



February 14, 2006

**HAND-DELIVERED**

Mark E. Fesmire, P.E.  
Director  
Oil Conservation Division  
New Mexico Department of Energy,  
Minerals and Natural Resources  
1220 South St. Francis Drive  
Santa Fe, New Mexico 87504

*Case 13661*

Re: Application of Occidental Permian Limited Partnership for amendment of Division Order No. R-6199-B to expand the Phase I Area in the North Hobbs Grayburg San Andres Unit Pressure Maintenance Project, Lea County, New Mexico.

Dear Mr. Fesmire:

Enclosed in triplicate is the Application of Occidental Permian Limited Partnership in the above-referenced case as well as a copy of a legal advertisement. Occidental requests that this application be placed on the docket for the March 16, 2006 examiner hearings.

Very truly yours,

William F. Carr  
Attorney for Occidental Permian Limited Partnership

cc: Elizabeth Bush-Ivie (w/ enclosures)  
Occidental Permian Limited Partnership

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

IN THE MATTER OF THE APPLICATION OF OCCIDENTAL PERMIAN LIMITED PARTNERSHIP, FOR AMENDMENT OF ORDER NO. R-6199-B TO EXPAND THE PHASE I AREA IN THE NORTH HOBBS GRAYBURG SAN ANDRES UNIT PRESSURE MAINTENANCE PROJECT, LEA COUNTY, NEW MEXICO.

CASE NO. 13661

APPLICATION

Occidental Permian Limited Partnership, (Occidental), through its undersigned attorneys, hereby makes application for an order amending Division order No. R-6199-B to expand the Phase I CO2 Project Area within its North Hobbs Grayburg San Andres Unit to include the N/2S/2 of Section 31, Township 18 South, Range 38 East, NMPM and in support of its application states:

1. Occidental is the current operator of the North Hobbs Grayburg San Andres Unit containing 10,649.53 acres, more or less, that was statutorily unitized on October 3, 1979 by New Mexico Oil Conservation Commission Order No. R-6199 entered in Case No. 6652.
2. The North Hobbs Unit Pressure Maintenance project was approved by the Commission by Order No. R-6199 entered in Case No. 6653 on November 30, 1979.
3. By Order No. R-6199-B entered on October 22, 2001, the Division granted Occidental's application to amend Order No. R-6199 to authorize the implementation of a carbon dioxide (CO2) tertiary recovery project within a portion of the North Hobbs Grayburg San Andres Unit ("the Phase I Area") and the conversion of certain wells to injection in this area.
4. Occidental's application requested the inclusion of the N/2S/2 of Section 31, Township 18 South, Range 38 East, NMPM, in the Phase I Area and the evidence presented in support of its application included the N/2S/2 of said Section 31.

5. The Phase I Area approved by Order No. R-6199-B included the N/2 of said Section 31 but omitted the N/2 S/2 of the section.

6. Occidental drilled the North Hobbs Unit Well No. 31-632 (API No. 30-025-37214) in August 2005 as an injection well located in the N/2S/2 of said Section 31. Thereafter it was discovered that the Phase I Project Area as defined by Division Order No. R-6199-B did not include this acreage.

7. Occidental therefore seeks amendment of Division Order No. R-6199-B to include in the Phase I Area the N/2S/2 of Section 31, Township 18 South, Range 38 East, NMPM and that all provisions of Order No. R-6199-B apply to this acreage as if it had originally been included in Order No. R-6199-B.

8. Pursuant to the Direction of the Division, notice of this application has been provided by Certified Mail-Return Receipt Requested to all leasehold owners within one mile of the NHU 31-632 well 2 who are identified on Exhibit A to this application.

9. Approval of this application will not impair the rights of any other interest owner in the North Hobbs Grayburg San Andres Pool, and will enable Occidental to proceed with CO<sub>2</sub> injection in its Phase I Area as originally proposed.

10. Approval of this application therefore will be in the best interest of conservation, the prevention of waste and the protection of correlative rights.

WHEREFORE, Occidental Permian Limited Partnership requests that this application be set for hearing before an Examiner of the Oil Conservation Division on March 16, 2006 and after notice and hearing as required by law, the Division enter its order granting this application and expanding the Phase I Area in the North Hobbs Grayburg San Andres Unit to include the N/2S/2 of Section 31, Township 18 South, Range 38 East, NMPM, Lea County, New Mexico.

Respectfully submitted,

HOLLAND & HART LLP

By: 

William F. Carr

Post Office Box 2208

Santa Fe, New Mexico 87504

Telephone: (505) 988-4421

ATTORNEYS FOR OCCIDENTAL PERMIAN  
LIMITED PARTNERSHIP

**EXHIBIT A**

**APPLICATION OF  
OCCIDENTAL PERMIAN LIMITED PARTNERSHIP  
FOR AMENDMENT OF ORDER NO. R-6199-B  
TO EXPAND THE PHASE I AREA  
IN THE NORTH HOBBS GRAYBURG SAN ANDRES UNIT PRESSURE  
MAINTENANCE PROJECT,  
LEA COUNTY , NEW MEXICO.**

**NOTIFICATION LIST**

Francy's I Conrad Hoy  
3849 Pallos Verdas  
Dallas, Texas 75229-2743

Mary Alice Laflin Mehaffey  
6138 Iola Way  
Englewood, Colorado 80111

Marshall and Winston Inc.  
Post Office Box 50880  
Midland, Texas 79710

Wanda T. Mulligan  
151 Matthews Road  
Oakdale New York 11769

Estate of Richard L. Noble  
c/o Patrick Loughman, Esq.  
Post Office Box 5167  
Oxnard, California 93031

Sea Properties Ltd.  
Post Office Box 1486  
Ardmore, Oklahoma 73402

GY Group, Inc.  
Post Office Box 990  
Midland, Texas 79702-0990

Timothy Cusack  
Post Office Box 250  
Roswell, New Mexico 88202

Mary Ann Curtis LLC  
Joyce E. Silvernail Suctte  
Post Office Box 780164  
Oklahoma City, Oklahoma 73178

Ruth Anne Yeager Hansen  
4642 Lorraine  
Dallas, Texas 75209

A. Gayle Hudgens  
Post Office Box 1195  
Manchaca, Texas 78652

Rorco LLC  
Carolyn K. Lisle, Managing Member  
2540 Warwick Drive  
Oklahoma City, Oklahoma 73116

Katherine Louise Conrad McCarthy  
4435 San Gabriel  
Dallas, Texas 75451

Cary Murdoch  
1277 CR 2415  
Leesburg, Texas 75451

PH Inc.  
Post office Box 3142  
Midland, Texas 79702-3142

Julie Antweil Silverman  
4408 Canyon Court NE  
Albuquerque, New Mexico 87111

E. C. Sullivan  
Post Office Box 93854  
Lubbock, Texas 79493

Ann H. Taylor  
Post Office Box 3487  
Midland, Texas 79702

Bettye Conrad Treadaway  
9507 Godstone Lane  
Spring, Texas 77379

Patrick Cusack  
Post Office Box 25  
Willow City, Texas 78675

Christopher R. Cusack  
2114 Holmby  
Los Angeles, California 90025

Marathon Oil Co.  
Post Office Box 3487  
Houston, Texas 77253-3487  
Attn: Paul J. Tauscher  
Southern Business Unit

K. D. McPeters  
502 West Gold  
Hobbs, New Mexico 88240

Noble Issue Trust  
c/o Exchange National Bank  
and Trust, Trustee  
Post Office Box 789  
Ardmore, Oklahoma 73402

Legacy Reserves  
Post Office Box 843407  
Dallas, Texas 75240

Howell Spear Estate  
c/o Shane Spear  
Post Office Box 1684  
Midland, Texas 79702

Stevens Enhanced Recovery Partners  
1000 Louisiana  
Houston, Texas 77002-5007  
Attn: N. L. Stevens III

ChevronTexaco  
11111 South Wilcrest  
Houston, Texas 77099  
Attn: NOJV Manager

John P. Cusack III  
19945 Kirk Ave.  
Eagle River, Arkansas 99577

Two States Oil Company  
4925 Greenville Ave #940  
Dallas, Texas 75206

Estate of Hattie C. Williams  
c/o American State Bank; Attn: John Commack  
Post Office Box 1401  
Lubbock, Texas 79408

Mark Antweil  
Post Office Box 365  
Larchmont, New York 10538

Philip Berry  
Post Office Box 1551  
Lovington, New Mexico 88260

Karen Cusack Limas  
4262 Escondido Road  
Las Cruces, New Mexico 88005

Craig Cusack  
Post Office Box 250  
Roswell, New Mexico 88202

Sundown Energy LP  
Two Galleria Tower  
13455 Noel Road #2000  
Dallas, Texas 75204

First Roswell Co  
Post Office Box 1797  
Roswell, New Mexico 88202

Sara Ward Sims Successor Trustee  
of the J. S. Ward and Margaret Ward Trust of 1985  
101 South Fourth Street  
Artesia, New Mexico 88210-2177



Marjorie Daniel Winn  
920 Danieldale Road  
DeSoto, Texas 75115

Seven Ways Venture Capital LTD  
214 West Texas Ave. # 200  
Midland, Texas 79701-4621

Landreth Company Stockholders  
306 West 7th Street #504  
Fort Worth, Texas 76102-4905  
Attn: W. A. Landreth

Steve Cusack  
HRC 63 Box 450  
Raton, New Mexico 87740

Chemily Management Company  
Post Office Box 1487  
Cypress, Texas 77410-1487  
Attn: Joint Interest

OBO Inc.  
Pot Office 22577  
Hialeah, Florida 33002

Michael F. Cusack II  
6003 Valkeith  
Houston, Texas 77096

Exxon Company USA  
Post Office Box 4707  
Houston, Texas 77210-4707  
Attn: JI Operations

F&M Bank and Trust Company  
Trustee for the Charles Noble Forbes Family Trust  
Post Office Box 3688  
Tulsa, Oklahoma 74101

Lloyd Whitley  
Post Office Box 168  
Midland, Texas 70702

Yates Petroleum Corporation  
for S. P. Yates and Abo Petroleum Corporation  
105 South Fourth Street  
Artesia, New Mexico 88210  
Attn: Land Department

Henry Yeager, Jr.  
5624 Knollwood  
Bethesda, Maryland 20816

Barry Antweil  
12610 Stillwood Park Ct.  
Cypress, Texas 77433

Dan C. Berry  
Post Office Box 160  
Eunice, New Mexico 88231

Catherine Cusack  
2223 Pajarito SW  
Albuquerque, New Mexico 87105

John P. Cusack Jr. Trust Under the  
John P. Cusack Testamentary Trust  
2808 Wood Wind Drive  
Arlington, Texas 76013

Cusack Family Rev Trust  
Michael Cusack, Pauline Cusack Trustees  
c/o Hohmann General Store  
Post Office Box 25  
Willow City, Texas 78675

J. M. Armstrong Testamentary Trust  
Trustee Acct. No. 050515113500  
Posty Office Box 5383  
Denver, Colorado 81217

Forbes Investment Company  
Ilamae Forbes Rev Trust  
Post Office Box 843  
Tulsa, Oklahoma 74101

CASE 13661 :

**Application of Occidental Permian Limited Partnership for amendment of Division Order No. R-6199-B to expand the Phase I Area in the North Hobbs Grayburg San Andres Unit Pressure Maintenance Project, Lea County, New Mexico.** Applicant in the above-styled cause seeks an order amending Division order No. R-6199-B to expand the Phase I CO2 Project Area within its North Hobbs Grayburg San Andres Unit to include the N/2S/2 of Section 31, Township 18 South, Range 38 East, NMPM. The project is located on the west side of the City of Hobbs, New Mexico.