

3/24/09 DATE IN	SUSPENSE	D. Brooks ENGINEER	3/24/09 LOGGED IN	NSL TYPE	PKAA0908350247 APP NO.
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ABOVE THIS LINE FOR DIVISION USE ONLY

RECEIVED

NEW MEXICO OIL CONSERVATION DIVISION

- Engineering Bureau -

2009 MAR 24 AM 11:52 1220 South St. Francis Drive, Santa Fe, NM 87505



30-015-36373
Goodnight Fed. 2H
Oxy USA
Hele Ale

ADMINISTRATIVE APPLICATION CHECKLIST

6026

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. Reg. Analyst
Title

3/18/09
Date

david_stewart@oxy.com
e-mail Address



OXY USA Inc.

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

March 18, 2009

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 –
Cedar Canyon Bone Spring
Goodnight 35 Federal #2H
Surface/Penetration Point – 180 FSL 490 FWL Ut M
Bottom Hole – 330 FNL 660 FWL Ut D
Section 35 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 35 Federal #2H. The #2H well is proposed as a 1st Bone Spring sandstone horizontal target at a TVD of 8000'. 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 south (D) 2-24S-29E 40-acre spacing unit. All of the interest owners have joined in the drilling of the #2H.

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

JUN 04 2008

OCD-ARTESIA UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL OR REENTER

OCD-ARTESIA

R-111-POTASH

S

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

5. Lease Serial No. NM103141 BHL

NM-103604 SHL

6. If Indian, Allottee or Tribe Name

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

8. Lease Name and Well No. 301039
GOODNIGHT "35" FEDERAL #2H

9. API Well No.

30-015-36373

10. Field and Pool, or Exploratory

CEDAR CANYON -BONE SPRING

11. Sec., T. R. M. or Blk. and Survey or Area

SECTION 35 T23S-R29E

12. County or Parish

EDDY CO.

13. State

New Mexico

1a. Type of work: ☒ DRILL

☐ REENTER

HIGH CAVEKARST

1b. Type of Well: ☒ Oil Well ☐ Gas Well ☐ Other

☐ Single Zone ☐ Multiple Zone

2. Name of Operator
LATIGO PETROLEUM, INC. (RICHARD WRIGHT 432-685-8140)

3a. Address P.O. BOX 10340
MIDLAND, TEXAS 79702-7340

3b. Phone No. (include area code)
432-685-8100

4. Location of Well (Report location clearly and in accordance with any State requirements.)

At surface 180' FSL & 490' FWL SECTION 35 T23S-R29E EDDY CO. NM

At proposed prod. zone 330' FNL & 660' FWL SECTION 35 T23S-R29E EDDY CO.

14. Distance in miles and direction from nearest town or post office*

Approximately 10 miles East of Loving New Mexico

15. Distance from proposed location to nearest property or lease line, ft. (Also to nearest drg. unit line, if any)

180'

16. No. of acres in lease

320

17. Spacing Unit dedicated to this well

160

18. Distance from proposed location* to nearest well, drilling, completed, applied for, on this lease, ft.

1900'±

19. Proposed Depth

TVD-7965

MD-12,380

20. BLM/BIA Bond No. on file

NMB-000186

21. Elevations (Show whether DF, KDB, RT, GL, etc.)
3086 GL

22. Approximate date work will start*
WHEN APPROVED

23. Estimated duration
40 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.

2. A Drilling Plan.

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).

4. Bond to cover the operations unless covered by an existing bond on file (see Item 20 above).

5. Operator certification

6. Such other site specific information and/or plans as may be required by the authorized officer

25. Signature

Name (Printed Typed)

Date

Joe T. Janica

07/06/07

Title

Agent

Approved by (Signature)

/s/ Linda S.C. Rundell

Name (Printed Typed)

/s/ Linda S.C. Rundell

Date

JUN 02 2008

Title

STATE DIRECTOR

Office

NM STATE OFFICE

Application approval does not warrant or certify
conduct operations thereon.
Conditions of approval, if any, are attached.

NOTE: New Pit Rule
NMAC 19-15-17

rights in the subject lease which would entitle the applicant to

APPROVAL FOR TWO YEARS

Title 18 U.S.C. Section 1001 and Title 43 U.S.C.
states any false, fictitious or fraudulent statement.

and willfully to make to any department or agency of the United States.

(Instructions on page 3)

CARLSBAD CONTROLLED WATER BASIN

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.

5. Lease Serial No.

NM103604-SL NM103141-BHL

6. If Indian, Allottee or Tribe Name

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

8. Well Name and No.

Goodnight 35 #2H

Federal

9. API Well No.

30-015-36373

10. Field and Pool, or Exploratory Area

Cedar Canyon Bone Spring

11. County or Parish, State

Eddy NM

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 - 180 FSL 490 FWL SWSW(M) Sec 35 T23S R29E

BH- 330 FNL 660 FWL NWNW(D) Sec 35 T23S R29E

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

☐ Deepen

☐ Production (Start/Resume)

☐ Water Shut-Off

☐ Alter Casing

☐ Fracture Treat

☐ Reclamation

☐ Well Integrity

☐ Casing Repair

☐ New Construction

☐ Recomplete

☒ Other Change of

☐ Change Plans

☐ Plug and Abandon

☐ Temporarily Abandon

Operator

☐ Convert to Injection

☐ Plug Back

☐ Water Disposal

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 recompleat 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 recompleat 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 6/3/08. 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.

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

David Stewart

Title

Sr. Regulatory Analyst

Date

11/19/09

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

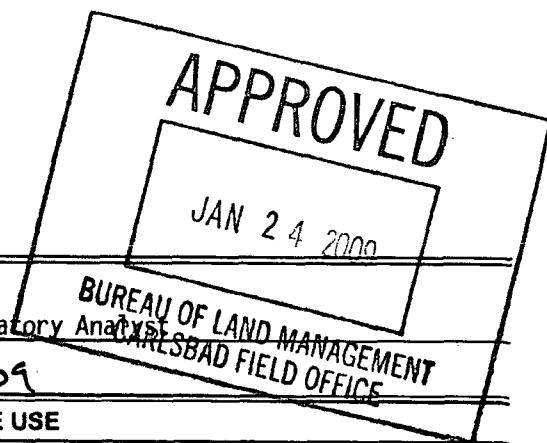
Title

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 DepartmentForm 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 30-015-36373	Pool Code 11520	Pool Name CEDAR CANYON-BONE SPRING
Property Code 36767	Property Name GOODNIGHT "35" FEDERAL	Well Number 2H
OGRID No. 17891-227001	Operator Name LATIGO PETROLEUM INC.	Elevation 3086'

Surface Location

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
M	35	23 S	29 E		180	SOUTH	490	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
D	35	23S	29E		330'	NORTH	660'	WEST	EDDY

Dedicated Acres	Joint or Infill	Consolidation Code	Order No.
160			

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>BOTTOM HOLE LOCATION LAT - N32°16'03.28" LONG - W103°57'41.08" SPC- N.: 461261.682 W.: 614958.496 (NAD-27)</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 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><i>Joe T. Janica</i> Signature Date 07/06/07</p> <p>Joe T. Janica Printed Name Agent</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>MAY 25, 2007 Date Surveyed</p> <p>GARY L JONES Signature & Seal of Professional Surveyor</p> <p>W.O. No. 8125 Certificate No. 7977</p> <p>BASIN SURVEYS</p>
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EXHIBIT "A"

COPYRIGHT 1990 MITCHELL ENGINEERING, PO BOX 1492, GOLDEN, CO, 80402, USA (303) 273 3744

LONG's METHOD OF SURVEY COMPUTATION**OBLIQUE CIRCULAR ARC INTERPOLATION**

0	MD OF INTERPOLATION DEPTH,(feet)
#N/A	TVD COORDINATE OF THE DEPTH (feet)
#N/A	N/S COORDINATE OF DEPTH (feet)
#N/A	E/W COORDINATE OF DEPTH (feet)

3 D DISTANCE BETWEEN STATION A AND STATION B

DISTANCE TABLE

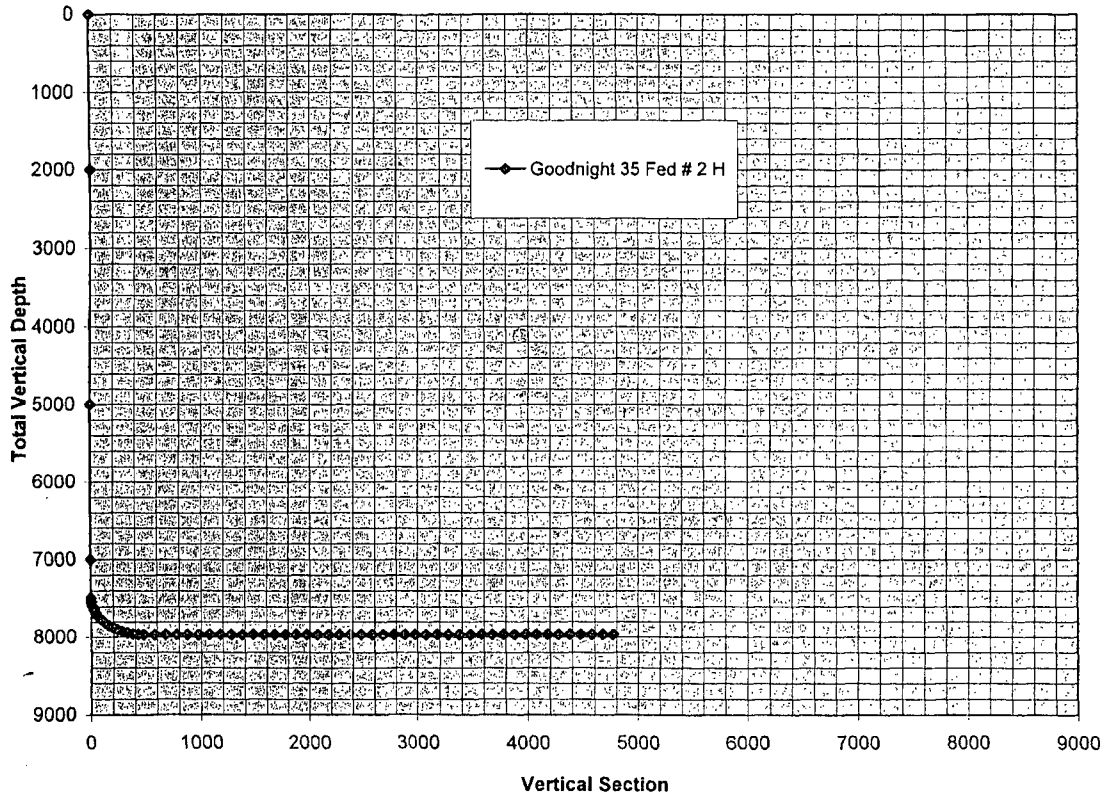
STATION A	STATION B
0.00	ft

TABLE OF SURVEY STATIONS

Calculator =

STA #	ΔMD ft	INCL deg	AZIM deg	MD ft	TVD ft	N+S- ft	E+W- ft	DLS deg/100FT
1	TIE POINT =>	0	6.142718	7488.00	7488.00	0.00	0.00	-
2	100	12	6.142718	7588.00	7587.27	10.37	1.12	12.00
3	100	24	6.142718	7688.00	7682.20	41.04	4.42	12.00
4	100	36	6.142718	7788.00	7768.65	90.66	9.76	12.00
5	100	48	6.142718	7888.00	7842.83	157.07	16.90	12.00
6	100	60	6.142718	7988.00	7901.50	237.36	25.55	12.00
7	100	72	6.142718	8088.00	7942.10	328.03	35.30	12.00
8	100	84	6.142718	8188.00	7962.85	426.10	45.75	12.00
9	50	90	6.142718	8238.00	7965.46	474.72	51.09	12.00
10	100	90	6.142718	8338.00	7965.46	574.15	61.79	0.00
11	100	90	6.142718	8438.00	7965.46	673.58	72.49	0.00
12	100	90	6.142718	8538.00	7965.46	773.00	83.19	0.00
13	100	90	6.142718	8638.00	7965.46	872.43	93.89	0.00
14	100	90	6.142718	8738.00	7965.46	971.85	104.59	0.00
15	100	90	6.142718	8838.00	7965.46	1071.28	115.29	0.00
16	100	90	6.142718	8938.00	7965.46	1170.70	126.00	0.00
17	100	90	6.142718	9038.00	7965.46	1270.13	136.70	0.00
18	100	90	6.142718	9138.00	7965.46	1369.56	147.40	0.00
19	100	90	6.142718	9238.00	7965.46	1468.98	158.10	0.00
20	100	90	6.142718	9338.00	7965.46	1568.41	168.80	0.00
21	100	90	6.142718	9438.00	7965.46	1667.83	179.50	0.00
22	100	90	6.142718	9538.00	7965.46	1767.26	190.20	0.00
23	100	90	6.142718	9638.00	7965.46	1866.69	200.90	0.00
24	100	90	6.142718	9738.00	7965.46	1966.11	211.60	0.00
25	100	90	6.142718	9838.00	7965.46	2065.54	222.30	0.00
26	100	90	6.142718	9938.00	7965.46	2164.96	233.00	0.00
27	100	90	6.142718	10038.00	7965.46	2264.39	243.70	0.00
28	100	90	6.142718	10138.00	7965.46	2363.81	254.40	0.00
29	100	90	6.142718	10238.00	7965.46	2463.24	265.10	0.00
30	100	90	6.142718	10338.00	7965.46	2562.67	275.80	0.00
31	100	90	6.142718	10438.00	7965.46	2662.09	286.50	0.00
32	100	90	6.142718	10538.00	7965.46	2761.52	297.20	0.00
33	100	90	6.142718	10638.00	7965.46	2860.94	307.90	0.00
34	100	90	6.142718	10738.00	7965.46	2960.37	318.60	0.00
35	100	90	6.142718	10838.00	7965.46	3059.80	329.31	0.00
36	100	90	6.142718	10938.00	7965.46	3159.22	340.01	0.00
37	100	90	6.142718	11038.00	7965.46	3258.65	350.71	0.00
38	100	90	6.142718	11138.00	7965.46	3358.07	361.41	0.00
39	100	90	6.142718	11238.00	7965.46	3457.50	372.11	0.00
40	100	90	6.142718	11338.00	7965.46	3556.92	382.81	0.00
41	100	90	6.142718	11438.00	7965.46	3656.35	393.51	0.00
42	100	90	6.142718	11538.00	7965.46	3755.78	404.21	0.00
43	100	90	6.142718	11638.00	7965.46	3855.20	414.91	0.00
44	100	90	6.142718	11738.00	7965.46	3954.63	425.61	0.00
45	100	90	6.142718	11838.00	7965.46	4054.05	436.31	0.00
46	408	90	6.142718	12246.00	7965.46	4459.71	479.97	0.00
47								
48								

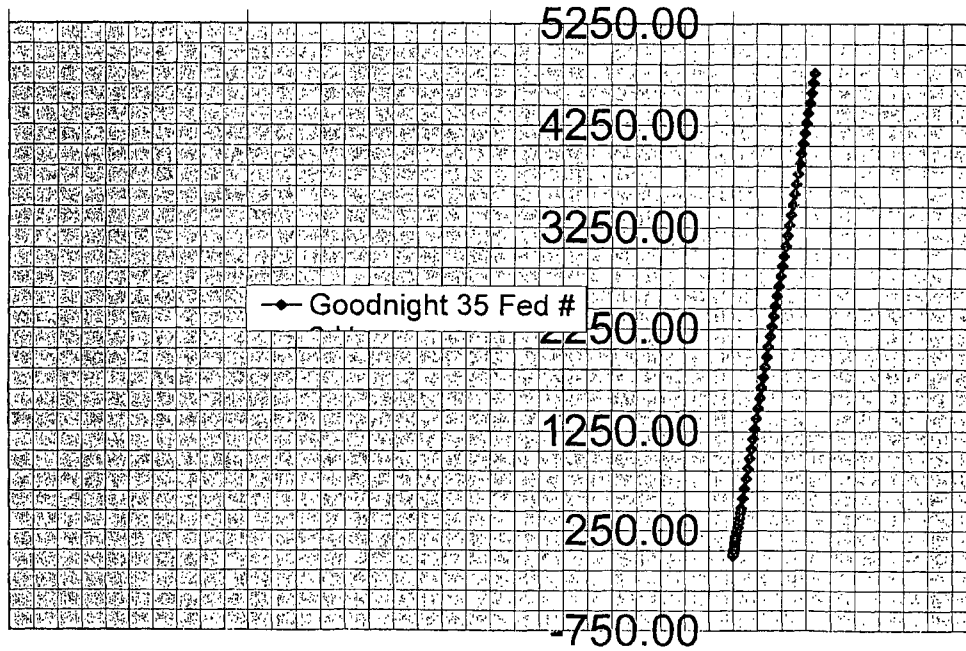
Goodnight 35 Fed # 2 H

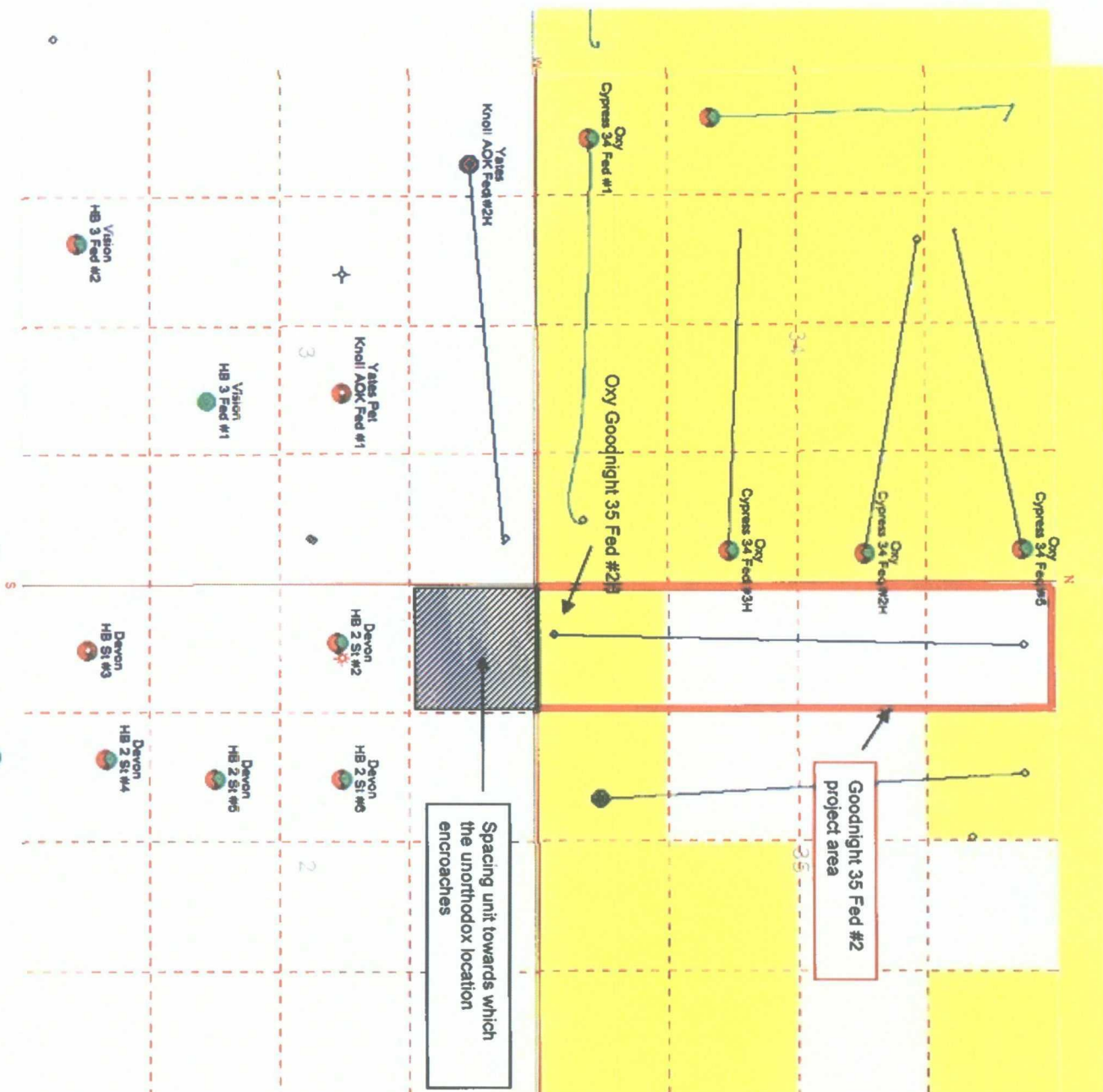


Horizontal Plane
Footage West

-1500.00 -1000.00 -500.00 0.00 500.00

Footage North





Oxy Goodnight 35 Fed #2 NSL

Surface location is 180 FSL & 490 FWL, sec 35, 23S 29E. The objective reservoir is the 1st Bone Spring sand at about 8000 ft TVD. The well bore will penetrate the 1st Bone Spring sand at a standard location, approximately 605 FSL & 541 FWL, however, the kick off point is below the top of the Bone Spring Formation (6900 ft). As such, the location is technically an NSL.

The well therefore encroaches on location D, section 2, 24S 29E. Affected parties are working interest owners in location D.

**Service List – NSL
OXY USA Inc.
Goodnight 35 Federal #2H
Sec 35 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:

Devon Energy Production Co., LP
Attn: Mr. Ken Gray
20 N. Broadway
Oklahoma City, OK 73102

Kaiser Francis Oil Co.
Attn: Mr. Jim Wakefield
P.O. Box 21468
Tulsa, OK 74121

Unit Petroleum Co.
Attn: Mr. David Lawrence
P.O. Box 702500
Tulsa, OK 74170

Vision Energy Inc.
Attn: Ms. Laverne Maley
P.O. Box 2459
Carlsbad, New Mexico 88220



OXY USA Inc.

PO Box 50250
Midland, TX 79710-0250

March 18, 2009

CERTIFIED MAIL – RETURN RECEIPT REQUESTED

Devon Energy Production Co., LP
Attn: Mr. Ken Gray
20 N. Broadway
Oklahoma City, OK 73102

Re: *Application for Administrative Approval of Non-Standard Location –
Cedar Canyon Bone Spring
Goodnight 35 Federal #2H
Surface/Penetration Point – 180 FSL 490 FWL Ut M
Bottom Hole – 330 FNL 660 FWL Ut D
Section 35 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 SWSW/4 of Section 35 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,

A handwritten signature in black ink, appearing to read "David Stewart".

David Stewart
Sr. Regulatory Analyst
OXY USA WTP LP

Attachments



OXY USA Inc.

PO Box 50250
Midland, TX 79710-0250

March 18, 2009

CERTIFIED MAIL – RETURN RECEIPT REQUESTED

Kaiser Francis Oil Co.
Attn: Mr. Jim Wakefield
P.O. Box 21468
Tulsa, OK 74121

Re: *Application for Administrative Approval of Non-Standard Location –
Cedar Canyon Bone Spring
Goodnight 35 Federal #2H
Surface/Penetration Point – 180 FSL 490 FWL Ut M
Bottom Hole – 330 FNL 660 FWL Ut D
Section 35 T23S R29E
Eddy County, New Mexico*

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

Sincerely,

A handwritten signature in black ink, appearing to read "David Stewart", is written over a horizontal line.

David Stewart
Sr. Regulatory Analyst
OXY USA WTP LP

Attachments



OXY USA Inc.

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

March 18, 2009

CERTIFIED MAIL – RETURN RECEIPT REQUESTED

Unit Petroleum Co.
Attn: Mr. David Lawrence
P.O. Box 702500
Tulsa. OK 74170

Re: *Application for Administrative Approval of Non-Standard Location –
Cedar Canyon Bone Spring
Goodnight 35 Federal #2H
Surface/Penetration Point – 180 FSL 490 FWL Ut M
Bottom Hole – 330 FNL 660 FWL Ut D
Section 35 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 SWSW/4 of Section 35 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,

A handwritten signature in black ink, appearing to read "David Stewart", is written over a horizontal line.

David Stewart
Sr. Regulatory Analyst
OXY USA WTP LP

Attachments



OXY USA Inc.

PO Box 50250
Midland, TX 79710-0250

March 18, 2009

CERTIFIED MAIL – RETURN RECEIPT REQUESTED

Vision Energy Inc
Attn: Ms. Laverne Maley
P.O. Box 2459
Carlsbad, New Mexico 88220

Re: *Application for Administrative Approval of Non-Standard Location –
Cedar Canyon Bone Spring
Goodnight 35 Federal #2H
Surface/Penetration Point – 180 FSL 490 FWL Ut M
Bottom Hole – 330 FNL 660 FWL Ut D
Section 35 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 SWSW/4 of Section 35 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,

A handwritten signature in black ink, appearing to read "David Stewart", is written over a horizontal line.

David Stewart
Sr. Regulatory Analyst
OXY USA WTP LP

Attachments



Patrick S. Sparks
Landman Advisor

OXY USA Inc.
Box 4284, Houston, TX 77210-4284

Phone (713) 350-4784
Fax (713) 366-5200

March 6, 2009

SEE ATTACHED LIST

RE: Goodnight 35 Federal #2H
Surface/Penetration Point - 180 FSL 490 FWL Ut M
Bottom Hole - 330 FNL 660 FWL Ut D
Section 35 T23S R29E
Eddy County, New Mexico

Gentlemen:

OXY USA Inc. respectfully requests administrative approval under Rule 104 (F) of this application for the subject non-standard well location on the Goodnight 35 Federal #2H. The #2H well is proposed as a 1st Bone Spring sandstone horizontal target at a TVD of 8000'. 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 following information is attached for your information:

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 unit.

If you need any additional information, please call me at 713-350-4784.

Your favorable consideration and early reply will be appreciated.

If you have any questions, please give me a call.

Thanks,

OXY USA Inc.

Patrick S. Sparks
Landman Advisor

Agree to Waive the Non Standard Location to the OXY USA Inc. Goodnight 35 Federal #2H well.

BY: _____

DATE: 3/4/09
DEVON ENERGY PRODUCTION COMPANY, L.P.



Patrick S. Sparks
Landman Advisor

OXY USA Inc.
Box 4284, Houston, TX 77210-4284

Phone (713) 360-4784
Fax (713) 366-5200

March 6, 2009

SEE ATTACHED LIST

RE: Goodnight 35 Federal #2H
Surface/Penetration Point - 180 FSL 490 FWL Ut M
Bottom Hole - 330 FNL 660 FWL Ut D
Section 35 T23S R29E
Eddy County, New Mexico

Gentlemen:

OXY USA Inc. respectfully requests administrative approval under Rule 104 (F) of this application for the subject non-standard well location on the Goodnight 35 Federal #2H. The #2H well is proposed as a 1st Bone Spring sandstone horizontal target at a TVD of 8000'. 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.

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Your favorable consideration and early reply will be appreciated.

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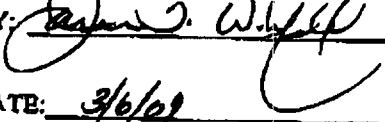
- Oxy to furnish Kardon-Gramm Oil Company
with well logs and clarity reports of
drilling and completion.

Thanks,

OXY USA Inc.


Patrick S. Sparks
Landman Advisor

JSW 3/6/09
Agree to Waive the Non Standard Location to the OXY USA Inc. Goodnight 35 Federal #2H well.

BY: 
DATE: 3/6/09



Patrick S. Sparks
Landman Advisor

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

Phone (713) 350-4784
Fax (713) 366-5200

March 6, 2009

SEE ATTACHED LIST

RE: Goodnight 35 Federal #2H
Surface/Penetration Point - 180 FSL 490 FWL Ut M
Bottom Hole - 330 FNL 660 FWL Ut D
Section 35 T23S R29E
Eddy County, New Mexico

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2. NMOCD C-102 Plat for the proposed well with offsetting well and affected spacing unit.

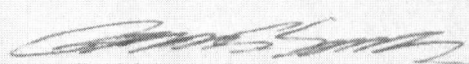
If you need any additional information, please call me at 713-350-4784.

Your favorable consideration and early reply will be appreciated.

If you have any questions, please give me a call.

Thanks,

OXY USA Inc.


Patrick S. Sparks
Landman Advisor

Agree to Waive the Non Standard Location to the OXY USA Inc. Goodnight 35 Federal #2H well.

BY: 

DATE: 3-10-09



Patrick S. Sparks
Landman Advisor

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

Phone (713) 350-4784
Fax (713) 366-5200

March 6, 2009

SEE ATTACHED LIST

RE: Goodnight 35 Federal #2H
Surface/Penetration Point - 180 FSL 490 FWL Ut M
Bottom Hole - 330 FNL 660 FWL Ut D
Section 35 T23S R29E
Eddy County, New Mexico

Gentlemen:

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2. NMOCD C-102 Plat for the proposed well with offsetting well and affected spacing unit.

If you need any additional information, please call me at 713-350-4784.

Your favorable consideration and early reply will be appreciated.

If you have any questions, please give me a call.

Thanks,

OXY USA Inc.

Patrick S. Sparks
Landman Advisor

Agree to Waive the Non Standard Location to the OXY USA Inc. Goodnight 35 Federal #2H well.

BY: David M. Vison Energy, Inc.

DATE: 3-11-09

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 9910 6487

PS Form 3811, February 2004

Domestic Return Receipt

102595-02-M-1540

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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

- 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 9910 6494

PS Form 3811, February 2004

Domestic Return Receipt

102595-02-M-1540

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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:

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

2. Article Number

(Transfer from service label)

7005 0390 0002 9910 6418

PS Form 3811, February 2004

Domestic Return Receipt

102595-02-M-1540

COMPLETE THIS SECTION ON DELIVERY

A. Signature

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☐ 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:

Devon Energy Production Co., LP
Attn: Mr. Ken Gray
20 N. Broadway
Oklahoma City, OK 73102

2. Article Number

(Transfer from service label)

7005 0390 0002 9910 6425

PS Form 3811, February 2004

Domestic Return Receipt

102595-02-M-1540

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A. Signature

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☐ 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.

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☐ 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:

Kaiser Francis Oil Co.
Attn: Mr. Jim Wakefield
P.O. Box 21468
Tulsa, OK 74121

2. Article Number

(Transfer from service label)

7005 0390 0002 9910 6432

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.

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

1. Article Addressed to:

Unit Petroleum Co.
Attn: Mr. David Lawrence
P.O. Box 702500
Tulsa, OK 74170

2. Article Number

(Transfer from service label)

7005 0390 0002 9910 6449

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

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1. Article Addressed to:

Vision Energy Inc.
Attn: Ms. Laverne Maley
P.O. Box 2459
Carlsbad, New Mexico 88220

2. Article Number

(Transfer from service label)

7005 0390 0002 9910 6456

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

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