the drilling of the Salt Flat CC 20-29 Fed Com 36H well at the referenced surface location to its terminus at the referenced bottom hole location in Section 29-24S-29E, Eddy County, New Mexico. The proposed horizontal well will be drilled to an approximate vertical depth of 9,938', and to an approximate measured depth of 20,186' to evaluate the Wolfcamp. OXY plans to batch drill the Salt Flat CC 20-29 Fed Com 34H, #35H and #36H wells from a common surface location. A detailed description of the total estimated cost to drill and complete the well is set out in the enclosed AFE. An AFE of the facilities cost will be provided in a separate mailing.

OXY proposes to drill this well under the terms of a modified 1989 AAPL form of Operating Agreement, dated January 24, 2019, by and between OXY USA Inc., as Operator, and MRC Permian Company, et al as Non-Operators, covering the E/2 of Sections 20 and 29, Township 24 South, Range 29 East, N.M.P.M., Eddy Co., New Mexico. Enclosed please find a copy of the proposed operating agreement.

Please indicate your election to participate in the drilling, completing, and equipping of the proposed well by executing and returning one copy of this letter, signature pages of the Operating Agreement and enclosed AFE.

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

Very truly yours,

OXY USA Inc.

Jeremy Murphrey, CPL  
Land Negotiator Advisor  
Dir: 713.350.4816  
Fax: 713.985.4942  
Email: jeremy\_murphrey@oxy.com

TAP Rock Resources, LLC. elects to:

\_\_\_ participate in the drilling of the Salt Flat CC 20-29 Fed Com #36H

\_\_\_ non-consent the drilling of the Salt Flat CC 20-29 Fed Com #36H

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

Enclosures



# Occidental Oil and Gas Corporation

## 10k WC

RMT:	PRN
State & County:	NM, Eddy
Field:	Corral
Well Type:	10k WC
Date:	7/10/2017

Code	Element Name	1 Prep Phase	2 Location/Rig Move	3 Drilling	4 P&A	5 Completion	6 Artificial Lift	7 Hookup	8 Facilities
<b>Location, Mobilization, Rig Move</b>									
3010	Major Mob / Demob	\$ -	\$ -	\$ -	\$ -	\$ 8,163	\$ -	\$ -	\$ -
3011	Location & Roads + Maintenance	\$ -	\$ 103,000	\$ -	\$ -	\$ 3,500	\$ -	\$ -	\$ -
3021	Rlg Move	\$ -	\$ 75,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>Labor, Services &amp; Equipment Rentals</b>									
1000	Employee Wages	\$ -	\$ 4,000	\$ 141,000	\$ -	\$ 100,000	\$ -	\$ -	\$ -
1050	Location Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2004	Contractor Maintenance/Roustabouts	\$ -	\$ -	\$ -	\$ -	\$ 1,500	\$ -	\$ -	\$ -
2017	Contract Supervision	\$ -	\$ -	\$ -	\$ -	\$ 57,400	\$ 8,678	\$ -	\$ -
2019	Contractor HES	\$ -	\$ -	\$ -	\$ -	\$ 10,931	\$ -	\$ -	\$ -
2034	Labor services	\$ -	\$ 1,000	\$ 47,000	\$ -	\$ -	\$ -	\$ -	\$ -
3001	Services Hot Oiling	\$ -	\$ -	\$ -	\$ -	\$ 12,500	\$ 5,710	\$ -	\$ -
3002	Services Misc Heavy Equipment	\$ -	\$ -	\$ -	\$ -	\$ 40,500	\$ 1,713	\$ -	\$ -
3003	Fluid Haul	\$ -	\$ 7,000	\$ 53,000	\$ -	\$ -	\$ -	\$ -	\$ -
3005	Services Inspection	\$ -	\$ -	\$ 38,000	\$ -	\$ 4,500	\$ -	\$ -	\$ -
3009	Services Wellhead	\$ -	\$ -	\$ 16,000	\$ -	\$ 45,100	\$ 5,710	\$ -	\$ -
3012	Cased/Open Hole Logging	\$ -	\$ -	\$ -	\$ -	\$ 9,500	\$ -	\$ -	\$ -
3013	Services Coiled Tubing	\$ -	\$ -	\$ -	\$ -	\$ 178,535	\$ -	\$ -	\$ -
3014	Directional Drilling & LWD	\$ -	\$ -	\$ 486,000	\$ -	\$ -	\$ -	\$ -	\$ -
3015	Fishing	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
3016	Mud Logging	\$ -	\$ -	\$ 30,000	\$ -	\$ -	\$ -	\$ -	\$ -
3018	Services Perforating	\$ -	\$ -	\$ -	\$ -	\$ 172,200	\$ -	\$ -	\$ -
3019	Wire line & Slick line	\$ -	\$ -	\$ -	\$ -	\$ 42,000	\$ 7,422	\$ -	\$ -
3020	Rlg Work	\$ -	\$ -	\$ 727,000	\$ -	\$ -	\$ 24,936	\$ -	\$ -
3022	Drilling & Completion Fluids	\$ -	\$ 6,000	\$ 69,000	\$ -	\$ -	\$ -	\$ -	\$ -
3023	Cementing	\$ -	\$ -	\$ 249,000	\$ -	\$ -	\$ -	\$ -	\$ -
3024	Services Stimulation	\$ -	\$ -	\$ -	\$ -	\$ 3,188,848	\$ -	\$ -	\$ -
3025	Services Downhole Other	\$ -	\$ -	\$ 13,000	\$ -	\$ 53,550	\$ 13,726	\$ -	\$ -
3026	Formation Testing and Coring	\$ -	\$ -	\$ -	\$ -	\$ 224,269	\$ -	\$ -	\$ -
3029	Camp & Catering	\$ -	\$ 8,000	\$ 38,000	\$ -	\$ -	\$ -	\$ -	\$ -
3032	Communications & IT	\$ -	\$ 1,000	\$ 20,000	\$ -	\$ -	\$ -	\$ -	\$ -
3035	Services Disposal	\$ -	\$ -	\$ 135,000	\$ -	\$ 179,000	\$ 4,111	\$ -	\$ -
3039	Services Fluid Hauling from Site	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
4005	Rental Downhole Equipment & Tools	\$ -	\$ -	\$ 4,000	\$ -	\$ -	\$ -	\$ -	\$ -
4007	HES & Industrial waste handling	\$ -	\$ -	\$ 8,000	\$ -	\$ -	\$ -	\$ -	\$ -
4013	Rental Surface Equipment & Tools	\$ -	\$ 19,000	\$ 104,000	\$ -	\$ 125,908	\$ 7,177	\$ -	\$ -
<b>Consume Consumables</b>									
5021	Material Surface Other	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
5023	Wellhead & X-mas tree	\$ -	\$ -	\$ 69,000	\$ -	\$ 22,500	\$ -	\$ -	\$ -
5027	Material Subsurface Lift Equipment Other	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 66,231	\$ -	\$ -
5028	Casing and Casing Accessories	\$ -	\$ -	\$ 775,000	\$ -	\$ -	\$ -	\$ -	\$ -
5029	Material Tubing and Accs	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 39,967	\$ -	\$ -
5500	Material Consumables	\$ -	\$ 10,000	\$ -	\$ -	\$ 260,131	\$ -	\$ -	\$ -
5502	Drilling Fluids Products	\$ -	\$ -	\$ 195,000	\$ -	\$ -	\$ -	\$ -	\$ -
5503	Bits, Reamers, Scrapers, HO's	\$ -	\$ -	\$ 78,000	\$ -	\$ -	\$ -	\$ -	\$ -
5505	Fuel & Lubricants	\$ -	\$ 2,000	\$ 77,000	\$ -	\$ -	\$ -	\$ -	\$ -
7004	Utilities: Electricity, Water & Sewers & Trash	\$ -	\$ -	\$ 12,000	\$ -	\$ 3,196	\$ 1,440	\$ -	\$ -
<b>Logistics, Insurance &amp; Tax</b>									
8000	Land Transportation	\$ -	\$ 1,000	\$ 47,000	\$ -	\$ 10,000	\$ -	\$ -	\$ -
8102	Tax & contingency	\$ -	\$ 12,000	\$ 297,000	\$ -	\$ 220,686	\$ 8,180	\$ -	\$ -
8918	Permits/Settlements/Other	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
8921	Waste Handling and Disp	\$ -	\$ -	\$ 40,000	\$ -	\$ -	\$ -	\$ -	\$ -
8945	Loss & Loss Expenses Paid	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
9999	Other Costs	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>Subtotal</b>		\$ -	\$ 249,000	\$ 3,768,000	\$ -	\$ 4,974,415	\$ 195,000	\$ -	\$ -

Drilling / Comp Engr
Drilling Engr Supervisor - Diego Tellez
Completions Engr Supervisor - Robert Rodriguez
Drilling & Completions Manager - John Willis

Total Drilling (1+2+3+4):	\$ 4,017,000
Total Completion (5+6+7):	\$ 5,169,415
Total Facilities (8):	\$ -
Total Well Cost (1+2+3+4+5+6+7+8):	\$ 9,186,415
Assumptions:	



**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

April 15, 2019

CERTIFIED MAIL – RETURN RECEIPT REQUESTEDMRC Permian Co.  
5400 LBJ Freeway, Suite 1500  
Dallas, TX 75240

Re: Well Proposal – Salt Flat CC 20-29 Fed Com 38H  
SHL – 435' FSL & 1835' FWL  
Section 17-24S-29E, Eddy County, NM  
BHL – 20' FSL & 2310' FEL  
Section 29-24S-29E, Eddy County, NM

Dear Sir/Madam:

OXY USA Inc. ("OXY") hereby proposes the drilling of the Salt Flat CC 20-29 Fed Com 38H well at the referenced surface location to its terminus at the referenced bottom hole location in Section 29-24S-29E, Eddy County, New Mexico. The proposed horizontal well will be drilled to an approximate vertical depth of 9,946', and to an approximate measured depth of 19,800' to evaluate the Wolfcamp. A detailed description of the total estimated cost to drill and complete the well is set out in the enclosed AFE.


OXY proposes to drill this well under the terms of the previously provided modified 1989 AAPL form of Operating Agreement, dated January 24, 2019, by and between OXY USA Inc., as Operator, and MRC Permian Company, et al as Non-Operators, covering the E/2 of Sections 20 and 29, Township 24 South, Range 29 East, N.M.P.M., Eddy Co., New Mexico.

Please indicate your election to participate in the drilling, completing, and equipping of the proposed well by executing and returning one copy of this letter, signature pages of the Operating Agreement and enclosed AFE.

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

Very truly yours,

OXY USA Inc.



Jeremy Murphrey, CPL  
Land Negotiator Advisor  
Dir: 713.350.4816  
Fax: 713.985.4942  
Email: jeremy\_murphrey@oxy.com

MRC Permian Co. elects to:

\_\_\_ participate in the drilling of the Salt Flat CC 20-29 Fed  
Com #38H

\_\_\_ non-consent the drilling of the Salt Flat CC 20-29 Fed  
Com #38H

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

Enclosures



	Occidental Oil and Gas Corporation 10k WC	RMT:	PRN
		State & County:	NM, Eddy
		Field:	Corral
		Well Type:	10k WC
		Well Name:	Salt Flat CC 20-29 Fed Com #38H
		Date:	4/1/2019

Code	Element Name	1 Prep Phase	2 Location/Rig Move	3 Drilling	4 P&A	5 Completion	6 Artificial Lift	7 Hookup	8 Facilities
<b>Location, Mobilization, Rig Move</b>									
3010	Major Mob / Demob	\$ -	\$ -	\$ -	\$ -	\$ 8,163	\$ -	\$ -	\$ -
3011	Location & Roads + Maintenance	\$ -	\$ 103,000	\$ -	\$ -	\$ 3,500	\$ -	\$ -	\$ -
3021	Rig Move	\$ -	\$ 75,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
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3015	Fishing	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
3016	Mud Logging	\$ -	\$ -	\$ 30,000	\$ -	\$ -	\$ -	\$ -	\$ -
3018	Services Perforating	\$ -	\$ -	\$ -	\$ -	\$ 172,200	\$ -	\$ -	\$ -
3019	Wire line & Slick line	\$ -	\$ -	\$ -	\$ -	\$ 42,000	\$ 7,422	\$ -	\$ -
3020	Rig Work	\$ -	\$ -	\$ 727,000	\$ -	\$ -	\$ 24,936	\$ -	\$ -
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3035	Services Disposal	\$ -	\$ -	\$ 135,000	\$ -	\$ 179,000	\$ 4,111	\$ -	\$ -
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4013	Rental Surface Equipment & Tools	\$ -	\$ 19,000	\$ 104,000	\$ -	\$ 125,908	\$ 7,177	\$ -	\$ -
<b>Consumables</b>									
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5027	Material Subsurface Lift Equipment Other	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 66,231	\$ -	\$ -
5028	Casing and Casing Accessories	\$ -	\$ -	\$ 775,000	\$ -	\$ -	\$ -	\$ -	\$ -
5029	Material Tubing and Accs	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 39,967	\$ -	\$ -
5500	Material Consumables	\$ -	\$ 10,000	\$ -	\$ -	\$ 260,131	\$ -	\$ -	\$ -
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5505	Fuel & Lubricants	\$ -	\$ 2,000	\$ 77,000	\$ -	\$ -	\$ -	\$ -	\$ -
7004	Utilities: Electricity, Water & Sewers & Trash	\$ -	\$ -	\$ 12,000	\$ -	\$ 3,196	\$ 1,440	\$ -	\$ -
<b>Logistics, Insurance &amp; Tax</b>									
8000	Land Transportation	\$ -	\$ 1,000	\$ 47,000	\$ -	\$ 10,000	\$ -	\$ -	\$ -
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8918	Permits/Settlements/Other	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
8921	Waste Handling and Disp	\$ -	\$ -	\$ 40,000	\$ -	\$ -	\$ -	\$ -	\$ -
8945	Loss & Loss Expenses Paid	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
9999	Other Costs	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>Subtotal</b>		\$ -	\$ 248,000	\$ 3,768,000	\$ -	\$ 4,974,415	\$ 195,000	\$ -	\$ -

Drilling / Comp Engr	
Drilling Engr Supervisor - Diego Tellez	
Completions Engr Supervisor - Robert Rodriguez	
Drilling & Completions Manager - John Willis	

Total Drilling (1+2+3+4):	\$ 4,017,000
Total Completion (5+6+7):	\$ 5,169,415
Total Facilities (8):	\$ -
Total Well Cost (1+2+3+4+5+6+7+8):	\$ 9,186,415
Assumptions:	

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

**APPLICATIONS OF OXY USA INC. FOR  
COMPULSORY POOLING, EDDY COUNTY,  
NEW MEXICO.**

**Case No. 20550**

**AFFIDAVIT OF TONY J. TROUTMAN**

Tony J. Troutman, being of lawful age and being first duly sworn, states as follows:

1. My name is Tony J. Troutman and I am employed by OXY USA Inc. ("OXY") as a geologist. I am familiar with the application filed by OXY in this matter and conducted a geologic study of the Wolfcamp formation underlying the subject acreage.

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

3. OXY proposes the Salt Flat CC 20-29 Fed Com 34H, the Salt Flat CC 20-29 Fed Com 36H, and the Salt Flat CC 20-29 Fed Com 38H wells to target the Upper Wolfcamp interval of the Wolfcamp formation underlying the proposed spacing unit. **OXY Exhibit B-1** contains a structure map that I prepared for the Wolfcamp target interval with contour lines every 25 feet. The wellbore paths for the proposed wells are denoted in Sections 20 and 29. Structure control points are identified and reflect that the interval dips gently to the east. I do not observe any faulting, pinch outs, or other geologic impediments to developing this targeted interval with horizontal wells.

4. **OXY Exhibit B-2** identifies the two sets of wells used to construct stratigraphic cross-sections for the Upper Wolfcamp target interval from: (1) the northwest to southeast, which are shown in pink from A to A', and (2) the west to east, which are shown in green from B to B'.

I chose these wells because they contain good logs and are representative of the geology of the area.

5. **OXY Exhibit B-3** contains stratigraphic north to south cross-sections and west to east cross-sections for the Upper Wolfcamp target interval using the representative wells depicted on Exhibit B-2. Each well in the cross-section contains gamma ray and resistivity logs. The proposed targets within the Upper Wolfcamp target interval for the proposed wells are identified on the exhibit. This cross-section demonstrates that the targeted interval is present and continuous across the subject acreage.

6. The north to south orientation for the proposed wells in the Upper Wolfcamp target interval will place the wells perpendicular to the known stress direction in the subject area and is appropriate to efficiently and effectively develop the targeted interval under the subject acreage.

7. My geologic study demonstrates that the Upper Wolfcamp target interval underlying the proposed horizontal spacing unit is suitable for development with horizontal wells, that the acreage comprising the proposed horizontal spacing unit will contribute more-or-less proportionately to the production from the wellbores, and the granting of this applications is in the best interest of conservation, the prevention of waste, and protection of correlative rights.

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

9. OXY Exhibits B-1 through B-3 were either prepared by me or compiled under my direction and supervision.

FURTHER AFFLIANT SAYETH NOT.

  
\_\_\_\_\_  
Tony J. Troutman

STATE OF TEXAS                    )  
  )  
COUNTY OF HARRIS            )

SUBSCRIBED and SWORN to before me this 3<sup>rd</sup> day of June, 2019 by Tony J. Troutman.

  
\_\_\_\_\_  
NOTARY PUBLIC

My Commission Expires:

4/7/23



## Subsea depths



Author: Tony Troutman, Geologist, Oxy USA, Inc.  
5/30/2019



Santa Fe, New Mexico

Hearing Date: June 13, 2019

Case No 20550

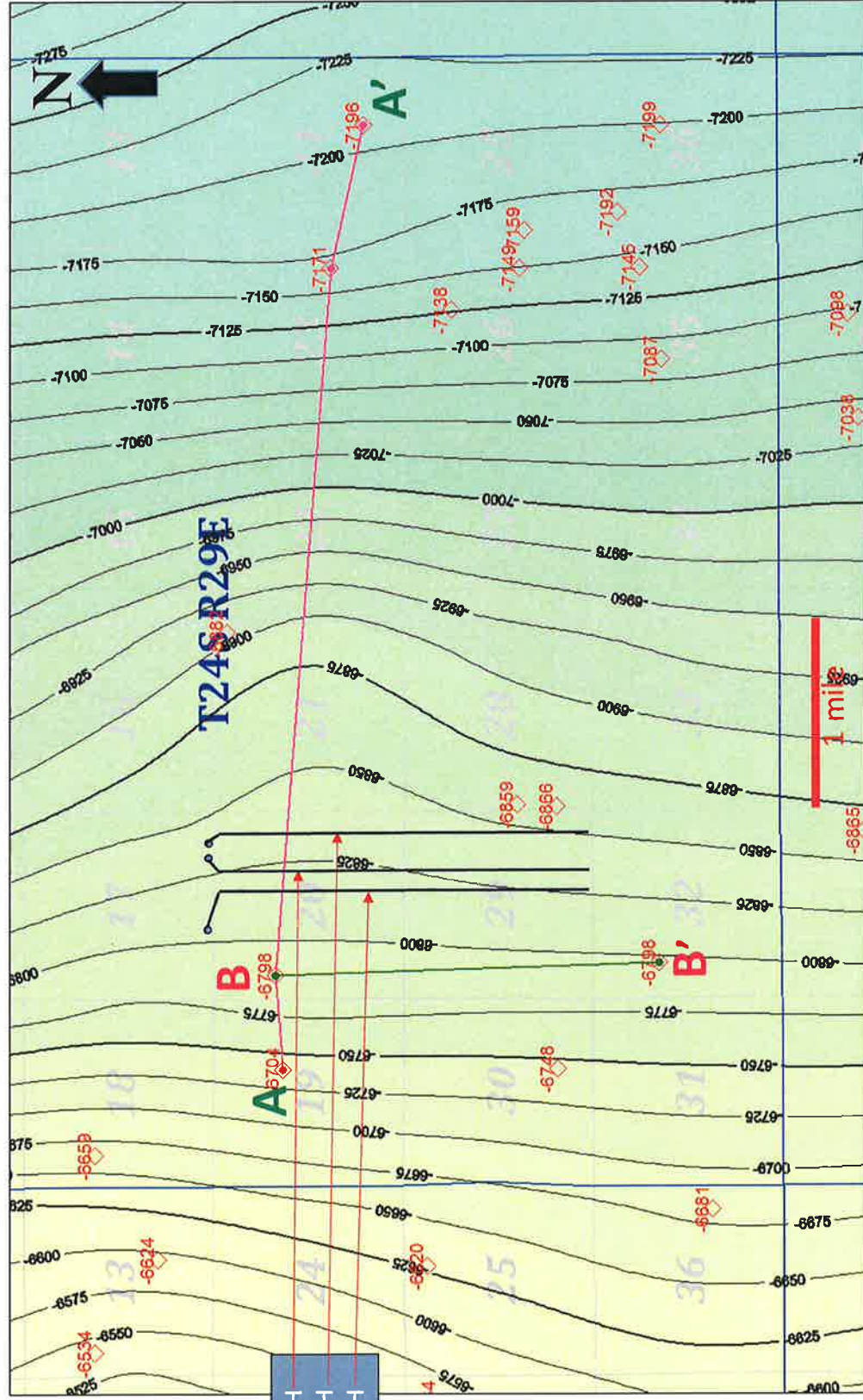
Control point  
Subsea depth

Salt Flat CC 20-29 Fed Com 34H  
Salt Flat CC 20-29 Fed Com 36H  
Salt Flat CC 20-29 Fed Com 38H



# Cross-section location map T24S R29E

Subsea depths



Contour Interval: 25 ft.

Control point  
Subsea depth

Salt Flat CC 20-29 Fed Com 34H  
Salt Flat CC 20-29 Fed Com 36H  
Salt Flat CC 20-29 Fed Com 38H



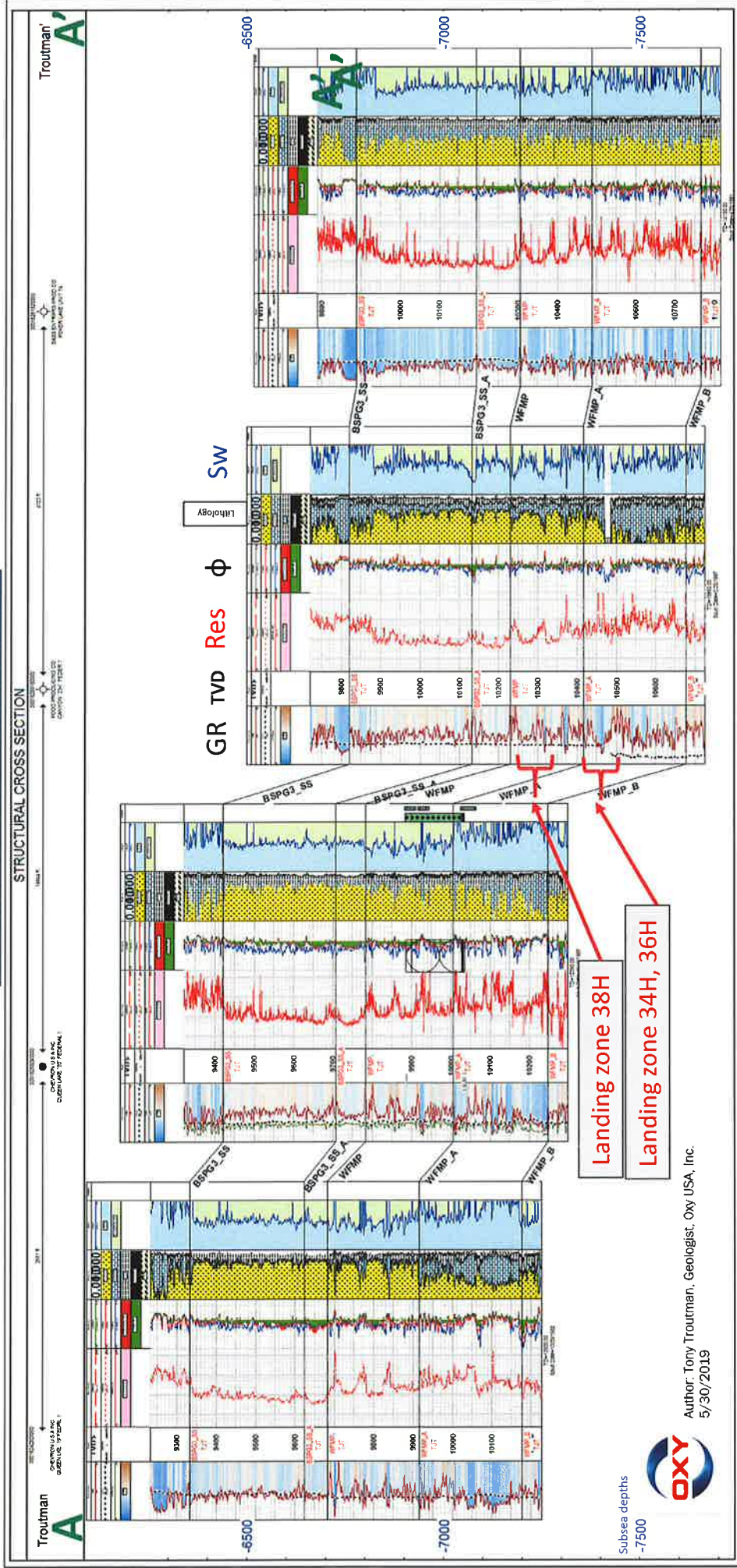
Author: Tony Troutman, Geologist  
Oxy USA, Inc.  
5/30/2019

BEFORE THE OIL CONSERVATION DIVISION  
Santa Fe, New Mexico  
Exhibit No. B-2  
Submitted by: OXY USA, Inc.  
Hearing Date: June 13, 2019  
Case No 20550

# West to East Oriented Cross-section A-A'

Structural dip to East

Salt Flat CC 20-29 Fed Com 34H  
Salt Flat CC 20-29 Fed Com 36H  
Salt Flat CC 20-29 Fed Com 38H

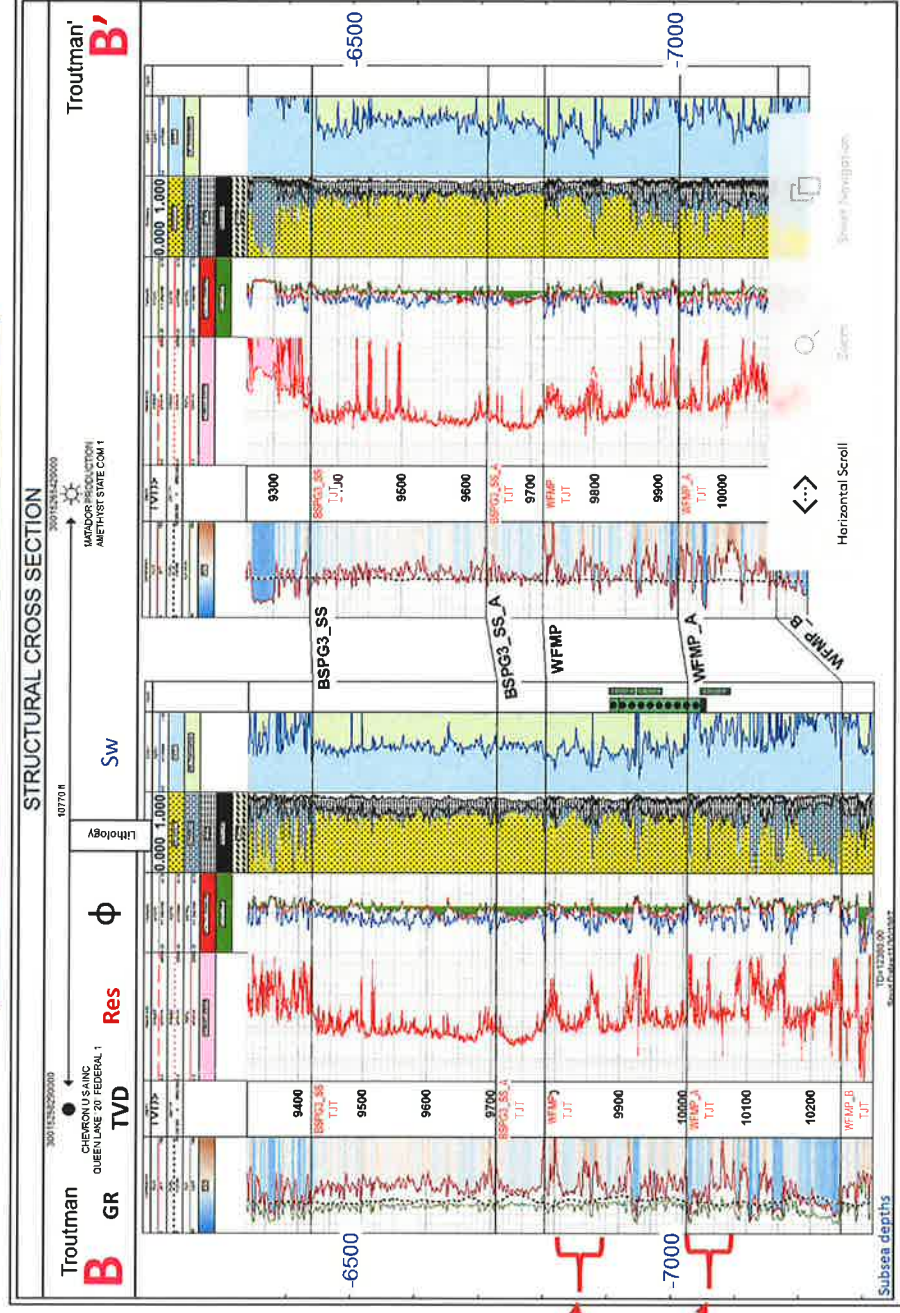




# North to South Oriented Cross-section B-B'

Structural dip to East

Salt Flat CC 20-29 Fed Com 34H  
Salt Flat CC 20-29 Fed Com 36H  
Salt Flat CC 20-29 Fed Com 38H



Landing zone 38H

Landing zone 34H, 36H



Author: Tony Troutman, Geologist, Oxy USA Inc.  
5/30/2019



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

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

**CASE NO. 20550**

**AFFIDAVIT**

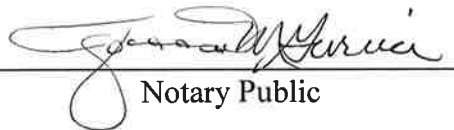
STATE OF NEW MEXICO   )  
  ) ss.  
COUNTY OF SANTA FE   )

Kaitlyn A. Luck, attorney in fact and authorized representative of OXY USA Inc., the Applicant herein, being first duly sworn, upon oath, states that the above-referenced Application has been provided under the notice letters and proof of receipts attached hereto.



Kaitlyn A. Luck

SUBSCRIBED AND SWORN to before me this 12th day of June 2019 by Kaitlyn A. Luck.



Notary Public

My Commission Expires:

August 24, 2021

12747255\_v1

**BEFORE THE OIL CONSERVATION DIVISION**  
Santa Fe, New Mexico  
**Exhibit No. C**  
Submitted by: **OXY USA, Inc.**  
Hearing Date: June 13, 2019  
Case No 20550



May 24, 2019

**VIA CERTIFIED MAIL**  
**CERTIFIED RECEIPT REQUESTED**

**TO: ALL INTEREST OWNERS SUBJECT TO POOLING PROCEEDINGS**

**Re: Application of OXY USA Inc. for compulsory pooling, Eddy County, New Mexico.**

**Salt Flat CC "20-29" Federal Com No. 34H Well**

**Salt Flat CC "20-29" Federal Com No. 36H Well**

**Salt Flat CC "20-29" Federal Com No. 38H Well**

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 June 13, 2019, and the status of the hearing can be monitored through the Division's website at <http://www.emnrd.state.nm.us/ocd/>. Division hearings will commence at 8:15 a.m. in Porter Hall at the Oil Conservation Division's Santa Fe Offices located at 1220 South Saint Francis Drive, Santa Fe, New Mexico 87505. 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 by Division Rule 19.15.4.13.B to file a Pre-hearing Statement four business days in advance of a scheduled hearing. This statement must be filed at the Division's Santa Fe office at the above specified address and should include: the names of the parties and their attorneys; a concise statement of the case; the names of all witnesses the party will call to testify at the hearing; the approximate time the party will need to present its case; and identification of any procedural matters that are to be resolved prior to the hearing.

If you have any questions about this matter, please contact Jeremy Murphrey at (713) 350-4816 or [Jeremy\\_Murphrey@oxy.com](mailto:Jeremy_Murphrey@oxy.com).

Sincerely,

Michael H. Feldewert

**POSTAL DELIVERY REPORT**  
**OXY / Salt Flat "20-29" Fed Com 34H, 36H, 38H & 35H Wells**  
**Case Nos. 20550 & 20551**

Recipient	Status	Custom
WPX Energy Permian LLC 3500 One Williams Center MD 35 Tulsa OK 74172	Delivered Signature Received	Ref#: C1402956.7875823 RetRef#:
MRC Permian Company 5400 LBJ Freeway Suite 1500 Dallas TX 75240	Delivered Signature Received	Ref#: C1402956.7875824 RetRef#:
Prime Rock Resources AssetCo LLC 203 West Wall Street Suite 1000 Midland TX 79701	Delivered Signature Received	Ref#: C1402956.7875825 RetRef#:
Tap Rock Resources LLC 602 Park Drive Suite 200 Golden CO 80401	Delivered Signature Received	Ref#: C1402956.7875826 RetRef#:
Maduro Oil & Gas LLC 3102 Maple Avenue Suite 400 Dallas TX 75201	In-Transit	Ref#: C1402956.7875827 RetRef#:
Winchester Energy LLC PO BOX 13540 Oklahoma City OK 73113	Delivered Signature Received	Ref#: C1402956.7875828 RetRef#:
Lonsdale Resources LLC 3102 Maple Avenue Suite 400 Dallas TX 75201	Delivered	Ref#: C1402956.7875829 RetRef#:
1 Timothy 6 LLC PO BOX 30598 Edmond OK 73025	Delivered Signature Received	Ref#: C1402956.7875830 RetRef#:



## Shipment Confirmation Acceptance Notice

### A. Mailer Action

**Note to Mailer:** The labels and volume associated to this form online, **must** match the labeled packages being presented to the USPS® employee with this form.

OXY/Salt Flat 34 35 36  
Case Nos 20550 & 20551

Shipment Date: 05/24/2019

Shipped From:

Name: HOLLAND & HART LLP

Address: 110 N GUADALUPE ST # 1

City: SANTA FE

State: NM ZIP+4® 87501

Type of Mail	Volume
Priority Mail Express®*	
Priority Mail®	0
First-Class Package Service®	
Returns	
International*	
Other	8
Total	8

\*Start time for products with service guarantees will begin when mail arrives at the local Post Office™ and items receive individual processing and acceptance scans.

### B. USPS Action

Note to RSS Clerk:

1. Home screen > Mailing/Shipping > More
2. Select Shipment Confirm
3. Scan or enter the barcode/label number from PS Form 5630
4. Confirm the volume count message by selecting Yes or No
5. Select Pay and End Visit to complete transaction

USPS EMPLOYEE: Please scan upon pickup or receipt of mail.  
Leave form with customer or in customer's mail receptacle.

USPS SCAN AT ACCEPTANCE



9275 0901 1935 6200 0014 7018 48





Firm Mailing Book For Accountable Mail

Name and Address of Sender <b>Holland &amp; Hart LLP</b> 110 N Guadalupe St # 1 Santa Fe NM 87501		Check type of mail or service <input type="checkbox"/> Adult Signature Required <input type="checkbox"/> Adult Signature Restricted Delivery <input checked="" type="checkbox"/> Certified Mail <input type="checkbox"/> Certified Mail Restricted Delivery <input type="checkbox"/> Collect on Delivery (COD) <input type="checkbox"/> Insured Mail <input type="checkbox"/> Priority Mail <input type="checkbox"/> Priority Mail Express <input type="checkbox"/> Registered Mail <input type="checkbox"/> Return Receipt for Merchandise <input type="checkbox"/> Signature Confirmation <input type="checkbox"/> Signature Confirmation Restricted Delivery									
USPS Tracking/Article Number		Addressee (Name, Street, City, State, & ZIP Code™)									
1. 9214 8901 9403 8383 7992 58		WPX Energy Permian LLC 3500 One Williams Center MD 35 Tulsa OK 74172									
2. 9214 8901 9403 8383 7992 65		MRC Permian Company 5400 LBJ Freeway Suite 1500 Dallas TX 75240									
3. 9214 8901 9403 8383 7992 72		Prime Rock Resources AssetCo LLC 203 West Wall Street Suite 1000 Midland TX 79701									
4. 9214 8901 9403 8383 7992 89		Tap Rock Resources LLC 602 Park Drive Suite 200 Golden CO 80401									
5. 9214 8901 9403 8383 7992 96		Maduro Oil & Gas LLC 3102 Maple Avenue Suite 400 Dallas TX 75201									
6. 9214 8901 9403 8383 7993 02		Winchester Energy LLC PO BOX 13540 Oklahoma City OK 73113									
7. 9214 8901 9403 8383 7993 19		Lonsdale Resources LLC 3102 Maple Avenue Suite 400 Dallas TX 75201									
8. 9214 8901 9403 8383 7993 26		1 Timothy 6 LLC PO BOX 30598 Edmond OK 73025									
Total Number of Pieces Listed by Sender 8		Total Number of Pieces Received at Post Office		Postmaster, Per (Name of receiving employee)							
PS Form 3877, April 2015 PSN 7530-02-000-9098		(Page 1 of 1)		Complete in Ink		Privacy Notice: For more information on USPS privacy policies, visit <a href="https://usps.com/privacypolicy">usps.com/privacypolicy</a> .					