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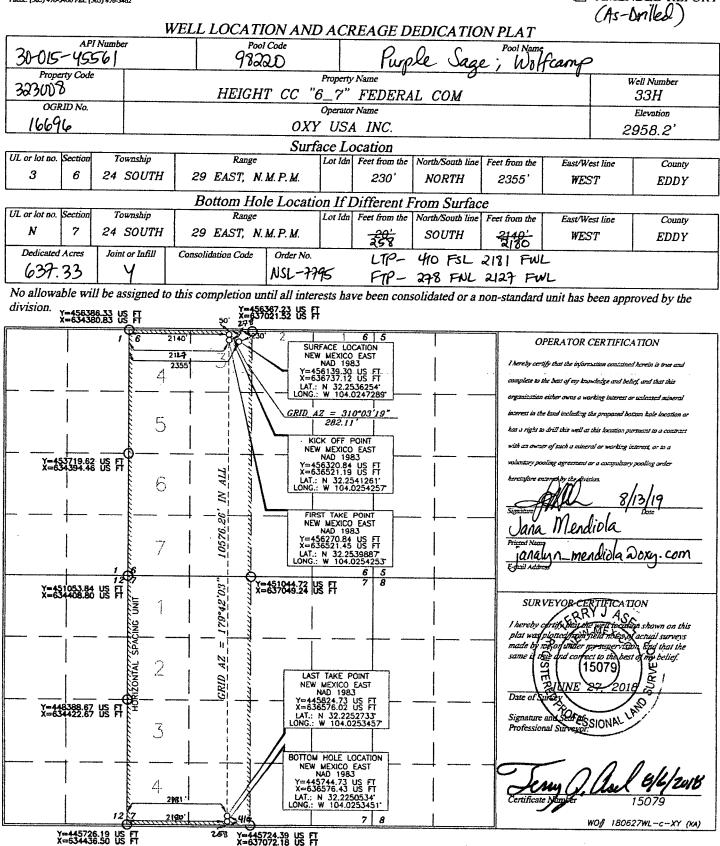
 State of New Mexico
 Form C-102

 Energy, Minerals & Natural Resources Department ARESIAO, C.Bevised August 1, 2011
 OIL CONSERVATION DIVISION

 OIL CONSERVATION DIVISION
 Submit one copy to appropriate

 1220 South St. Francis Dr.
 District Office

 Santa Fe, NM 87505
 AMENDED REPORT



State of New Mexico Energy, Minerals and Natural Resources Department

Michelle Lujan Grisham Governor

Sarah Cottrell Propst Cabinet Secretary

Todd E. Leahy, JD, PhD Deputy Cabinet Secretary Gabriel Wade, Acting Director Oil Conservation Division

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January 14, 2019

Ms. Leslie Reeves LESLIE_REEVES@oxy.com

NON-STANDARD LOCATION

Administrative Order NSL-7795

Oxy USA, Inc. [OGRID 16696] Height CC 6 7 Federal Com Well No. 033H API No. 30-015-45561

Proposed Location

	Footages	Unit/Lot	Sec.	Twsp	Range	County
Surface	230 FNL & 2355 FWL	C/3	6	24S	29E	Eddy
First Take Point	100 FNL & 2140 FWL	C/3	6	24S	29E	Eddy
Last Take Point	330 FSL & 2140 FWL	N/N	7	24S	29E	Eddy
Terminus	20 FSL & 2140 FWL	N/N	7	24S	29E	Eddy

Proposed Horizontal Gas Units

Description	Acres	Pool	Pool Code
W2 of Section 6 W2 of Section 7	637.33	Purple Sage; Wolfcamp (GAS)	98220

This NSL application was initially protested on December 28, 2018. The protest was resolved between the parties.

Reference is made to your application received on December 13, 2018.

You have requested to complete this horizontal well as a gas well described above in the referenced pool or formation. This well is governed by special rules for the Purple Sage; Wolfcamp (Gas) Pool of and provides for 320-acre units, with wells located at least 330 feet from a unit outer boundary.

This well's completed interval is as close as 100 feet to the northern edge of the horizontal spacing unit. Encroachment will impact the following tracts.

Section 31 23S 29E, encroachment to the entire section 1220 South St. Francis Drive • Santa Fe, New Mexico 87505 Phone (505) 476-3441 • Fax (505) 476-3462 • www.emnrd.state.nm.us/ocd Administrative Order NSL-7795 Oxy USA, Inc. January 14, 2019 Page 2 of 2

The Division understands you have given notice of this application to all operators or owners who are "affected persons," as defined in Paragraph (8) Subsection A of 19.15.2.7 NMAC, in all adjoining units towards which the proposed location encroaches

Division understands you seek this unorthodox location as an efficient spacing of your horizontal wells, thereby preventing waste within the Wolfcamp formation underlying the W2 of Section 6 and W2 of Section 7.

Your application has been filed under Subsection 6 of Paragraph of Section (C) of 19.15.16.15 NMAC, 19.15.15.13 NMAC and Paragraph (2) of Subsection A of 19.15.4.12 NMAC.

Per Subsection B of 19.15.15.13 NMAC, Division approves this unorthodox location.

The above approvals are subject to your following all other applicable Division rules.

Jurisdiction of this case is retained for the entry of further orders as Division deems necessary.

Gabriel Wade Acting Director

GW/lrl

cc: Oil Conservation Division – Artesia District Office Bureau of Land Management – Carlsbad Field Office