

RECEIVED: 4-14-2017	REVIEWER: LRL	TYPE: NSP	APP NO: PKSC 1710737187
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ABOVE THIS TABLE FOR OCD DIVISION USE ONLY

4/5/17

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: Cedar Canyon 23 Federal Com #33H **API:** 30-015-44074
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. WFO
 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.

David Stewart
 Print or Type Name

David Stewart
 Signature

4/11/17
 Date

432-685-5717
 Phone Number

david_stewart@oxy.com
 e-mail Address



OXY USA Inc

**PO Box 50250
Midland, TX 79710-0250**

April 11, 2017

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

Attention: Leonard Lowe

Re: ***Application for Administrative Approval of Non-Standard Project Area –
Cedar Canyon 23 Federal Com. #33H – Purple Sage Wolfcamp
Surface – 2344 FSL 1199 FEL Ut I Sec 22 T24S R29E
Top Perforation – 2269 FSL 340 FWL Ut L Sec 23 T24S R29E
Bottom Perforation – 2269 FSL 2311 FWL Ut K Sec 24 T24S R29E
Bottom Hole – 2270 FSL 2460 FWL Ut K Sec 24 T24 R29E
Eddy County, New Mexico***

Dear Mr. Lowe:

OXY USA Inc. respectfully requests administrative approval of a non-standard project area on the Cedar Canyon 23 Federal Com. #33H, API Number-30-015-44074, Property Code 317464. OXY had originally proposed a 240 acre project area with a 1-1/2 mile horizontal lateral in the Pierce Crossing Wolfcamp, Pool Code 50373. Prior to this permit being approved the Purple Sage Wolfcamp, Pool Code 98220 was established eliminating the previous pool and requiring a 320/640 acre project area. OXY USA Inc. has the rights to Section 23 and the W/2 of Section 24 and proposed a 480 acre project area, since a standard 640 acre project area is not possible. This project area will comprise the S/2 of Section 23 (Units I, J, K, L, M, N, O, P), the SW/4 of Section 24 (Units L, K, M, N). This will be a horizontal well in a pool with 330' setback rules, even though the surface location and bottom hole location are outside the producing area, the completion interval is inside the producing area and will be drilled as follows:

Surface – 2344 FSL 1199 FEL Ut I Sec 22 T24S R29E
Top Perforation – 2269 FSL 340 FWL Ut L Sec 23 T24S R29E
Bottom Perforation – 2269 FSL 2311 FWL Ut K Sec 24 T24S R29E
Bottom Hole – 2270 FSL 2460 FWL Ut K Sec 24 T24 R29E

The adjoining spacing units are located in T24S R29E, Section 22–Units H, I, P; Section 23–Units E, F, G, H, I, J, K, L, M, N, O, P; Section 24–Units E, F, G, H, I, J, K, L, M, N, O, P; Section 25–Units B, C, D; Section 26–Units A, B, C, D; Section 27–Unit A.

Approval of this non-standard project area will allow for efficient spacing of horizontal wells and thereby prevent waste.

To support this request, the following information has been submitted for your review:

1. Application for Permit to Drill.
2. C-102 Plat for the proposed well and additional plats with offsetting well and affected spacing units.
3. List of affected offset parties that adjoin the non-standard project area, copies of the signed certified return receipts will be furnished upon request.

If you need any additional information, please call me at 432-685-5717.

Sincerely,

David Stewart
Sr. Regulatory Advisor
OXY USA Inc.

Attachments
CC: NMOCD-Artesia, BLM-Carlsbad, Service List



OXY USA Inc.

PO Box 50250
Midland, TX 79710-0250

April 11, 2017

CERTIFIED MAIL – RETURN RECEIPT REQUESTED

Re: ***Application for Administrative Approval of Non-Standard Project Area –
Cedar Canyon 23 Federal Com. #33H – Purple Sage Wolfcamp
Surface – 2344 FSL 1199 FEL Ut I Sec 22 T24S R29E
Top Perforation – 2269 FSL 340 FWL Ut L Sec 23 T24S R29E
Bottom Perforation – 2269 FSL 2311 FWL Ut K Sec 24 T24S R29E
Bottom Hole – 2270 FSL 2460 FWL Ut K Sec 24 T24 R29E
Eddy County, New***

Ladies and Gentlemen:

Enclosed is a copy of an application, filed with the New Mexico Oil Conservation Division by OXY USA Inc., requesting administrative approval for a non-standard project area. As an affected party, notice is being provided to you pursuant to Rule 19.15.16.15 (E). The well is located as follows:

Surface – 2344 FSL 1199 FEL Ut I Sec 22 T24S R29E
Top Perforation – 2269 FSL 340 FWL Ut L Sec 23 T24S R29E
Bottom Perforation – 2269 FSL 2311 FWL Ut K Sec 24 T24S R29E
Bottom Hole – 2270 FSL 2460 FWL Ut K Sec 24 T24 R29E

If you object to the well's location, you must notify the Division in writing no later than 20 days from the date the application is received by the NMOC (1220 South St. Francis Drive, Santa Fe, NM 87505; Attention: Leonard Lowe).

If you need any additional information, you can contact John Schneider, CPL at 713-366-5330 or myself at 432-685-5717.

Sincerely,

David Stewart
Sr. Regulatory Advisor
OXY USA Inc.

Attachments

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL OR REENTER

1a. Type of work: ☒ DRILL ☐ REENTER		5. Lease Serial No. NMNM81586
1b. Type of Well: ☒ Oil Well ☐ Gas Well ☐ Other ☒ Single Zone ☐ Multiple Zone		6. If Indian, Apache or Tribe Name
2. Name of Operator OXY USA INC 16696		7. If Unit or CA Agreement, Name and No.
3a. Address 5 Greenway Plaza, Suite 110 Houston TX 770		8. Lease Name and Well No. 317464 CEDAR CANYON 23 FEDERAL C 33H
3b. Phone No. (include area code) (713)366-5716		9. API Well No. 30-015-44074
4. Location of Well (Report location clearly and in accordance with any State requirements.) At surface NESE / 2344 FSL / 1199 FEL / LAT 32.2020942 / LONG -103.9676325 At proposed prod. zone NESW / 2270 FSL / 2460 FWL / LAT 32.2019063 / LONG -103.9386799		10. Field and Pool of Exploratory PERCE CROSSING, WOLFCAMP, NM 98220
14. Distance in miles and direction from nearest town or post office* 6 miles		11. Sec., T. R. M. or Blk. and Survey or Area SEC 22 / T24S / R29E / NMP
15. Distance from proposed* location to nearest property or lease line, ft. (Also to nearest drig. unit line, if any) 320 feet	16. No. of acres in lease 1040	12. County or Parish EDDY
17. Spacing Unit dedicated to this well 240 480 NUSP Pending	18. Distance from proposed location* to nearest well, drilling, completed, 30 feet applied for, on this lease, ft.	13. State NM
19. Proposed Depth 10280 feet / 18052 feet	20. BLM/BIA Bond No. on file FED: ESB000226	
21. Elevations (Show whether DF, KDB, RT, GL, etc.) 2948 feet	22. Approximate date work will start* 01/03/2017	23. Estimated duration 25 days

24. Attachments

The following, completed in accordance with the requirements of Onshore Oil and Gas Order No.1, must be attached to this form:

- | | |
|--|---|
| 1. Well plat certified by a registered surveyor. | 4. Bond to cover the operations unless covered by an existing bond on file (see Item 20 above). |
| 2. A Drilling Plan. | 5. Operator certification |
| 3. A Surface Use Plan (if the location is on National Forest System Lands, the SUPO must be filed with the appropriate Forest Service Office). | 6. Such other site specific information and/or plans as may be required by the BLM. |

25. Signature (Electronic Submission)	Name (Printed/Typed) David Stewart / Ph: (713)366-5716	Date 09/29/2016
Title Sr. Regulatory Advisor		
Approved by (Signature) (Electronic Submission)	Name (Printed/Typed) Cody Layton / Ph: (575)234-5959	Date 02/22/2017
Title Supervisor Multiple Resources CARLSBAD		

Application approval does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.
Conditions of approval, if any, are attached.

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

(Continued on page 2)

*(Instructions on page 2)

APPROVED WITH CONDITIONS

Accepted for record - NMOC. FEB 24 2017

NBI OF CONSERVATION
ARTESIA DISTRICT

RUP-3-1-17

RECEIVED

Accepted for record - NMOCD

District I
1625 N. French Dr., Hobbs, NM 88240
Phone: (505) 393-6161 Fax: (505) 393-0720
District II
811 S. First St., Artesia, NM 88210
Phone: (505) 748-1283 Fax: (505) 748-9720
District III
1000 Rio Blanco 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

NM OIL CONSERVATION State of New Mexico **ARTESIAN, MINERALS & NATURAL RESOURCES DEPARTMENT**

MAR 02 2017

OIL CONSERVATION DIVISION

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

RECEIVED

Ref 3-2-17

Form C-102

Revised August 1, 2011

Submit one copy to appropriate
District Office

☒ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number 30015-44074	Pool Code 98220	Pool Name Purple Sage Wolfcamp
Property Code	Property Name CEDAR CANYON "23" FEDERAL COM	Well Number 33H
OGRID No. 16696	Operator Name OXY USA INC.	Elevation 2947.9'

Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
I	22	24 SOUTH	29 EAST, N.M.P.M.		2344'	SOUTH	1199'	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
K	24	24 SOUTH	29 EAST, N.M.P.M.		2270'	SOUTH	2460'	WEST	EDDY

Dedicated Acres 480	Joint or Infill Y	Consolidation Code	Order No. NSP Pending.	Ref 3-2-17
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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 undivided 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. <i>David Stewart</i> 2/27/17 Signature Date David Stewart Sr. Pres. Oxy. Printed Name david.stewart@oxy.com E-mail Address
GRID AZ = 89°43'55" 7723.32' IN ALL GRID AZ = 93°22'56" 1234.47' KICK OFF POINT NEW MEXICO EAST NAD 1983 Y=437375.67 US FT X=655683.68 US FT LAT.: N 32.2018824° LONG.: W 103.9636493 PRODUCING AREA PROJECT AREA				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. 15079 FEBRUARY 23, 2017 Date of Survey <i>Tony Phil</i> Signature and Seal of Professional Surveyor Certificate Number 15079

WOF 160223WL-b (Rev. B) (KA)



OXY USA INC.
CEDAR CANYON "23" FEDERAL COM #33H
SECTIONS 22, 23, 24, 25, 26 & 27, TOWNSHIP 24 SOUTH,
RANGE 29 EAST, N.M.P.M., EDDY COUNTY, NEW MEXICO

SURFACE LOCATION
CEDAR CANYON "23"
FEDERAL COM #33H

#33H BOTTOM
HOLE LOCATION

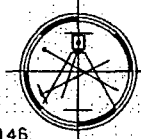


SURVEYORS CERTIFICATE

I, TERRY J. ASEL, NEW MEXICO PROFESSIONAL SURVEYOR,
NO. 15079, DO HEREBY CERTIFY THAT I CONDUCTED AND AM
RESPONSIBLE FOR THIS SURVEY. THAT THIS SURVEY IS
TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE AND
BELIEF, AND MEETS THE "MINIMUM STANDARDS FOR
SURVEYING IN NEW MEXICO" AS ADOPTED BY THE NEW
MEXICO STATE BOARD OF REGISTRATION FOR
PROFESSIONAL ENGINEERS AND SURVEYORS.

Terry J. Asel 4/7/2017
Terry J. Asel, N.M. R.P.L.S. No. 15079

Asel Surveying
P.O. BOX 393 - 310 W. TAYLOR
HOBBS, NEW MEXICO - 575-393-9146



2000' 0 2000' 4000' FEET
SCALE: 1"=2000'

WO# 170406NSP

Application Non-Standard Project Area - Service List

1

OXY USA Inc.

Cedar Canyon 23 Federal Com #33H - 30-015-44074

New Mexico Oil Conservation Division
811 S. First St.
Artesia, NM 88210
7015-0640-0005-1003-3348

New Mexico Oil Conservation Division
1220 South St. Francis Dr.
Santa Fe, NM 87505
7015-0640-0005-1003-3355

Bureau of Land Management
620 E. Greene Street
Carlsbad, NM 88220
7015-0640-0005-1003-3362

T24S R29E

Section 22 - Units H, I, P

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

GD McKinney Investments LP
300 N. Marienfeld, Ste 1100
Midland, TX 79701
7015-0640-0005-1003-3379

B. Jack Reed
506 Charismatic
Midland, TX 79701
7015-0640-0005-1003-3386

Leopard Petroleum LP
P.O. Box 51440
Midland, TX 79710
7015-0640-0005-1003-3393

DRW Energy LLC
400 W. Illinois, Ste. 970
Midland, TX 79701
7015-0640-0005-1003-3409

Beryl Oil & Gas LP
P.O. Box 51440
Midland, TX 79710
7015-0640-0005-1003-3416

M'lissa McKinney Schoening
301 Sir Barton Prwy
Midland, TX 79705
7015-0640-0005-1003-3423

Section 23 - Units E, F, G, H, I, J, K, L, M, N, O, P

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

Section 24 - Unit E, F, K, L, M, N

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

Section 24 - Units G, H, I, J, O, P

Chevron USA inc.
6301 Deauville
Midland, TX 79706
7015-0640-0005-1003-3430

CTV OG NM LLC
201 Main St., Ste. 2700
Fort Worth, TX 76102
7015-0640-0005-1003-3447

Keystone OG NM LLC
201 Main St., Ste. 2700
Fort Worth, TX 76102
7015-0640-0005-1003-3447

LMBBI OG NM LLC
201 Main St., Ste. 2700
Fort Worth, TX 76102
7015-0640-0005-1003-3447

SRBI OG NM LLC
201 Main St., Ste. 2700
Fort Worth, TX 76102
7015-0640-0005-1003-3447

Thru Line OG NM LLC
201 Main St., Ste. 2700
Fort Worth, TX 76102
7015-0640-0005-1003-3447

Section 25 - Unit B, C, D

Linn Energy Holding, LLC
600 Travis, Ste. 5100
Houston, TX 77002
7015-0640-0005-1003-3454

Section 26 - Units A, B, C, D

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

Bureau of Land Management
620 E. Greene Street
Carlsbad, NM 88220
7015-0640-0005-1003-3362

Section 27 - Unit A

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

George Scott Cranford
2009 Hubbard Court
Villa Rica, GA 30180
7015-0640-0005-1003-3911

Mary Maratha Gaines England
P.O. 541661
Grand Prairie, TX 75054
7015-0640-0005-1003-3928

Robert E. Gaines, Jr.
P.O. Box 105
Waring, TX 78074
7015-0640-0005-1003-3935

Jan Alice Herrstrom
810 Forest Oaks Circle
Woodway, TX 76712
7015-0640-0005-1003-3942

Rebecca Gaines Hooks
P.O. Box 111
Waring, TX 78074
7015-0640-0005-1003-3959

Micaella Gaines Klapuch
P.O. Box 227
Wimberly, TX 78676
7015-0640-0005-1003-3966

Raymond H. & Margaret McDonald Jr.
1379 County Rd. 3566
Dike, TX 75437
7015-0640-0005-1003-3973

David H. & Vicki McDonald
P.O. Box 308
Loving, NM 88256
7015-0640-0005-1003-3980

Enrich H. McDonald
P.O. Box 597
Loving, NM 88256
7015-0640-0005-1003-3997

Glen McDonald
P.O. Box 367
Loving, NM 88256
7015-0640-0005-1003-4000

Jack Scott & Sandra McDonald
1110 College Avenue
Snyder, TX 79549
7015-0640-0005-1003-4017

Lonny Ray McDonald
5505 Sioux Rd.
Carlsbad, NM 88220
7015-0640-0005-1003-4024

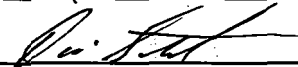
Britt P. & Cydney Medford
2111 Paisano Rd.
Austin, TX 78746
7015-0640-0005-1003-4031

Robert & Brenda Patton
2006 S. Peppertree Circle
Carlsbad, NM 88220
7015-0640-0005-1003-4048

Twin Oaks Petroleum LLC
7038 Chimney Hill Dr.
Nolanville, TX 76559
7015-0640-0005-1003-4055

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

4/11/17



David Stewart
OXY USA Inc.