

NSL

Amended

Post Protested

Application

Received March 20, 2019

RECEIVED: 03/20/19	REVIEWER: LRL	TYPE: NSL	APP NO: pLEL1906647168
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ABOVE THIS TABLE FOR OCD DIVISION USE ONLY

NEW MEXICO OIL CONSERVATION DIVISION
 - Geological & Engineering Bureau -
 1220 South St. Francis Drive, Santa Fe, NM 87505

**ADMINISTRATIVE APPLICATION CHECKLIST**

THIS CHECKLIST IS MANDATORY FOR ALL ADMINISTRATIVE APPLICATIONS FOR EXCEPTIONS TO DIVISION RULES AND
 REGULATIONS WHICH REQUIRE PROCESSING AT THE DIVISION LEVEL IN SANTA FE

Applicant: OXY USA INC. **OGRID Number:** 16696
Well Name: STERLING SILVER MDP1 33-4 FEDERAL COM 172H **API:** 30-015-45337
Pool: PURPLE SAGE WOLFCAMP **Pool Code:** 98220

**SUBMIT ACCURATE AND COMPLETE INFORMATION REQUIRED TO PROCESS THE TYPE OF APPLICATION
 INDICATED BELOW**

1) TYPE OF APPLICATION: Check those which apply for [A]

A. Location – Spacing Unit – Simultaneous Dedication

☒ NSL ☐ NSP (PROJECT AREA) ☐ NSP (PRORATION UNIT) ☐ SD

B. Check one only for [I] or [II]

[I] Commingling – Storage – Measurement

☐ DHC ☐ CTB ☐ PLC ☐ PC ☐ OLS ☐ OLM

[II] Injection – Disposal – Pressure Increase – Enhanced Oil Recovery

☐ WFX ☐ PMX ☐ SWD ☐ IPI ☐ EOR ☐ PPR
2) NOTIFICATION REQUIRED TO: Check those which apply.

- A. ☒ Offset operators or lease holders
 B. ☐ Royalty, overriding royalty owners, revenue owners
 C. ☐ Application requires published notice
 D. ☐ Notification and/or concurrent approval by SLO
 E. ☒ Notification and/or concurrent approval by BLM
 F. ☐ Surface owner
 G. ☐ For all of the above, proof of notification or publication is attached, and/or,
 H. ☐ No notice required

FOR OCD ONLY

- ☐ Notice Complete
☐ Application
 Content
 Complete

- 3) CERTIFICATION:** I hereby certify that the information submitted with this application for administrative approval is **accurate** and **complete** to the best of my knowledge. I also understand that **no action** will be taken on this application until the required information and notifications are submitted to the Division.

Note: Statement must be completed by an individual with managerial and/or supervisory capacity.

SARAH CHAPMAN

Print or Type Name

2/28/2019

Date

(713) 350-4997

Phone Number

SARAH_CHAPMAN@OXY.COM

e-mail Address

Signature



OXY USA Inc

**5 Greenway Plaza, Suite 110
Houston, TX 77046-0521**

March 20, 2019

New Mexico Oil Conservation Division
1220 South St. Francis Dr.
Santa Fe, NM 87505

Attention: Leonard Lowe

Re: ***AMENDED Application for Administrative Approval of Non-Standard Location
Sterling Silver MDP1 33-4 Federal Com 172H– Purple Sage Wolfcamp
Surface – 90' FNL 904' FWL Unit D Sec 33 T23S R31E
First Take Point – 100' FNL 1260' FWL Unit D Sec 33 T23S R31E
Last Take Point – 330' FSL 1260' FWL Unit M Sec 4 T24S R31E
Bottom Hole – 180' FSL 1260' FWL Unit M Sec 4 T24S R31E
Eddy County, New Mexico***

Dear Mr. Lowe:

OXY USA Inc. respectfully requests *to amend previously submitted application dated February 21, 2019* for administrative approval of a non-standard location on the Sterling Silver MDP1 33-4 Federal Com 172H well, API Number 30-015-45337, Property Code 322740. *This amendment will change the Last Take Point of the completed interval from 100'FSL to 330'FSL.* The 172H well is proposed to be completed in the Purple Sage Wolfcamp pool, Pool Code 98220, which has special pool rules specifying the completed interval must be located 330 feet from the exterior boundary of the applicable spacing unit. The proposed completed interval is projected as follows:

Surface – 90' FNL 904' FWL Unit D Sec 33 T23S R31E
First Take Point – 100' FNL 1260' FWL Unit D Sec 33 T23S R31E
Last Take Point – 330' FSL 1260' FWL Unit M Sec 4 T24S R31E
Bottom Hole – 180' FSL 1260' FWL Unit M Sec 4 T24S R31E

The adjoining units towards which the unorthodox location encroaches are located in T23S R31E, Section 28 - Units L, K, M and N.

If you need any additional information, please call me at 713-350-4997.

Sincerely,

A handwritten signature in blue ink that reads "Sarah Chapman". The signature is written in a cursive, flowing style.

Sarah Chapman
Regulatory Specialist

Attachments

CC: **AMENDED** c-102, NSL Plat and Service List

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 30-015-45337	Pool Code 98220	Pool Name Purple Sage Wolfcamp
Property Code 322740	Property Name STERLING SILVER MDP1 "33-4" FEDERAL COM	Well Number 172H
OGRID No. 16696	Operator Name OXY USA INC.	Elevation 3372.6'

Surface Location

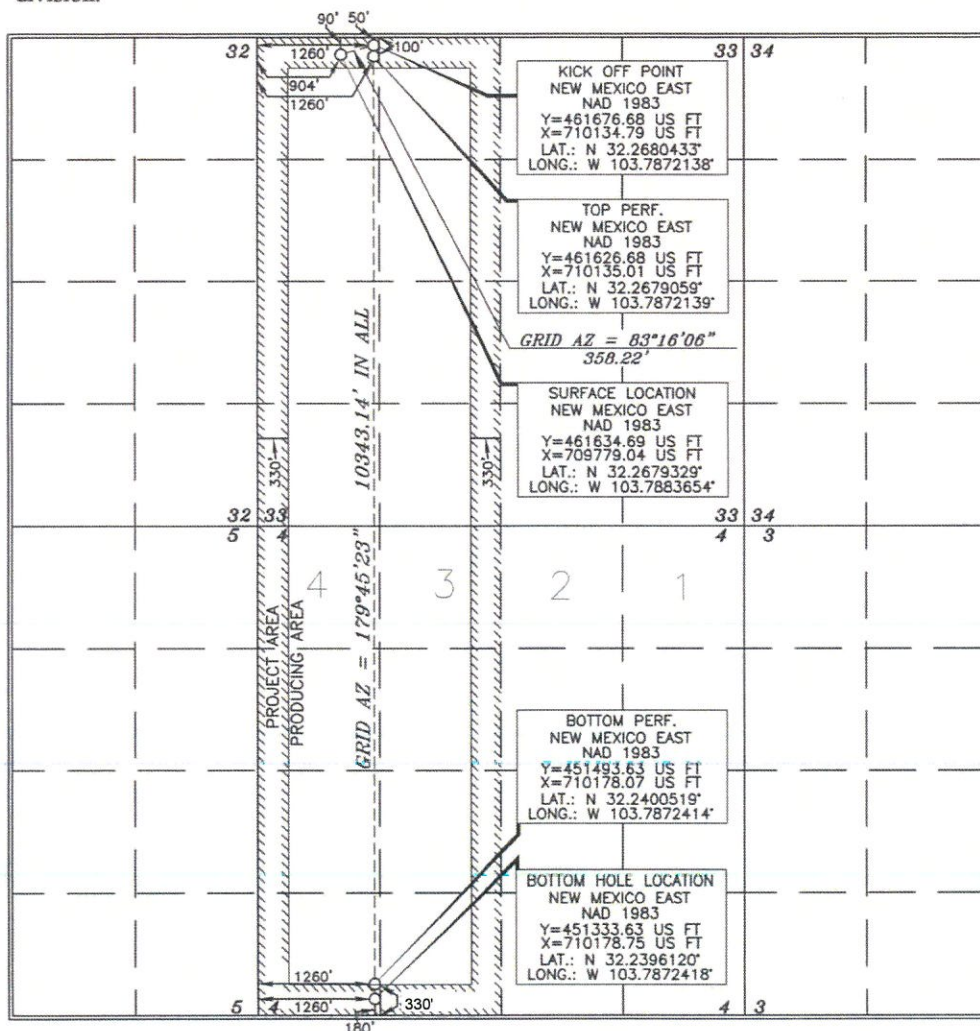
UL or lot no.	Section	Township	Range	Lot 1dn	Feet from the	North/South line	Feet from the	East/West line	County
D	33	23 SOUTH	31 EAST, N.M.P.M.		90'	NORTH	904'	WEST	EDDY

Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot 1dn	Feet from the	North/South line	Feet from the	East/West line	County
M	4	24 SOUTH	31 EAST, N.M.P.M.		180'	SOUTH	1260'	WEST	EDDY

Dedicated Acres	Joint or Infill	Consolidation Code	Order No.
640			LTP@ 330'

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.

Joshua Chapman 3/20/19
Signature Date

Joshua Chapman
Printed Name

Joshua-Chapman@oxy.com
E-mail Address

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.

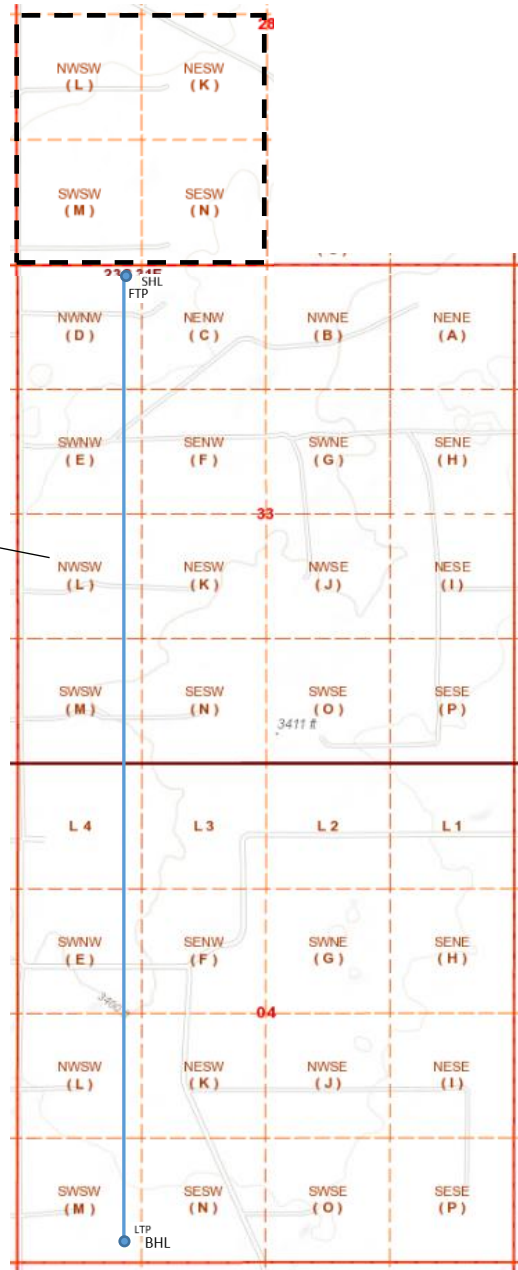
ERRY J. ASH
15079
JANUARY 29, 2018
Date of Survey

ERRY J. ASH
Signature and Seal of Professional Surveyor

ERRY J. ASH 3/23/2018
Certificate Number 15079

WO# 180129WL-a (KA)

Sterling Silver MDP1 33-4 Federal Com 172H



Application Non-Standard Location - Service List
OXY USA Inc.
Sterling Silver MDP1 33-4 Federal Com 172H

New Mexico Oil Conservation Division
811 S. First St.
Artesia, NM 88210
7018 1830 0000 8832 5703

New Mexico Oil Conservation Division
1220 South St. Francis Dr.
Santa Fe, NM 87505
Email to Leonard Lowe

Bureau of Land Management Carlsbad
620 E. Green Street
Carlsbad, NM 88220-6262
7018 1830 0000 8832 5321

T23S-R31E

No Existing Spacing Unit: Section 28 - Units L, K, M and N

OXY USA Inc. is 100% Working Interest (letter from Oxy Landman is attached)

OXY USA Inc.
5 Greenway Plaza, Ste 110
Houston, TX 77046

Copies of this application were mailed to the following individuals, companies and organizations on or before March 5, 2019.

Sarah Chapman

Sarah Chapman
OXY USA Inc.



OXY USA INC.

A subsidiary of Occidental Petroleum Corporation

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

February 26, 2019

Re: **Sterling Silver MDP1 33-4 Federal Com 171H, 172H, 175H, 177H, 178H and 179H**

Section 28, T23S R31E, Eddy County

To Whom It May Concern:

OXY USA INC., is the sole Working Interest Owner of Section 28, T23S R31E, Eddy County, New Mexico as to depths below the Bone Spring Formation. If you have any questions please contact at the number listed below.

Best Regards,

OXY USA INC.

A handwritten signature in blue ink, appearing to read "Matthew Cole".

Matthew Cole
Land Negotiator
713-366-5928

Lowe, Leonard, EMNRD

From: Chapman, Sarah E <Sarah_Chapman@oxy.com>
Sent: Wednesday, March 20, 2019 9:47 AM
To: Lowe, Leonard, EMNRD
Subject: [EXT] AMENDED OXY USA Inc. Nonstandard Locations for Sterling Silver and Platinum Wells
Attachments: AMENDED PlatinumMDP1-34-3FdCom171H -LLSubmittal.pdf; AMENDED PlatinumMDP1-34-3FdCom172H -LLSubmittal.pdf; AMENDED PlatinumMDP1-34-3FdCom174H -LLSubmittal.pdf; AMENDED PlatinumMDP1-34-3FdCom175H -LLSubmittal.pdf; AMENDED PlatinumMDP1-34-3FdCom176H -LLSubmittal.pdf; AMENDED SterlingSilverMDP133-4FdCom171H -LLSubmittal.pdf; AMENDED SterlingSilverMDP1-33-4FdCom172H_LLSubmittal.pdf; AMENDED SterlingSilverMDP1-33-4FdCom175H-LLSubmittal.pdf; AMENDED SterlingSilverMDP133-4FdCom177H -LLSubmittal.pdf; AMENDED SterlingSilverMDP1-33-4FdCom178H-LLSubmittal.pdf; AMENDED SterlingSilverMDP133-4FdCom179H -LLSubmittal.pdf

Good morning Leonard,

Please find the updated NSL documentation in which we move our Last Take Points to be in Orthodox locations due to the Protest from Chevron for the following wells:

Sterling Silver MDP1 33 4 Federal Com Well No. 179H
Sterling Silver MDP1 33 4 Federal Com Well No. 178H
Sterling Silver MDP1 33 4 Federal Com Well No. 177H
Sterling Silver MDP1 33 4 Federal Com Well No. 175H
Sterling Silver MDP1 33 4 Federal Com Well No. 172H
Sterling Silver MDP1 33 4 Federal Com Well No. 171H
Platinum MDP1 34 3 Federal Com Well No. 176H
Platinum MDP1 34 3 Federal Com Well No. 175H
Platinum MDP1 34 3 Federal Com Well No. 174H
Platinum MDP1 34 3 Federal Com Well No. 172H
Platinum MDP1 34 3 Federal Com Well No. 171H

Please let me know if you have any questions.

Thank you,

Sarah Chapman

Regulatory Specialist | Permian Resources – New Mexico

Office: (713) 350-4997 | 29.097 | Cell: (281) 642-5503

Email: Sarah_Chapman@oxy.com

Lowe, Leonard, EMNRD

From: Lowe, Leonard, EMNRD
Sent: Friday, March 29, 2019 11:46 AM
To: 'Chapman, Sarah E'
Cc: Mike Bratcher (mike.bratcher@state.nm.us); Cordero, Gilbert, EMNRD; Jones, William V, EMNRD; McMillan, Michael, EMNRD; Goetze, Phillip, EMNRD; Warnell, Terry G, EMNRD; Murphy, Kathleen A, EMNRD; 'lisa@rwbyram.com'; 'jglover@blm.gov'
Subject: APPROVED 6 NSLS_OXY USA INC_Sterling Silver MDP1 33 4 Federal Com Well NO. (171H, 172H,175H,177H,178H & 179H)_SEC 33 23S 31E and SEC 4 23S 31E
Importance: High

Ms. Sarah Chapman,

The following administrative orders have been issued and will soon be available on the Division's web site:
<http://ocdimage.emnrd.state.nm.us/Imaging/Default.aspx>

OXY USA INC	16696	Sterling Silver MDP1 33 4 Federal Com Well No. 179H	30-015-PENDING	784
OXY USA INC	16696	Sterling Silver MDP1 33 4 Federal Com Well No. 178H	30-015-PENDING	784
OXY USA INC	16696	Sterling Silver MDP1 33 4 Federal Com Well No. 177H	30-015-PENDING	784
OXY USA INC	16696	Sterling Silver MDP1 33 4 Federal Com Well No. 175H	30-015-45388	784
OXY USA INC	16696	Sterling Silver MDP1 33 4 Federal Com Well No. 172H	30-015-45337	784
OXY USA INC	16696	Sterling Silver MDP1 33 4 Federal Com Well No. 171H	30-015-45336	784

Leonard Lowe

Engineering Bureau

Oil Conservation Division

Energy Minerals and Natural Resources Department

1220 South St. Frances

Santa Fe, New Mexico 87004

Office: 505-476-3492

Cell: 505-930-6717

Fax: 505-476-3462

E-mail: leonard.lowe@state.nm.us

Website: <http://www.emnrd.state.nm.us/ocd/>