



OXY USA Inc.
Occidental Permian Ltd.
Subsidiaries of Occidental Petroleum Corporation

5 Greenway Plaza, Suite 110, Houston TX 77046-0506
PO Box 27757, Houston TX 77227-7757

Donna Havins, Permian Land Manager
Office: 713.215-7232
E-mail: Donna_Havins@oxy.com

June 15, 2015

Mr. David Catanach, Division Director
New Mexico Oil Conservation Commission
1220 S. St. Francis Drive
Santa Fe, New Mexico 87505

Re: APPLICATION FOR SPECIAL POOL RULES
Case No. 15326, as filed by COG Operating LLC
West Triple-X Bone Spring Pool
Lea County, New Mexico

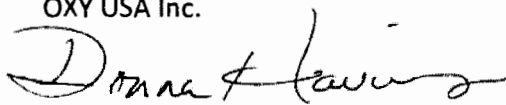
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Dear Mr. Catanach:

Please accept this letter as evidence of support by OXY USA Inc. and its affiliated entities for the captioned and attached Application as filed by COG Operating, LLC, regarding Special Field Rules, including an increase in the depth bracket allowable and gas-to-oil ratio, for the West Triple-X Bone Spring Pool. This matter is currently set for hearing June 25, 2015.

Thank you,

OXY USA Inc.


Donna Havins

cc: COG Operating LLC



OCEAN MUNDS-DRY
Senior Attorney

May 26, 2015

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

TO: OPERATORS IN THE WEST TRIPLE X- BONE SPRING POOL OR WITHIN 1
MILE BOUNDARY

Re: Application for special pool rules, Lea County, New Mexico.

Ladies and Gentlemen:

This letter is to advise you that COG Operating LLC has filed the enclosed application with the New Mexico Oil Conservation Division seeking special pool rules including an increase in the depth bracket allowable and gas-to-oil ratio, Lea County, New Mexico.

This application has been set for hearing before a Division Examiner at 8:15 a.m. on June 25, 2015. The hearing will be held in Porter Hall in the Oil Conservation Division's Santa Fe Office 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 1208.B to file a Pre-Hearing Statement four 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 hearing.

Sincerely,

A handwritten signature in dark ink that reads "Ocean Munds-Dry". The signature is fluid and cursive, with a large, stylized "D" at the end.

Ocean Munds-Dry
Senior Attorney
COG Operating LLC

CORPORATE ADDRESS
One Concho Center | 600 West Illinois Avenue | Midland, Texas 79701
PHONE 432.683.7443 | FAX 432.683.7441

LOCAL ADDRESS
1048 Paseo De Peralta | Santa Fe, New Mexico 87501
PHONE 505.780.8000 | FAX 505.428.0485



OCEAN MUNDS-DRY
Senior Attorney

May 26, 2015

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VIA HAND-DELIVERY

Mr. David Catanach, Director
Oil Conservation Division
New Mexico Department of Energy, Minerals and Natural Resources
1220 South Saint Francis Drive
Santa Fe, New Mexico 87505

Dear Director Catanach:

Enclosed for filing, please find COG Operating LLC's application for special pool rules for the West Triple X Bone Spring Pool with a proposed advertisement. Concho requests this application be heard on the June 25, 2015 Division Examiner docket.

Thank you for your time and attention to this matter.

Sincerely,

Ocean Munds-Dry
Senior Attorney
COG Operating LLC

CORPORATE ADDRESS
One Concho Center | 600 West Illinois Avenue | Midland, Texas 79701
PHONE 432.683.7443 | FAX 432.683.7441

LOCAL ADDRESS
1045 Paseo De Peralta | Santa Fe, New Mexico 87501
PHONE 505.780.8000 | FAX 505.428.0485

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

**APPLICATION OF COG OPERATING LLC
FOR SPECIAL POOL RULES,
LEA COUNTY, NEW MEXICO.**

CASE NO. 15326

APPLICATION

COG Operating LLC ("Concho"), through its undersigned attorneys, hereby makes application for special pool rules for the West Triple X-Bone Spring Pool (96674), Lea County, New Mexico and in support thereof, states as follows:

1. Concho is an operator in the West Triple X-Bone Spring Pool which was created by Division Order No. R-10910 on August 1, 1997, and consists of the following acreage:

TOWNSHIP 24 SOUTH, RANGE 33 EAST, NMPM
Section 6: SE/4

2. The pool has been unofficially expanded by the Division District office to include the following acreage:

TOWNSHIP 23 SOUTH, RANGE 33 EAST, NMPM
Section 30: All
Section 31: All

TOWNSHIP 24 SOUTH, RANGE 33 EAST, NMPM
Sections 5-10: All
Sections 15-18: All
Sections 20-22: All

TOWNSHIP 24 SOUTH, RANGE 32 EAST, NMPM
Section 1: All
Sections 12-13: All

3. The discovery well for the pool was the Tres Equis State Well No. 1 (Unit J) located in the NW/4 SE/4 of Section 6, Township 24 South, Range 33 East, NMPM and had a top perforation of 11,015 feet. Pursuant to Division Rule 19.15.20.12.A, this pool was assigned a depth bracket allowable of 365 barrels of oil per day for each 40-acre spacing unit.
4. Applicant intends to drill and complete horizontal wells in the Pool, or within one mile thereof, including well units which will contain at least 2 Bone Spring wells in a single well unit. Applicant believes that such well units will produce in excess of the current allowable.
5. Also, the allowable is not sufficient to effectively and efficiently drain the Bone Spring formation.
6. Therefore, Concho requests as follows:
 - a. Special rules and regulations that allow for a depth bracket allowable of 990 barrels of oil per day for a 40-acre spacing unit and a 4000:1 gas to oil ratio.
 - b. The special rules and regulations for the Pool to be made effective retroactive to the date of first production of the wells.
 - c. All other rules shall be in conformance with the statewide rules.
7. The granting of this application is in the interest of conservation, the prevention of waste and the protection of correlative rights.
8. Notice of this application has been given to all division-designated operators in the pool, division-designated operators of wells within the same formation as the pool within one mile of the pool's outer boundary as shown on Exhibit A.

EXHIBIT A
COG OPERATING LLC NOTICE LIST

Cimarex Energy Co.
600 N. Marienfeld St. Suite 600
Midland, TX 79701

XTO Energy, Inc.
200 N. Loraine Suite 800
Midland, TX 79701

XTO Energy, Inc.
810 Houston Street
Fort Worth, TX 78102

OXY USA, Inc.
P.O. Box 50250
Midland, TX 79710

OXY USA, Inc.
P.O. Box 4294
Houston, TX 77210

EOG Resources Inc.
5509 Champions Dr.
Midland, TX 79706

EOG Resources Inc.
P.O. Box 2267
Midland, TX 79702

Murchison Oil & Gas, Inc.
1100 Mira Vista Blvd.
Plano, TX 75093

Yates Petroleum Corp.
105 South Fourth St.
Artesia, NM 88210

Devon Energy Production Company, LP
333 W. Sheridan Ave.
Oklahoma City, OK 73102

New Mexico State Land Office
Attn: Ed Martin, Oil & Gas Manager
P.O. Box 1148
Santa Fe, NM 87504

Bureau of Land Management
Carlsbad Field Office
620 E. Greene St.
Carlsbad, NM 88220-6292

CASE NO. 15326 : Application of COG Operating LLC for the creation of special pool rules, Lea County, New Mexico. Applicant seeks an order establishing special rules and regulations to include a depth bracket allowable of 990 barrels of oil per day for a 40-acre oil spacing and proration unit and a limiting gas: oil ratio of 4000 to 1. The West Triple X-Bone Spring Pool includes Sections 30 and 31, Township 23 South, Range 33 East, NMPM; Sections 5-10, 15-18 and 20-22, Township 24 South, Range 33 East, NMPM; and Sections 1, 12 and 13, Township 24 South, Range 32 East, NMPM, Lea County, New Mexico. The pool is located approximately 25 miles northwest of Jal, New Mexico.