

7/14/08 DATE IN	SUSPENSE	BROOKS ENGINEER	7/15/08 LOGGED IN	NSL TYPE	PKVR0819735488 APP NO.
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ABOVE THIS LINE FOR DIVISION USE ONLY

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



OXY USA INC
 Good Night 27 Feb #24
 5892

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

Application Acronyms:

[NSL-Non-Standard Location] [NSP-Non-Standard Proration Unit] [SD-Simultaneous Dedication]
[DHC-Downhole Commingling] [CTB-Lease Commingling] [PLC-Pool/Lease Commingling]
[PC-Pool Commingling] [OLS - Off-Lease Storage] [OLM-Off-Lease Measurement]
[WFX-Waterflood Expansion] [PMX-Pressure Maintenance Expansion]
[SWD-Salt Water Disposal] [IPI-Injection Pressure Increase]
[EOR-Qualified Enhanced Oil Recovery Certification] [PPR-Positive Production Response]

[1] TYPE OF APPLICATION - Check Those Which Apply for [A]

- [A] Location - Spacing Unit - Simultaneous Dedication
☒ NSL ☐ NSP ☐ SD

Check One Only for [B] or [C]

- [B] Commingling - Storage - Measurement
☐ DHC ☐ CTB ☐ PLC ☐ PC ☐ OLS ☐ OLM

- [C] Injection - Disposal - Pressure Increase - Enhanced Oil Recovery
☐ WFX ☐ PMX ☐ SWD ☐ IPI ☐ EOR ☐ PPR

- [D] Other: Specify _____

[2] NOTIFICATION REQUIRED TO: - Check Those Which Apply, or ☐ Does Not Apply

- [A] ☒ Working, ~~Royalty~~ or ~~Overriding Royalty~~ Interest Owners
 [B] ☒ ~~Offset Operators~~, Leaseholders or ~~Surface Owner~~
 [C] ☐ Application is One Which Requires Published Legal Notice
 [D] ☒ Notification and/or Concurrent Approval by BLM or SLO
U.S. Bureau of Land Management - Commissioner of Public Lands, State Land Office
 [E] ☐ For all of the above, Proof of Notification or Publication is Attached, and/or,
 [F] ☐ Waivers are Attached

[3] SUBMIT ACCURATE AND COMPLETE INFORMATION REQUIRED TO PROCESS THE TYPE OF APPLICATION INDICATED ABOVE.

[4] 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

Signature

SR. Regulatory Analyst 7/10/08
 Title Date

david-stewart@oxy.com
 e-mail Address

RECEIVED
 2008 JUL 14 PM 3 39



OXY USA Inc.

PO Box 50250
Midland, TX 79710-0250

July 10, 2008

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

Attention: Richard Ezeanyim

Re: *Application for Administrative Approval of Non-Standard Location –
South Laguna Salado Bone Spring
Goodnight 27 Federal #2H
Surface/Penetration Point – 2460 FSL 1330 FWL Ut K
Bottom Hole – 1980 FSL 330 FEL Ut I
Section 27 T23S R29E
Eddy County, New Mexico*

Dear Mr. Ezeanyim:

OXY USA Inc. respectfully requests administrative approval under Rule 104 (F) of this application for the subject non-standard well location on the Goodnight 27 Federal #2H. The #2H well is proposed as a 1st Bone Spring sandstone horizontal target at a TVD of 7800'. The kickoff point for the well is at approximately 7323' and the top of the Bone Spring formation is expected at 6900' which is above the kickoff point. The wellbore will be at an orthodox location when it penetrates the 1st Bone Spring sandstone reservoir, but will not be orthodox at the top of the Bone Spring.

The #2H encroaches on the north (F), west (L), and northwest (E) 40-acre spacing units. The only other well in the section is the Goodnight 27 #1H, a horizontal 1st Bone Spring well to the south. All of section 27 is common ownership and all of the owners have both joined in the drilling of the #2H and have executed waivers of objection.

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

1. Approved Application for Permit to Drill and Change of Operator Sundry Notice.
2. NMOCD C-102 Plat for the proposed well with offsetting well and affected spacing units.
3. List of affected offset parties that adjoin the non-standard spacing unit and being encroached upon, along with a copy of the certified returned receipts and signed waivers. Copies of the signed certified receipts will be furnished upon request.
4. Proposed Directional Survey

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

Sincerely,

David Stewart
Sr. Regulatory Analyst
OXY USA Inc.

Attachments

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

HIGH CAVEKARST UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

OCD-ARTESIA

R-111-POTASH

APPLICATION FOR PERMIT TO DRILL OR REENTER

ATS-08-185

FORM APPROVED
OMB No. 1004-0137
Expires March 31, 2007

1a. Type of work: <input checked="" type="checkbox"/> DRILL <input type="checkbox"/> REENTER		FEB 21 2008		7. If Unit or CA Agreement, Name and No. -----	
1b. Type of Well: <input checked="" type="checkbox"/> Oil Well <input type="checkbox"/> Gas Well <input type="checkbox"/> Other		<input checked="" type="checkbox"/> Single Zone <input type="checkbox"/> Multiple Zone		8. Lease Name and Well No. 303865 GOODNIGHT"27" FEDERAL # 2H	
2. Name of Operator LATIGO PETROLEUM, INC. (MARK FAIRCHILD 432-685-8188)		22 7001		9. API Well No. 30-015-36137	
3a. Address P. O. BOX 10340 MIDLAND, TEXAS 79702-7340		3b. Phone No. (include area code) 432-685-8100		10. Field and Section STAGGERS SADDLE 96857 CEDAR CANYON BONE SPRING	
4. Location of Well (Report location clearly and in accordance with any State requirements.) At surface 2460' FSL & 1330' FWL SECTION 27 T23S-R29E EDDY CO. NM At proposed prod. zone 1980' FSL & 330' FEL SECTION 27 T23S-R29E				11. Sec., T. R. M. or Blk. and Survey or Area SECTION 27 T23S-R29E	
14. Distance in miles and direction from nearest town or post office* Approximately 10 miles Southeast of Loving New Mexico				12. County or Parish EDDY CO.	
15. Distance from proposed* location to nearest property or lease line, ft. (Also to nearest drig. unit line, if any) 1330'				13. State NM	
16. No. of acres in lease 640		17. Spacing Unit dedicated to this well- 120 ACRES			
18. Distance from proposed location* to nearest well, drilling, completed, applied for, on this lease, ft. 840'		19. Proposed Depth TVD-7800' MD-11,213'		20. BLM/BIA Bond No. on file NATION WIDE WYB-000238	
21. Elevations (Show whether DF, KDB, RT, GL, etc.) 3003' GL		22. Approximate date work will start* WHEN APPROVED		23. Estimated duration 47 Days	

24. Attachments

The following, completed in accordance with the requirements of Onshore Oil and Gas Order No.1, shall 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 shall be filed with the appropriate Forest Service Office). | 6. Such other site specific information and/or plans as may be required by the authorized officer. |

25. Signature <i>Joe T. Janica</i>	Name (Printed/Typed) Joe T. Janica	Date 11/16/07
------------------------------------	---------------------------------------	------------------

Title
Permit Engineer

Approved by (Signature) <i>/s/ Linda S. C. Rundell</i>	Name (Printed/Typed) /s/ Linda S. C. Rundell	Date FEB 15 2008
--	---	---------------------

Title STATE DIRECTOR	Office NM STATE OFFICE
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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.

APPROVAL FOR TWO YEARS

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.

SEE ATTACHED FOR
CONDITIONS OF APPROVAL

APPROVAL SUBJECT TO
GENERAL REQUIREMENTS
AND SPECIAL STIPULATIONS
ATTACHED

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

OPERATOR'S COPY

FORM APPROVED
OMB NO. 1004-0135
Expires: November 30, 2000

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or to re-enter an abandoned well. Use Form 3160-3 (APD) for such proposals.

SUBMIT IN TRIPLICATE - Other instructions on reverse side

1. Type of Well

☒ Oil Well ☐ Gas Well ☐ Other

2. Name of Operator

OXY USA Inc.

16696

3a. Address

P.O. Box 50250, Midland, TX 79710-0250

3b. Phone No. (include area code)

432-685-5717

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

S - 2460 FSL 1330 FWL NESW(K) Sec 27 T23S R29E

BH - 1980 FSL 330 FEL NESE(I) Sec 27 T23S R27E

5. Lease Serial No.

NM105557

6. If Indian, Allottee or Tribe Name

7. If Unit or CA/Agreement, Name and/or No.

8. Well Name and No.

Goodnight 27 #2H

Federal

9. API Well No.

30-015-36137

10. Field and Pool, or Exploratory Area

Laguna Bone Spring, South

11. County or Parish, State

Eddy NM

12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION

☒ Notice of Intent

☐ Subsequent Report

☐ Final Abandonment Notice

TYPE OF ACTION

☐ Acidize

☐ Alter Casing

☐ Casing Repair

☐ Change Plans

☐ Convert to Injection

☐ Deepen

☐ Fracture Treat

☐ New Construction

☐ Plug and Abandon

☐ Plug Back

☐ Production (Start/Resume)

☐ Reclamation

☐ Recomplete

☐ Temporarily Abandon

☐ Water Disposal

☐ Water Shut-Off

☐ Well Integrity

☒ Other Change of

Operator

13. Describe Proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recompleate horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompleation in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the final site is ready for final inspection.)

AS REQUIRED BY 43 CFR 3100.0-5(a) AND 43 CFR 3162.3, WE ARE NOTIFYING YOU OF A CHANGE OF OPERATOR ON THE ABOVE REFERENCED LEASE EFFECTIVE 3/1/05. OXY USA INC. AS THE NEW OPERATOR ACCEPTS ALL APPLICABLE TERMS, CONDITIONS, STIPULATIONS AND RESTRICTIONS CONCERNING OPERATIONS CONDUCTED ON THE LEASE OR PORTION OF LEASE DESCRIBED. OXY USA INC. MEETS FEDERAL BONDING REQUIREMENTS AS FOLLOWS (43 CFR 3104):
NATIONWIDE OIL & GAS BOND NO. ES0136.

APPROVED

MAY 15 2008

14. I hereby certify that the foregoing is true and correct
Name (Printed/Typed)

David Stewart

Title

Sr. Regulatory Analyst

Date

5/13/08

BUREAU OF LAND MANAGEMENT
CARLSBAD FIELD OFFICE

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

Title

Date

Conditions of approval, if any, are attached. Approval of this notice 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.

Office

Title 18 U.S.C. Section 1001, and Title 43 U.S.C. Section 1212, makes 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.

DISTRICT I
1625 N. French Dr., Hobbs, NM 88240

DISTRICT II
1301 W. Grand Avenue, Artesia, NM 88210

DISTRICT III
1000 Rio Brazos Rd., Aztec, NM 87410

DISTRICT IV
1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-102
Revised October 12, 2005

Submit to Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies

OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, New Mexico 87505

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number	Pool Code 18880 96857	Pool Name S. Laguna Salado CEDEAR CANYON -BONE SPRING
Property Code	Property Name GOODNIGHT "27" FEDERAL	Well Number 2H
OGRID No. 27001	Operator Name LATIGO PETROLEUM INC.	Elevation 3003'

Surface Location

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
L	27	23 S	29 E		2460	SOUTH	1330	WEST	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
I	27	23 S	29 E		1980	SOUTH	330	EAST	EDDY

Dedicated Acres 120	Joint or Infill	Consolidation Code	Order No.
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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

<p>SURFACE LOCATION LAT - N32°16'29.81" LONG - W103°50'35.38" SPC- N.: 464088.991 E.: 651496.282 (NAD-27)</p> <p>3011.1' 3001.7'</p> <p>1330' 2999.8' 2997.6'</p> <p>POINT OF ENTRY INTO PRODUCING FORMATION 2258' FSL & 1762' FWL</p> <p>3707.6'</p> <p>330' B.H.</p> <p>1980'</p> <p>PROJECT AREA</p> <p>PRODUCING AREA</p>	<p>OPERATOR CERTIFICATION</p> <p>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 released mineral interest in the land including the proposed bottom hole 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.</p> <p><i>Joe T. Janica</i> Signature Date Joe T. Janica 11/16/07 Printed Name</p> <p>SURVEYOR CERTIFICATION</p> <p>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.</p> <p>OCTOBER 04, 2007 Date Surveyed Signature & Seal of Professional Surveyor W.O. No. 1863 Certificate No. 7977</p> <p>BASIN SURVEYS</p>
--	--

EXHIBIT "A"

DISTRICT I

1625 N. French Dr., Hobbs, NM 88240

DISTRICT II

1301 W. Grand Avenue, Artesia, NM 88210

DISTRICT III

1000 Rio Brazos Rd., Aztec, NM 87410

DISTRICT IV

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

State of New Mexico
Energy, Minerals and Natural Resources Department

OIL CONSERVATION DIVISION

1220 South St. Francis Dr.
Santa Fe, New Mexico 87505

Form C-102

Revised October 12, 2005

Submit to Appropriate District Office

State Lease - 4 Copies

Fee Lease - 3 Copies

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number	Pool Code 2885 96857	Pool Name S. Laguna Salado CEDAR CANYON -BONE SPRING
Property Code	Property Name GOODNIGHT "27" FEDERAL	Well Number 2H
OCRID No. 27001	Operator Name Oxy USA Inc.	Elevation 3003'

Surface Location

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
L	27	23 S	29 E		2460	SOUTH	1330	WEST	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
I	27	23 S	29 E		1980	SOUTH	330	EAST	EDDY
Dedicated Acres 120	Joint or Infill	Consolidation Code	Order No.						

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

	<p>OPERATOR CERTIFICATION</p> <p>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 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.</p> <p>Signature: <i>Joe T. Janica</i> Date: 11/16/07</p> <p>Printed Name: Joe T. Janica</p>
	<p>SURVEYOR CERTIFICATION</p> <p>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.</p> <p>OCTOBER 04, 2007</p> <p>Date Surveyed: OCT 04, 2007</p> <p>Signature & Seal of Surveyor: <i>[Signature]</i></p> <p>Professional Engineer: <i>[Signature]</i></p> <p>W.O. No. 18637</p> <p>Certificate No. 7977</p> <p>BASIN SURVEYS</p>

The #2H well is proposed as a 1st Bone Spring sandstone horizontal target at a TVD of 7800 ft. The kickoff point for the well is at 7323 ft. The top of the Bone Spring formation is expected at 6900 ft, above the kickoff point. The wellbore will be at an orthodox location when it penetrates the 1st Bone Spring sandstone reservoir within the Bone Spring, but it will not be orthodox at the top of the Bone Spring.

The #2H encroaches on the north, west, and northwest 40-acre spacing units. The only other well in the section is the Goodnight 27 #1H, a horizontal 1st Bone Spring well to the south. All of section 27 is common ownership. All of the owners have both joined in the drilling of the #2H and have executed waivers of objection.

**Service List – NSL
OXY USA Inc.
Goodnight 27 Federal #2H
Sec 27 T23S R29E**

United States Dept of Interior
Bureau of Land Management
620 E. Greene Street
Carlsbad, NM 88220-6292

New Mexico Oil Conservation Division
1301 W. Grand Ave.
Artesia, NM 88210

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

Affected Offset Parties:

The Allar Company
P.O. Box 1567
Graham, TX 76450

John L. Thoma
P.O. Box 863418
Plano, TX 75086-3418

Chesapeake Exploration LP.
P.O. Box 18496
Oklahoma City, OK 73154

Chevron USA Inc.
P.O. Box 36366
Houston, TX 77236

Latigo Petroleum, Inc.
700 Milam, Ste. 3100
Houston, TX 77002

Talus, Inc.
P.O. Box 1210
Graham, TX 76450

Twin Montana Inc.
P.O. Box 1210
Graham, TX 76450



OXY USA Inc.

PO Box 50250
Midland, TX 79710-0250

July 10, 2008

CERTIFIED MAIL – RETURN RECEIPT REQUESTED

(Offset Parties Address)

Re: *Application for Administrative Approval of Non-Standard Location –
South Laguna Salado Bone Spring
Goodnight 27 Federal #2H
Surface/Penetration Point – 2460 FSL 1330 FWL Ut K
Bottom Hole – 1980 FSL 330 FEL Ut I
Section 27 T23S R29E
Eddy County, New Mexico*

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 under Rule 104 (F) of an unorthodox well location. As an affected party, notice is being provided to you pursuant to Rule 104 (F). The well is located in the NESW/4 of Section 27 T23S R29E, Eddy County, NM. 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 NMOCD (1220 South St. Francis Drive, Santa Fe, NM 87505; Attention: Richard Ezeanyim).

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

Sincerely,

David Stewart
Sr. Regulatory Analyst
OXY USA WTP LP

Attachments



Patrick S. Sparks
Landman Advisor

OXY USA Inc.
Box 4294, Houston, TX 77210-4294

Telephone: (713) 350-4784
FAX: (713) 366-5200

June 4, 2008

CERTIFIED MAIL – RETURN RECEIPT REQUESTED

WORKING INTEREST OWNERS

RE: AFE
Goodnight 27 Federal # 2H
SL 2460' FSL & 1330' FWL
BHL 1980' FSL & 330' FEL
Section 27-23S-29E
Eddy County, New Mexico

Gentlemen:

Enclosed for your review and execution is an AFE covering the above captioned well. Please let us know at your earliest convenience of your election to participate in the drilling of this well.

The Goodnight 27 Federal #2H well is an unorthodox location for the Bone Spring reservoir. Oxy will file an application for administrative NSL (nonstandard location) approval. The owners under the Goodnight 27 Federal lease are the only affected parties entitled to notice. Execution of waivers of protest will facilitate approval of our application. We therefore request that you waive protest to our NSL application below.

Please return one approved copy of the AFE along with this waiver letter to my attention.

Very truly yours,

OXY USA WTP LP

Patrick S. Sparks

I waive protest to Oxy's NSL application for the drilling of the Goodnight 27 Federal #2H well

Approval

Company

Date



Patrick S. Sparks
Landman Advisor

OXY USA Inc.
Box 4294, Houston, TX 77210-4294

Telephone: (713) 350-4784
FAX: (713) 366-5200

June 4, 2008

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Goodnight 27 Federal # 2H
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Section 27-23S-29E
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Very truly yours,

OXY USA WTP LP

Patrick S. Sparks

I waive protest to Oxy's NSL application for the drilling of the Goodnight 27 Federal #2H well.

Approval

Company

Date

6-16-08



Patrick S. Sparks
Landman Advisor

OXY USA Inc.
Box 4294, Houston, TX 77210-4294

Telephone: (713) 350-4784
FAX: (713) 366-5200

June 4, 2008

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RE: AFE
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SL 2460' FSL & 1330' FWL
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Very truly yours,

OXY USA WTP LP

Patrick S. Sparks

I waive protest to Oxy's NSL application for the drilling of the Goodnight 27 Federal #2H well.

Craig Bannell
Approval

Chesapeake
Company

6/26/08
Date



Patrick S. Sparks
Landman Advisor

OXY USA Inc.
Box 4294, Houston, TX 77210-4294

Telephone: (713) 350-4784
FAX: (713) 366-5200

June 4, 2008

CERTIFIED MAIL - RETURN RECEIPT REQUESTED

WORKING INTEREST OWNERS

RE: AFE
Goodnight 27 Federal # 2H
SL 2460' FSL & 1330' FWL
BHL 1980' FSL & 330' FEL
Section 27-23S-29E
Eddy County, New Mexico

JUN 05 2008

N.O.J.V.

Gentlemen:

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Very truly yours,

OXY USA WTP LP

Patrick S. Sparks

I waive protest to Oxy's NSL application for the drilling of the Goodnight 27 Federal #2H well.

Shelly Wollver for J.M. Wollver

Approval

Company

Date

Chevron U.S.A. Inc
J. M. Wollver
NOJV Manager

7/1/08



Patrick S. Sparks
Landman Advisor

OXY USA Inc.
Box 4294, Houston, TX 77210-4294

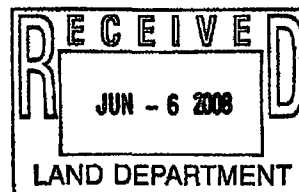
Telephone: (713) 350-4784
FAX: (713) 366-5200

June 4, 2008

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BHL 1980' FSL & 330' FEL
Section 27-23S-29E
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Gentlemen:

Enclosed for your review and execution is an AFE covering the above captioned well. Please let us know at your earliest convenience of your election to participate in the drilling of this well.

The Goodnight 27 Federal #2H well is an unorthodox location for the Bone Spring reservoir. Oxy will file an application for administrative NSL (nonstandard location) approval. The owners under the Goodnight 27 Federal lease are the only affected parties entitled to notice. Execution of waivers of protest will facilitate approval of our application. We therefore request that you waive protest to our NSL application below.

Please return one approved copy of the AFE along with this waiver letter to my attention.

Very truly yours,

OXY USA WTP LP

Patrick S. Sparks

I waive protest to Oxy's NSL application for the drilling of the Goodnight 27 Federal #2H well.

Approval
JCR

Latigo Petroleum, Inc.
Company

6/25/08
Date



Patrick S. Sparks
Landman Advisor

OXY USA Inc.
Box 4294, Houston, TX 77210-4294

Telephone: (713) 350-4784
FAX: (713) 366-5200

June 4, 2008

CERTIFIED MAIL – RETURN RECEIPT REQUESTED

WORKING INTEREST OWNERS

RE: AFE
Goodnight 27 Federal # 2H
SL 2460' FSL & 1330' FWL
BHL 1980' FSL & 330' FEL
Section 27-23S-29E
Eddy County, New Mexico

Gentlemen:

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OXY USA WTP LP

Patrick S. Sparks

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Kc Naggart - VP
Approval

Talus
Company

6/5/08
Date



Patrick S. Sparks
Landman Advisor

OXY USA Inc.
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Approval

Company

Date

SENDER: COMPLETE THIS SECTION

- Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:

United States Dept of Interior
Bureau of Land Management
620 E. Greene Street
Carlsbad, NM 88220-6292

2. Article Number

(Transfer from service label)

7005 0390 0002 9920 7511

PS Form 3811, February 2004

Domestic Return Receipt

102595-02-M-1540

COMPLETE THIS SECTION ON DELIVERY

A. Signature

X

☐ Agent☐ Addressee

B. Received by (Printed Name)

C. Date of Delivery

D. Is delivery address different from item 1? ☐ YesIf YES, enter delivery address below: ☐ No

3. Service Type

☒ Certified Mail ☐ Express Mail☐ Registered ☐ Return Receipt for Merchandise☐ Insured Mail ☐ C.O.D.

4. Restricted Delivery? (Extra Fee)

☐ Yes

SENDER: COMPLETE THIS SECTION

- Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:

New Mexico Oil Conservation Division
1301 W. Grand Ave.
Artesia, NM 88210

2. Article Number

(Transfer from service label)

7005 0390 0002 9920 7528

PS Form 3811, February 2004

Domestic Return Receipt

102595-02-M-1540

COMPLETE THIS SECTION ON DELIVERY

A. Signature

X

☐ Agent☐ Addressee

B. Received by (Printed Name)

C. Date of Delivery

D. Is delivery address different from item 1? ☐ YesIf YES, enter delivery address below: ☐ No

3. Service Type

☒ Certified Mail ☐ Express Mail☐ Registered ☐ Return Receipt for Merchandise☐ Insured Mail ☐ C.O.D.

4. Restricted Delivery? (Extra Fee)

☐ Yes

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- Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:

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

2. Article Number

(Transfer from service label)

7005 0390 0002 9920 7535

PS Form 3811, February 2004

Domestic Return Receipt

102595-02-M-1540

COMPLETE THIS SECTION ON DELIVERY

A. Signature

X

☐ Agent☐ Addressee

B. Received by (Printed Name)

C. Date of Delivery

D. Is delivery address different from item 1? ☐ YesIf YES, enter delivery address below: ☐ No

3. Service Type

☒ Certified Mail ☐ Express Mail☐ Registered ☐ Return Receipt for Merchandise☐ Insured Mail ☐ C.O.D.

4. Restricted Delivery? (Extra Fee)

☐ Yes

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- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:

The Allar Company
P.O. Box 1567
Graham, TX 76450

2. Article Number
(Transfer from service label)

7005 0390 0002 9920 7542

PS Form 3811, February 2004

Domestic Return Receipt

102595-02-M-1540

COMPLETE THIS SECTION ON DELIVERY

A. Signature

X

☐ Agent☐ Addressee

B. Received by (Printed Name)

C. Date of Delivery

D. Is delivery address different from item 1? ☐ Yes
If YES, enter delivery address below: ☐ No

3. Service Type

☒ Certified Mail☐ Express Mail☐ Registered☐ Return Receipt for Merchandise☐ Insured Mail☐ C.O.D.

4. Restricted Delivery? (Extra Fee)

☐ Yes

SENDER: COMPLETE THIS SECTION

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- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:

John L. Thoma
P.O. Box 863418
Plano, TX 75086

2. Article Number
(Transfer from service label)

7005 0390 0002 9920 7559

PS Form 3811, February 2004

Domestic Return Receipt

102595-02-M-1540

COMPLETE THIS SECTION ON DELIVERY

A. Signature

X

☐ Agent☐ Addressee

B. Received by (Printed Name)

C. Date of Delivery

D. Is delivery address different from item 1? ☐ Yes
If YES, enter delivery address below: ☐ No

3. Service Type

☒ Certified Mail☐ Express Mail☐ Registered☐ Return Receipt for Merchandise☐ Insured Mail☐ C.O.D.

4. Restricted Delivery? (Extra Fee)

☐ Yes

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- Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:

Chesapeake Exploration LP.
P.O. Box 118496
Oklahoma City, OK 73154

2. Article Number
(Transfer from service label)

7005 0390 0002 9920 7566

PS Form 3811, February 2004

Domestic Return Receipt

102595-02-M-1540

COMPLETE THIS SECTION ON DELIVERY

A. Signature

X

☐ Agent☐ Addressee

B. Received by (Printed Name)

C. Date of Delivery

D. Is delivery address different from item 1? ☐ Yes
If YES, enter delivery address below: ☐ No

3. Service Type

☒ Certified Mail☐ Express Mail☐ Registered☐ Return Receipt for Merchandise☐ Insured Mail☐ C.O.D.

4. Restricted Delivery? (Extra Fee)

☐ Yes

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1. Article Addressed to:

Chevron USA Inc.
P.O. Box 36366
Houston, TX 77236

2. Article Number
(Transfer from service label)

7005 0390 0002 9920 7573

PS Form 3811, February 2004

COMPLETE THIS SECTION ON DELIVERY

A. Signature

X

☐ Agent☐ Addressee

B. Received by (Printed Name)

C. Date of Delivery

D. Is delivery address different from item 1? ☐ Yes
If YES, enter delivery address below: ☐ No

3. Service Type

☒ Certified Mail☐ Express Mail☐ Registered☐ Return Receipt for Merchandise☐ Insured Mail☐ C.O.D.

4. Restricted Delivery? (Extra Fee)

☐ Yes

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1. Article Addressed to:

Latigo Petroleum Inc.
700 Milam, Ste. 3100
Houston, TX 77002

2. Article Number
(Transfer from service label)

7005 0390 0002 9920 7580

PS Form 3811, February 2004

Domestic Return Receipt

102595-02-M-1540

COMPLETE THIS SECTION ON DELIVERY

A. Signature

X

☐ Agent
☐ Addressee

B. Received by (Printed Name)

C. Date of Delivery

D. Is delivery address different from item 1? ☐ YesIf YES, enter delivery address below: ☐ No

3. Service Type

☒ Certified Mail ☐ Express Mail
☐ Registered ☐ Return Receipt for Merchandise
☐ Insured Mail ☐ C.O.D.

4. Restricted Delivery? (Extra Fee)

☐ Yes

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- Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:

Talus, Inc.
P.O. Box 1210
Graham, TX 76450

2. Article Number
(Transfer from service label)

7005 0390 0002 9920 7597

PS Form 3811, February 2004

Domestic Return Receipt

102595-02-M-1540

COMPLETE THIS SECTION ON DELIVERY

A. Signature

X

☐ Agent
☐ Addressee

B. Received by (Printed Name)

C. Date of Delivery

D. Is delivery address different from item 1? ☐ YesIf YES, enter delivery address below: ☐ No

3. Service Type

☒ Certified Mail ☐ Express Mail
☐ Registered ☐ Return Receipt for Merchandise
☐ Insured Mail ☐ C.O.D.

4. Restricted Delivery? (Extra Fee)

☐ Yes

SENDER: COMPLETE THIS SECTION

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- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:

Twin Montana Inc.
P.O. Box 1210
Graham, TX 76450

2. Article Number
(Transfer from service label)

7005 0390 0002 9920 7603

PS Form 3811, February 2004

Domestic Return Receipt

102595-02-M-1540

COMPLETE THIS SECTION ON DELIVERY

A. Signature

X

☐ Agent
☐ Addressee

B. Received by (Printed Name)

C. Date of Delivery

D. Is delivery address different from item 1? ☐ YesIf YES, enter delivery address below: ☐ No

3. Service Type

☒ Certified Mail ☐ Express Mail
☐ Registered ☐ Return Receipt for Merchandise
☐ Insured Mail ☐ C.O.D.

4. Restricted Delivery? (Extra Fee)

☐ Yes

GOODNIGHT 27 FED # 2H

TVD	N/S	E/W		
1343	0.00	0.00	0	10
2343	0.00	0.00	0	10
3343	0.00	0.00	0	10
4343	0.00	0.00	0	10
5343	0.00	0.00	0	10
6343	0.00	0.00	0	10
7323.00	0.00	0.00	0	0
7372.91	-1.11	2.37	6.841375	2.615602
7422.27	-4.43	9.45	108.8632	10.43375
7470.54	-9.92	21.16	546.1004	23.36879
7517.20	-17.52	37.38	1703.956	41.279
7561.73	-27.15	57.92	4091.925	63.96816
7603.65	-38.70	82.57	8315.191	91.18767
7642.49	-52.05	111.04	15040.4	122.6393
7677.83	-67.05	143.04	24957.21	157.9785
7709.28	-83.54	178.21	38737.34	196.818
7736.50	-101.33	216.16	56993.17	238.7324
7759.19	-120.23	256.48	80237.58	283.2624
7777.10	-140.03	298.73	108847.3	329.9201
7790.03	-160.52	342.44	143030.9	378.1943
7797.85	-181.47	387.13	182804.3	427.5562
7800.46	-202.65	432.32	227972.7	477.4648
7800.46	-236.90	526.14	332944.4	577.0134
7800.46	-254.25	624.49	454633.7	674.2653
7800.46	-258.61	724.37	591584.9	769.1456
7800.46	-258.61	824.37	746458.3	863.9782
7800.46	-258.61	924.37	921331.6	959.8602
7800.46	-258.61	1024.37	1116205	1056.506
7800.46	-258.61	1124.37	1331078	1153.724
7800.46	-258.61	1224.37	1565952	1251.38
7800.46	-258.61	1324.37	1820825	1349.379
7800.46	-258.61	1424.37	2095698	1447.653
7800.46	-258.61	1524.37	2390572	1546.147
7800.46	-258.61	1624.37	2705445	1644.824
7800.46	-258.61	1724.37	3040318	1743.651
7800.46	-258.61	1824.37	3395192	1842.605
7800.46	-258.61	1924.37	3770065	1941.666
7800.46	-258.61	2024.37	4164938	2040.818
7800.46	-258.61	2124.37	4579812	2140.049
7800.46	-258.61	2224.37	5014685	2239.349
7800.46	-258.61	2324.37	5469559	2338.709
7800.46	-258.61	2424.37	5944432	2438.121
7800.46	-258.61	2524.37	6439305	2537.579
7800.46	-258.61	2624.37	6954179	2637.078
7800.46	-258.61	2724.37	7489052	2736.613

7800.46	-258.61	2824.37	8043925	2836.181
7800.46	-258.61	2924.37	8618799	2935.779
7800.46	-258.61	3024.37	9213672	3035.403
7800.46	-258.61	3124.37	9828545	3135.051
7800.46	-258.61	3614.37	13130525	3623.607

