

**BEFORE THE OIL CONSERVATION DIVISION
EXAMINER HEARING SEPTEMBER 05, 2019**

CASE NOS. 20763 & 20764

*OXBOW CC 17-8 FED COM #35H WELL
OXBOW CC 17-8 FED COM #34H WELL
OXBOW CC 17-8 FED COM #36H WELL
OXBOW CC 17-8 FED COM #38H WELL*

EDDY COUNTY, NEW MEXICO



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

**APPLICATION OF OXY USA INC.
FOR COMPULSORY POOLING,
EDDY COUNTY, NEW MEXICO.**

CASE NOS. 20763 & 20764

**AFFIDAVIT OF JEREMY D. MURPHREY
IN SUPPORT OF CASE NOS. 20763 & 20764**

Jeremy D. Murphrey, of lawful age and being first duly sworn, declares as follows:

1. My name is Jeremy D. Murphrey. I work for Oxy USA Inc. as a Land Negotiator Advisor.
2. I have previously testified before the New Mexico Oil Conservation Division as an expert witness in petroleum land matters. My credentials as a petroleum land negotiator have been accepted by the Division and made a matter of record.
3. I am familiar with the applications filed by Oxy in these consolidated cases, and I am familiar with the status of the lands in the subject areas.
4. None of the uncommitted parties in these consolidated cases has indicated opposition to these pooling applications, and therefore I do not expect any opposition at the hearing.
5. In Case No. 20763, Oxy is seeking an order pooling all uncommitted interests in the Bone Spring formation underlying a standard 640-acre, more or less, horizontal spacing unit comprised of the E/2 of Sections 8 and 17, Township 24 South, Range 29 East, NMPM, Eddy County, New Mexico.

6. Oxy seeks to dedicate this standard spacing unit to the proposed **Oxbow CC 17-8 Fed Com No. 35H** (API No. 30-015-45087), which will be horizontally drilled from a surface location in the SE/4 SE/4 (Unit P) of Section 17 to a bottom-hole location in the NE/4 NE/4 (Unit A) of Section 8.

7. Oxy has prepared a draft Form C-102 for the proposed Oxbow CC 17-8 Fed Com No. 35H well, a copy of which is attached hereto as **Oxy Exhibit A-1**.

8. Incorporating the proximity tracts, the completed interval for the proposed well will comply with the Division's setback requirements.

9. The Pool Code for the above proposed well is 50371.

10. There are no depth severances in the Bone Spring formation.

11. **In Case No. 20764**, Oxy is seeking an order pooling all uncommitted interests in the Wolfcamp (Purple Sage) formation underlying a standard 640-acre, more or less, horizontal spacing unit comprised of the E/2 of Sections 8 and 17, Township 24 South, Range 29 East, NMPM, Eddy County, New Mexico.

12. Oxy seeks to dedicate this spacing unit to the following proposed wells:

- The **Oxbow CC 17-8 Fed Com #34H Well** (API No. 30-015-45086), which will be horizontally drilled from a surface location in the SE/4 SE/4 (Unit P) of Section 17 to a bottom-hole location in the NW/4 NE/4 (Unit B) of Section 8;
- The **Oxbow CC 17-8 Fed Com #36H Well** (API No. 30-15-45088), which will be horizontally drilled from a surface location in the SE/4 SE/4 (Unit P) of Section 17 to a bottom-hole location in the NE/4 NE/4 (Unit A) of Section 8; and

- The **Oxbow CC 17-8 Fed Com #38H Well** (API No. pending), which will be horizontally drilled from a surface location in the SE/4 SW/4 (Unit N) of Section 17 to a bottom-hole location in the NW/4 NE/4 (Unit B) of Section 8.

13. Oxy has prepared draft Form C-102s for these proposed wells, copies of which are attached hereto as **Oxy Exhibit A-2, Oxy Exhibit A-3, and Oxy Exhibit A-4.**

14. Incorporating the proximity tracts, the completed intervals for the proposed Oxbow CC 17-8 Fed Com No. 34H Well and the Oxbow CC 17-8 Fed Com No. 36H Well will comply with the Division's setback requirements for the Wolfcamp Purple Sage formation. For the proposed Oxbow CC 17-8 Fed Com No. 38H Well, Oxy is separately seeking administrative approval for a non-standard well location.

15. The Pool Code for the above proposed wells is 98220.

16. There are no depth severances in the Wolfcamp formation.

17. **Oxy Exhibit A-5** is an exhibit prepared by me that identifies the tracts of land comprising the proposed horizontal spacing unit. This proposed spacing unit includes federal and private land. This exhibit also shows the interest owners and their percentage of ownership interests by tract for the proposed Oxbow CC 17-8 Fed Com No. 35H well and the proposed Oxbow CC 17-8 Fed Com 34H, 36H, and 38H wells. Unit recapitulations, showing the percentage of ownership interests in the horizontal spacing unit, are also included in this exhibit.

18. Oxy is seeking to pool the working interest owners and unleased mineral interest owners highlighted in yellow on Oxy Exhibit A-5.

19. There are overriding royalty interest owners, but Oxy has the contractual authority to pool them.

20. Oxy sent a well proposal letter to the uncommitted interest owners in Case No. 20763, with an offer to lease to the unleased mineral interest owners. An AFE was included with the well proposal letter. The costs reflected in the AFE are consistent with what other operators have incurred for drilling similar horizontal wells in the area. A copy of the well proposal letter, along with the AFE, is attached hereto as **Oxy Exhibit A-6**.

21. Oxy sent well proposal letters to the uncommitted interest owners in Case No. 20764, with an offer to lease to the unleased mineral interest owners. An AFE was included with the well proposal letters. The costs reflected in the AFEs are consistent with what other operators have incurred for drilling similar horizontal wells in the area. Copies of the well proposal letters, along with the corresponding AFEs, are attached hereto as **Oxy Exhibit A-7, A-8, and A-9**.

22. Oxy seeks approval of overhead and administrative costs at \$7,500/month while drilling and \$750/month while producing. These costs are consistent with what Oxy and other operators are charging in this area for these types of wells. Oxy respectfully requests that these administrative and overhead costs be incorporated into any order entered by the Division in these cases.

23. Oxy has been able to locate contact information for all but one (Denise Louise McCoy) of the parties that it seeks to pool, and has undertaken good faith efforts to reach an agreement with the uncommitted interest owners.

24. If Oxy reaches an agreement with any of the proposed pool parties before the Division enters any order, I will let the Division know that Oxy is no longer seeking to pool that party.

25. I provided the law firm of Holland & Hart LLP a list of names and addresses for the uncommitted interest owners shown on Exhibit A-5. In compiling these addresses, Oxy

conducted a diligent search of all public records in the county where the proposed wells are located and of phone directories, including computer searches.

26. Because Oxy was unable to find Denise Louise McCoy, despite several efforts to locate her, not all parties in this matter were locatable. Notice of this hearing was provided by publication in the Carlsbad Current-Argus

27. **Oxy Exhibits A-1 through A-9** were either prepared by me or compiled under my direction and supervision.



JEREMY D. MURPHREY

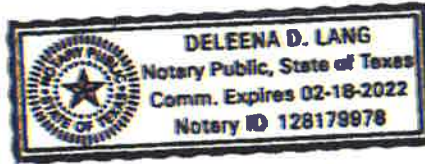
STATE OF TEXAS)
)
COUNTY OF HARRIS)

SUBSCRIBED and SWORN to before me this 3rd day of September 2019 by
Jeremy D. Murphrey.



NOTARY PUBLIC

My Commission Expires:
02/18/2022



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

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number	Pool Code	Pool Name
Property Code	Property Name OXBOW CC "17-8" FEDERAL COM	Well Number 35H
OGRID No.	Operator Name OXY USA INC.	Elevation 2926.5'

Surface Location

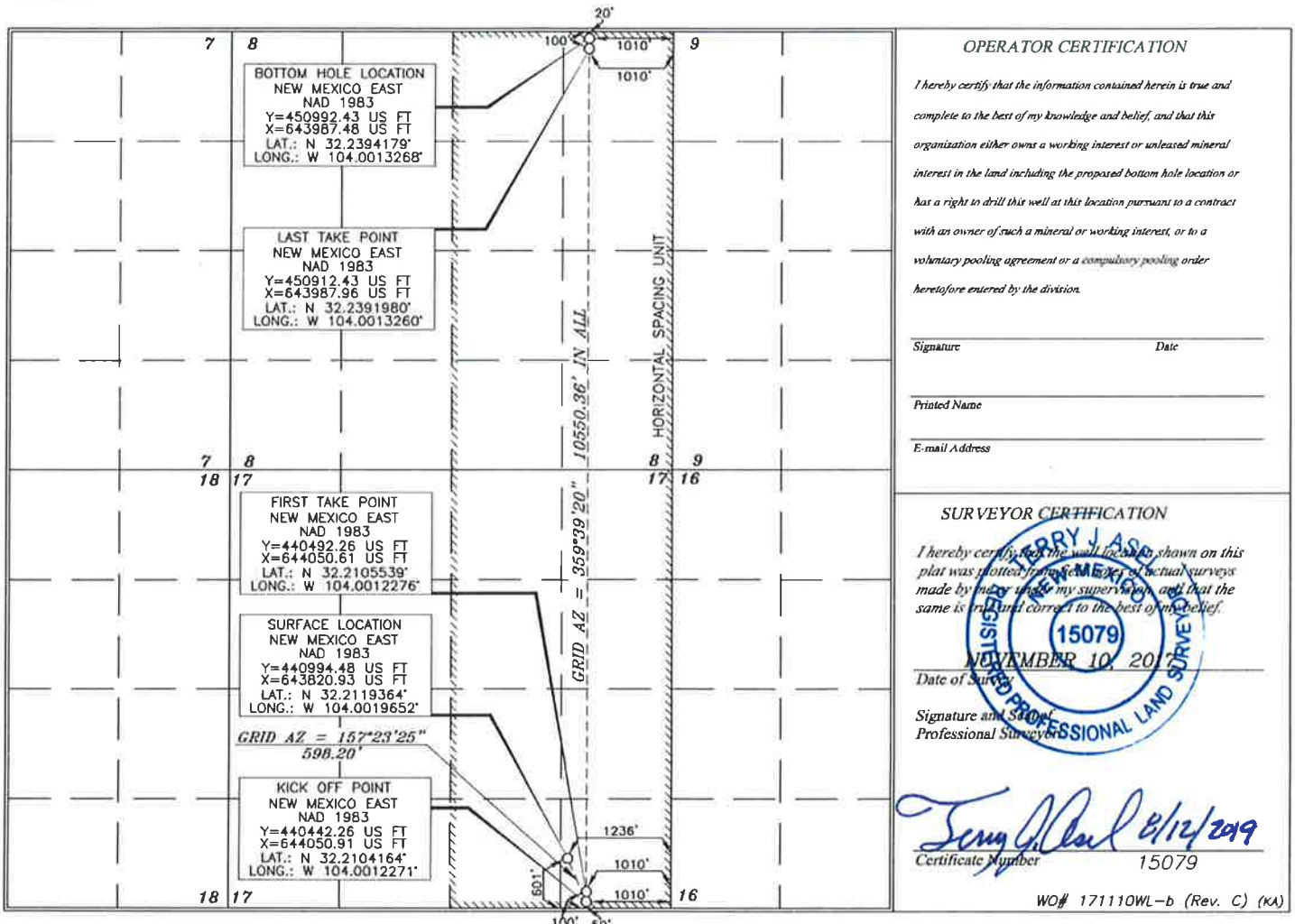
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
P	17	24 SOUTH	29 EAST, N.M.P.M.		601'	SOUTH	1236'	EAST	EDDY

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
A	8	24 SOUTH	29 EAST, N.M.P.M.		20'	NORTH	1010'	EAST	EDDY

Dedicated Acres	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.



BEFORE THE OIL CONSERVATION DIVISION
 Santa Fe, New Mexico
 Exhibit No. A2
 Submitted by: OXY USA INC
 Hearing Date: September 5, 2019
 Case Nos 20763 & 20764

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 30-05-	Pool Code 98220	Pool Name Purple Sage Wolfcreek
Property Code	Property Name OXBOW CC "17-8" FEDERAL COM	Well Number 34H
OGRID No. 16696	Operator Name OXY USA INC.	Elevation 2925.6'

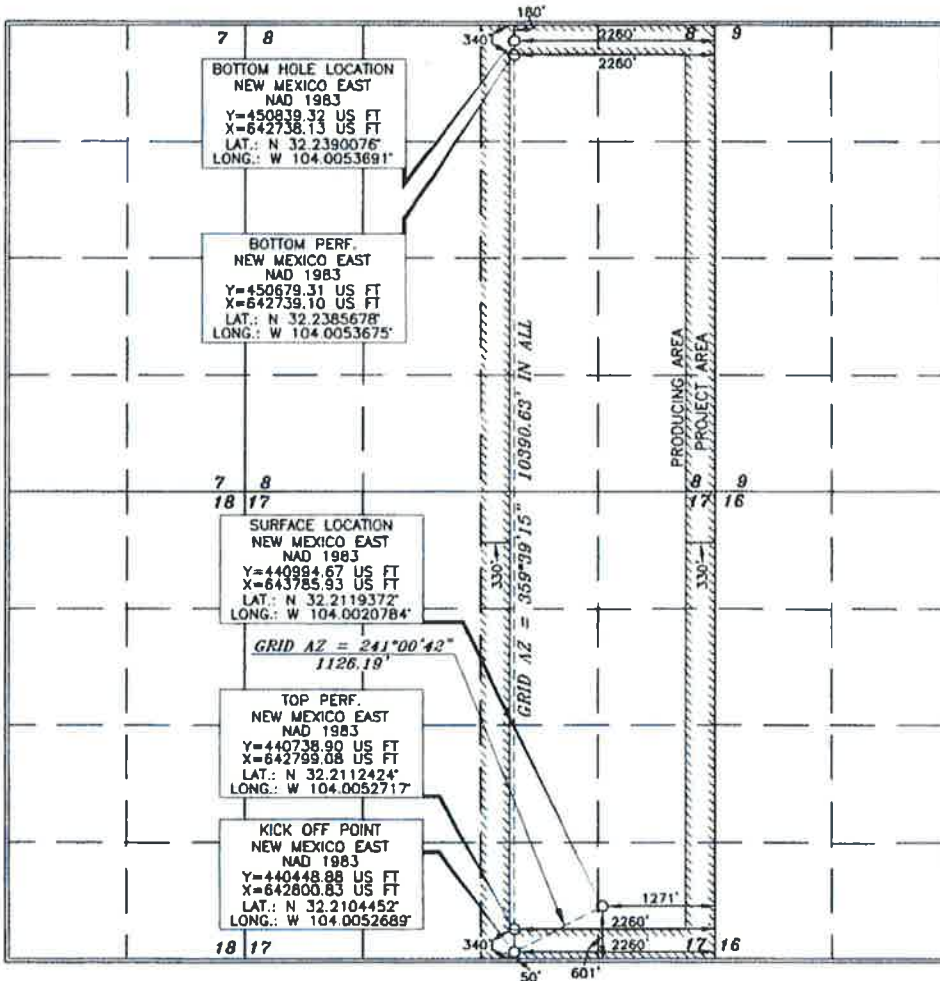
Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
P	17	24 SOUTH	29 EAST, N.M.P.M.		601'	SOUTH	1271'	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
B	8	24 SOUTH	29 EAST, N.M.P.M.		180'	NORTH	2260'	EAST	EDDY
Dedicated Acres 6.10	Joint or Infill Yes	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.



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.

Signature: *David Stewart* Date: 2/5/18
 Printed Name: David Stewart
 E-mail Address: david.stewart@oxy.com

SURVEYOR CERTIFICATION

I hereby certify that the well location shown on this plat was plotted from the actual surveys made by me or under my supervision, and that the same are true and correct to the best of my belief.

Signature and Seal: *Terry J. Asch*
 Date of Survey: NOVEMBER 16, 2012
 Professional Surveyor

Signature: *Terry J. Asch* Date: 1/17/2018
 Certificate Number: 15079

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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-	Pool Code 98220	Pool Name Purple Sage Wolfcamp
Property Code	Property Name OXBOW CC "17_8" FEDERAL COM	Well Number 38H
OGRID No. 16696	Operator Name OXY USA INC.	Elevation 2936.3'

Surface Location

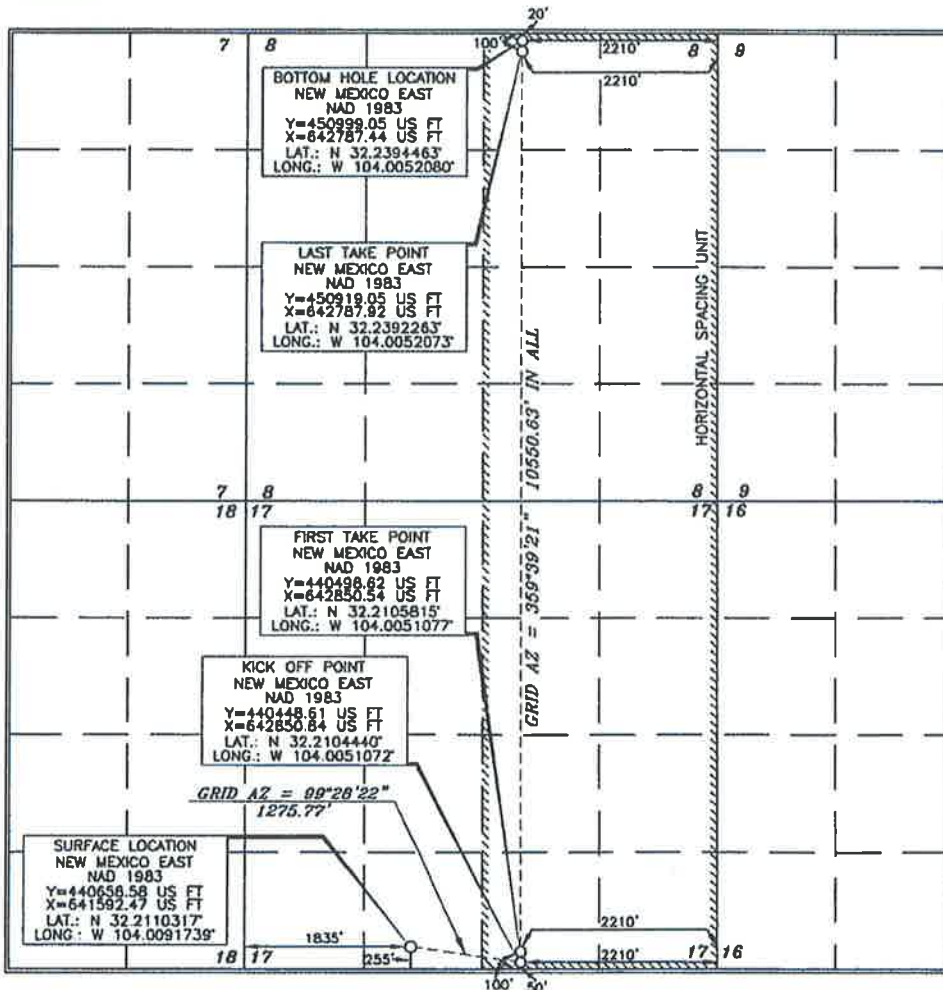
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
N	17	24 SOUTH	29 EAST, N.M.P.M.		255'	SOUTH	1835'	WEST	EDDY

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
B	8	24 SOUTH	29 EAST, N.M.P.M.		20'	NORTH	2210'	EAST	EDDY

Dedicated Acres 640	Joint or Infill Y	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.



OPERATOR CERTIFICATION

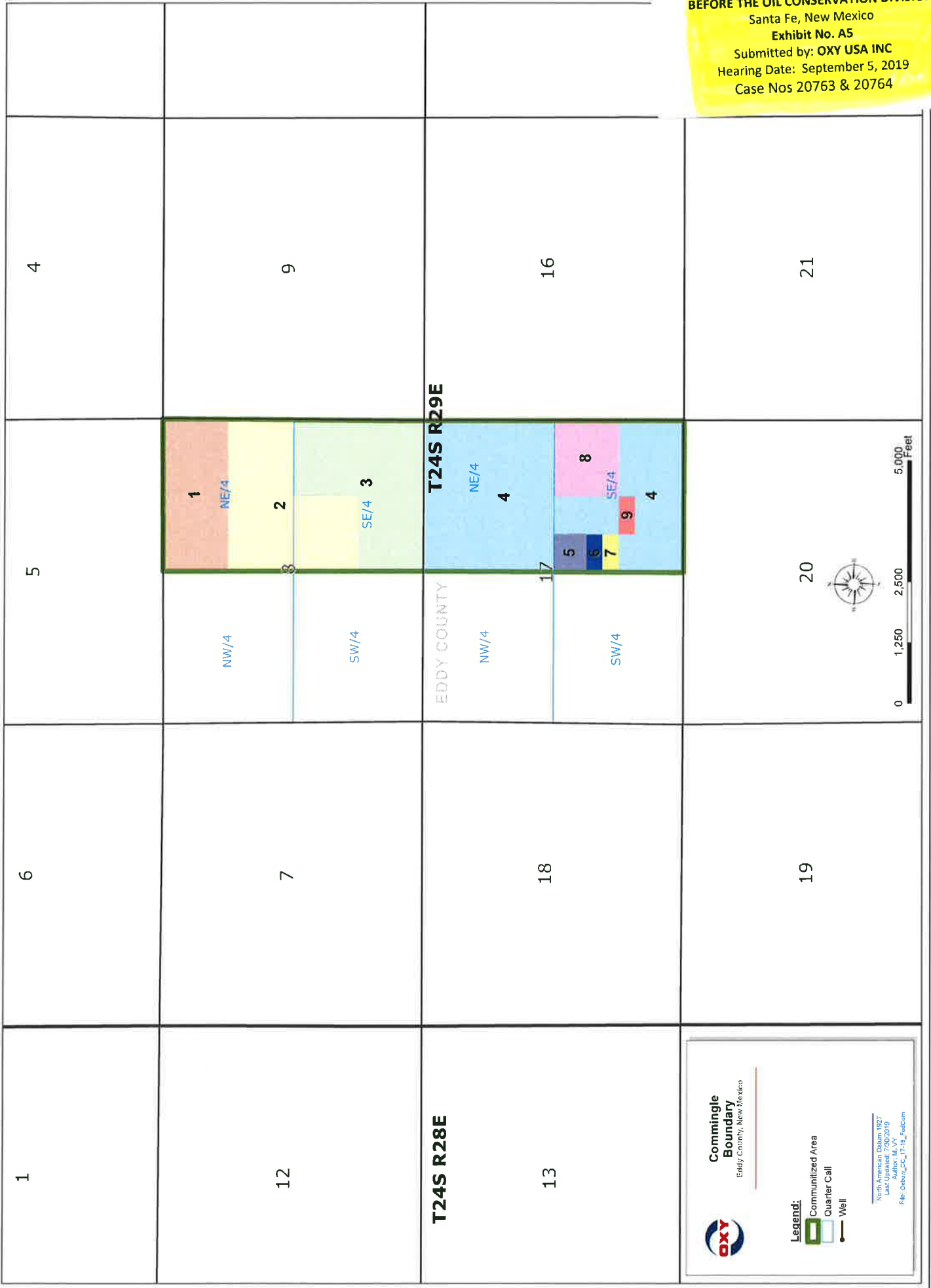
I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or undivided mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this 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.

Signature: *David Stewart* Date: **5/16/19**
 Printed Name: **David Stewart**
 E-mail Address: **daid_stewart@oxy.com**

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.

Date of Survey: **NOVEMBER 26, 2018**
 Signature and Seal of Professional Land Surveyor: *Terry J. Asberry*
 Certificate Number: **15079**



OXY

Commingle Boundary
 Eddy County, New Mexico

Legend:
 Communitized Area
 Quarter Call
 Well

North American Datum 1927
 Last Updated: 7/20/19
 File: Oxy_USA_17-18_FedCum

T24S R29E

EDDY COUNTY

T24S R28E

Oxbox CC 17-8 Fed Com No. 35H Well

E/2 of Sections 17 and 8, Township 24 South, Range 29 East, Eddy County, NM

		Total Acres in proposed spacing unit:	640
Tract 1	N/2 NE/4 of Section 8	Acres contributed to proposed spacing unit:	80
	20.000000% EOG Y Resources Inc.		
	10.000000% EOG A Resources Inc.		
	10.000000% EOG M Resources Inc.		
	45.000000% Occidental Permian Limited Partnership		
	10.000000% OXY Y-1 Company		
	5.000000% OXY USA Inc.		
	100.000000%		
	Total Committed Interest		60.00%
	Total Uncommitted Interest		40.00%
Tract 2	S/2 NE/4 & NW/4 SE/4 of Section 8	Acres contributed to proposed spacing unit:	120
	90.000000% Occidental Permian Limited Partnership		
	10.000000% OXY USA Inc.		
	100.000000%		
	Total Committed Interest		100.00%
	Total Uncommitted Interest		0.00%
Tract 3	S/2 SE/4 & NE/4 SE/4 of Section 8	Acres contributed to proposed spacing unit:	120
	85.465100% OXY USA Inc.		
	4.723800% OXY USA WTP Limited Partnership		
	4.811100% GD Mckinney Investment Limited Partnership		
	1.000000% B. Jack Reed		
	1.000000% Leopard Petroleum Limited Partnership		
	1.000000% DRW Energy, LLC		
	1.000000% Beryl Oil and Gas Limited Partnership		
	1.000000% M'Issa L. Mckinney Shoening		
	100.000000%		
	Total Committed Interest		100.00%
	Total Uncommitted Interest		0.00%
Tract 4	NE/4, E/2 NW/4 SE/4 & S/2 SE/4 1/e 5 ac of Section 17	Acres contributed to proposed spacing unit:	255
	85.465100% OXY USA Inc.		
	4.723800% OXY USA WTP Limited Partnership		
	4.811100% GD Mckinney Investment Limited Partnership		
	1.000000% B. Jack Reed		
	1.000000% Leopard Petroleum Limited Partnership		
	1.000000% DRW Energy, LLC		
	1.000000% Beryl Oil and Gas Limited Partnership		
	1.000000% M'Issa L. Mckinney Shoening		
	100.000000%		
	Total Committed Interest		100.00%
	Total Uncommitted Interest		0.00%
Tract 5	NW/4 NW/4 SE/4 of Section 17	Acres contributed to proposed spacing unit:	10
	100.000000% OXY USA Inc.		
	100.000000%		
	Total Committed Interest		100.00%
	Total Uncommitted Interest		0.00%
Tract 6	N/2 SW/4 NW/4 SE/4 of Section 17	Acres contributed to proposed spacing unit:	5
	95.833300% OXY USA Inc.		
	4.166700% Denise Louise McCoy		
	Total Committed Interest		95.83%
	Total Uncommitted Interest		4.17%
Tract 7	N/2 SW/4 NW/4 SE/4 of Section 17	Acres contributed to proposed spacing unit:	5
	100.000000% OXY USA Inc.		
	100.000000%		

	Total Committed Interest	100.00%
	Total Uncommitted Interest	0.00%
Tract 8	NE/4 SE/4 of Section 17	
	Acres contributed to proposed spacing unit:	40
	100.000000% OXY USA Inc.	
	100.000000%	
	Total Committed Interest	100.00%
	Total Uncommitted Interest	0.00%
Tract 9	N/2 NE/4 SW/4 SE/4 of Section 17	
	Acres contributed to proposed spacing unit:	5
	50.000000% OXY USA Inc.	
	16.667000% Roy A. Barton, III	
	16.667000% Brett Barton	
	16.666000% Heidi Barton	
	100.000000%	
	Total Committed Interest	50.00%
	Total Uncommitted Interest	33.33%

Working Interest for each party in 640 acre proposed spacing unit:

OXY USA Inc.	62.31029550%
OXY OXY USA WTP Limited Partnership	2.76787480%
Occidental Permian Limited Partnership	22.50000350%
OXY Y-1 Company	1.25000020%
GD McKinney Investment Limited Partnership	2.81897560%
B. Jack Reed	0.58593760%
Leopard Petroleum Limited Partnership	0.58593760%
DRW Energy, LLC	0.58593760%
Beryl Oil and Gas Limited Partnership	0.58593760%
M'issa L. McKinney Shoening	0.58593760%
Denise Louise McCoy	0.03255210%
EOG Y Resources Inc.	2.50000000%
EOG A Resources Inc.	1.25000000%
EOG M Resources Inc.	1.25000000%
Roy A. Barton, III	0.13020310%
Brett Barton	0.13020310%
Heidi Barton	0.13020310%
	100.000000%

Oxbow CC 17-8 Fed Com Nos. 34H, 36H, 38H Wells

E/2 of Sections 17 and 8, Township 24 South, Range 29 East, Eddy County, NM

		Total Acres in proposed spacing unit:	640
Tract 1	N/2 NE/4 of Section 8	Acres contributed to proposed spacing unit:	80
	40.000000% EOG Y Resources Inc.		
	20.000000% EOG A Resources Inc.		
	20.000000% EOG M Resources Inc.		
	20.000000% OXY Y-1 Company		
	100.000000%		
	Total Committed Interest		20.00%
	Total Uncommitted Interest		80.00%
Tract 2	S/2 NE/4 & NW/4 SE/4 of Section 8	Acres contributed to proposed spacing unit:	120
	90.000000% Occidental Permian Limited Partnership		
	10.000000% OXY USA Inc.		
	100.000000%		
	Total Committed Interest		100.00%
	Total Uncommitted Interest		0.00%
Tract 3	S/2 SE/4 & NE/4 SE/4 of Section 8	Acres contributed to proposed spacing unit:	120
	85.465100% OXY USA Inc.		
	4.723800% OXY USA WTP Limited Partnership		
	4.811100% GD Mckinney Investment Limited Partnership		
	1.000000% B. Jack Reed		
	1.000000% Leopard Petroleum Limited Partnership		
	1.000000% DRW Energy, LLC		
	1.000000% Beryl Oil and Gas Limited Partnership		
	1.000000% M'lissa L. Mckinney Shoening		
	100.000000%		
	Total Committed Interest		100.00%
	Total Uncommitted Interest		0.00%
Tract 4	NE/4, E/2 NW/4 SE/4 & S/2 SE/4 l/e 5 ac of Section 17	Acres contributed to proposed spacing unit:	255
	85.465100% OXY USA Inc.		
	4.723800% OXY USA WTP Limited Partnership		
	4.811100% GD Mckinney Investment Limited Partnership		
	1.000000% B. Jack Reed		
	1.000000% Leopard Petroleum Limited Partnership		
	1.000000% DRW Energy, LLC		
	1.000000% Beryl Oil and Gas Limited Partnership		
	1.000000% M'lissa L. Mckinney Shoening		
	100.000000%		
	Total Committed Interest		100.00%
	Total Uncommitted Interest		0.00%
Tract 5	NW/4 NW/4 SE/4 of Section 17	Acres contributed to proposed spacing unit:	10
	100.000000% OXY USA Inc.		
	100.000000%		
	Total Committed Interest		100.00%
	Total Uncommitted Interest		0.00%
Tract 6	N/2 SW/4 NW/4 SE/4 of Section 17	Acres contributed to proposed spacing unit:	5
	95.833300% OXY USA Inc.		
	4.166700% Denise Louise McCoy		
	Total Committed Interest		95.83%
	Total Uncommitted Interest		4.17%
Tract 7	N/2 SW/4 NW/4 SE/4 of Section 17	Acres contributed to proposed spacing unit:	5
	100.000000% OXY USA Inc.		
	100.000000%		
	Total Committed Interest		100.00%
	Total Uncommitted Interest		0.00%

Tract 8	NE/4 SE/4 of Section 17	Acres contributed to proposed spacing unit:	40
100.000000%	OXY USA Inc.		
100.000000%			
	Total Committed Interest		100.00%
	Total Uncommitted Interest		0.00%
Tract 9	N/2 NE/4 SW/4 SE/4 of Section 17	Acres contributed to proposed spacing unit:	5
50.000000%	OXY USA Inc.		
16.667000%	Roy A. Barton, III		
16.667000%	Brett Barton		
16.666000%	Heidi Barton		
100.000000%			
	Total Committed Interest		50.00%
	Total Uncommitted Interest		33.33%

Working Interest for each party In 640 acre proposed spacing unit:

OXY USA Inc.	61.685295%
OXY OXY USA WTP Limited Partnership	2.767874%
Occidental Permian Limited Partnership	16.875003%
OXY Y-1 Company	2.500000%
GD McKinney Investment Limited Partnership	2.818976%
B. Jack Reed	0.585938%
Leopard Petroleum Limited Partnership	0.585938%
DRW Energy, LLC	0.585938%
Beryl Oil and Gas Limited Partnership	0.585938%
M'Issa L. McKinney Shoening	0.585938%
Denise Louise McCoy	0.032552%
EOG Y Resources Inc.	5.000000%
EOG A Resources Inc.	2.500000%
EOG M Resources Inc.	2.500000%
Roy A. Barton, III	0.130203%
Brett Barton	0.130203%
Heidi Barton	0.130203%
	99.999998%



OXY USA Inc.

A subsidiary of Occidental Petroleum Corporation

5 Greenway Plaza, Suite 110, Houston, Texas 77046-0521
P.O. Box 27570, Houston, Texas 77227-7570

May 3, 2019

CERTIFIED MAIL – RETURN RECEIPT REQUESTED

EOG A Resources, Inc.
5509 Champions Drive
Midland, TX 79706

Re: Well Proposal – Oxbow CC 17-8 Fed Com #35H
SHL – 601' FSL & 1236' FEL
Section 17-24S-29E, Eddy County, NM
BHL – 20' FNL & 990' FEL
Section 8-24S-29E, Eddy County, NM

Dear Sir/Madam:

OXY USA Inc. ("OXY") hereby proposes the drilling of the Oxbow CC 17-8 Fed Com #35H well at the referenced surface location to its terminus at the referenced bottom hole location in Section 8-24S-29E, Eddy County, New Mexico. The proposed horizontal well will be drilled to an approximate vertical depth of 9,820', and to an approximate measured depth of 19,820' to evaluate the 3rd Bone Spring. A detailed description of the total estimated cost to drill and complete the well is set out in the enclosed AFE.

OXY proposes to drill this well under the terms of a newly proposed modified 1989 AAPL form of Operating Agreement, dated May 3, 2019, by and between OXY USA Inc., as Operator, and B. Jack Reed, et al as Non-Operators, covering the E/2 of Sections 17 and 8, Township 24 South, Range 29 East, N.M.P.M., Eddy Co., New Mexico. A copy of the proposed operating agreement is included in this mailing. OXY plans to batch drill the Oxbow CC 17-8 Fed Com #34H, #35H and #36H wells from a common surface location.

Please indicate your election to participate in the drilling, completing, and equipping of the proposed well by executing and returning one copy of this letter and enclosed AFE.

If you have any questions, or would like to discuss this proposal in greater detail, please don't hesitate to call or e-mail.

Very truly yours,

OXY USA Inc.

Jeremy Murphrey, CPL
Land Negotiator Advisor
Dir: 713.350.4816
Fax: 713.985.4942
Email: jeremy_murphrey@oxy.com

EOG A Resources, Inc. elects to:

participate in the drilling of the Oxbow CC 17-8 Federal Com #35H

non-consent the drilling of the Oxbow CC 17-8 Federal Com #35H

By: _____

Name: _____

Title: _____

Date: _____

Enclosures

BEFORE THE OIL CONSERVATION DIVISION
Santa Fe, New Mexico
Exhibit No. A6
Submitted by: OXY USA INC
Hearing Date: September 5, 2019
Case Nos 20763 & 20764



Occidental Oil and Gas Corporation 10K Bone Spring

RMT:	PRN
State & County:	NM, Eddy
Field:	Pierce Corssing
Well Type:	10k BS
Well Name:	Oxbow CC 17- Fed OCM #35H
Date:	4/1/2019

Code	Element Name	1 Prep Phase	2 Location/Rig Move	3 Drilling	4 P&A	5 Completion	6 Artificial Lift	7 Hookup	8 Facilities
Location, Mobilization, Rig Move									
3010	Major Mob / Demob	\$ -	\$ -	\$ -	\$ -	\$ 8,163	\$ -	\$ -	\$ -
3011	Location & Roads + Maintenance	\$ -	\$ 103,000	\$ -	\$ -	\$ 3,500	\$ -	\$ -	\$ -
3021	Rig Move	\$ -	\$ 75,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Labor, Services & Equipment Rentals									
1000	Employee Wages	\$ -	\$ 4,000	\$ 141,000	\$ -	\$ 100,000	\$ -	\$ -	\$ -
1050	Location Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2004	Contractor Maintenance/Roustabouts	\$ -	\$ -	\$ -	\$ -	\$ 1,500	\$ -	\$ -	\$ -
2017	Contract Supervision	\$ -	\$ -	\$ -	\$ -	\$ 57,400	\$ 6,678	\$ -	\$ -
2019	Contractor HES	\$ -	\$ -	\$ -	\$ -	\$ 10,931	\$ -	\$ -	\$ -
2034	Labor services	\$ -	\$ 1,000	\$ 47,000	\$ -	\$ -	\$ -	\$ -	\$ -
3001	Services Hot Oiling	\$ -	\$ -	\$ -	\$ -	\$ 12,500	\$ 5,710	\$ -	\$ -
3002	Services Misc Heavy Equipment	\$ -	\$ -	\$ -	\$ -	\$ 40,500	\$ 1,713	\$ -	\$ -
3003	Fluid Haul	\$ -	\$ 7,000	\$ 53,000	\$ -	\$ -	\$ -	\$ -	\$ -
3005	Services Inspection	\$ -	\$ -	\$ 38,000	\$ -	\$ 4,500	\$ -	\$ -	\$ -
3009	Services Wellhead	\$ -	\$ -	\$ 16,000	\$ -	\$ 45,100	\$ 5,710	\$ -	\$ -
3012	Cased/Open Hole Logging	\$ -	\$ -	\$ -	\$ -	\$ 9,500	\$ -	\$ -	\$ -
3013	Services Coiled Tubing	\$ -	\$ -	\$ -	\$ -	\$ 178,535	\$ -	\$ -	\$ -
3014	Directional Drilling & LWD	\$ -	\$ -	\$ 486,000	\$ -	\$ -	\$ -	\$ -	\$ -
3015	Fishing	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
3016	Mud Logging	\$ -	\$ -	\$ 30,000	\$ -	\$ -	\$ -	\$ -	\$ -
3018	Services Perforating	\$ -	\$ -	\$ -	\$ -	\$ 172,200	\$ -	\$ -	\$ -
3019	Wire line & Slick line	\$ -	\$ -	\$ -	\$ -	\$ 42,000	\$ 7,422	\$ -	\$ -
3020	Rig Work	\$ -	\$ -	\$ 727,000	\$ -	\$ -	\$ 24,936	\$ -	\$ -
3022	Drilling & Completion Fluids	\$ -	\$ 6,000	\$ 69,000	\$ -	\$ -	\$ -	\$ -	\$ -
3023	Cementing	\$ -	\$ -	\$ 249,000	\$ -	\$ -	\$ -	\$ -	\$ -
3024	Services Stimulation	\$ -	\$ -	\$ -	\$ -	\$ 3,188,848	\$ -	\$ -	\$ -
3025	Services Downhole Other	\$ -	\$ -	\$ 13,000	\$ -	\$ 53,550	\$ 13,726	\$ -	\$ -
3026	Formation Testing and Coring	\$ -	\$ -	\$ -	\$ -	\$ 224,269	\$ -	\$ -	\$ -
3029	Camp & Catering	\$ -	\$ 8,000	\$ 38,000	\$ -	\$ -	\$ -	\$ -	\$ -
3032	Communications & IT	\$ -	\$ 1,000	\$ 20,000	\$ -	\$ -	\$ -	\$ -	\$ -
3035	Services Disposal	\$ -	\$ -	\$ 135,000	\$ -	\$ 179,000	\$ 4,111	\$ -	\$ -
3039	Services Fluid Hauling from Site	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
4005	Rental Downhole Equipment & Tools	\$ -	\$ -	\$ 4,000	\$ -	\$ -	\$ -	\$ -	\$ -
4007	HES & Industrial waste handling	\$ -	\$ -	\$ 8,000	\$ -	\$ -	\$ -	\$ -	\$ -
4013	Rental Surface Equipment & Tools	\$ -	\$ 19,000	\$ 104,000	\$ -	\$ 125,908	\$ 7,177	\$ -	\$ -
Consumables									
5021	Material Surface Other	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
5023	Wellhead & X-mas tree	\$ -	\$ -	\$ 69,000	\$ -	\$ 22,500	\$ -	\$ -	\$ -
5027	Material Subsurface Lift Equipment Other	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 66,231	\$ -	\$ -
5028	Casing and Casing Accessories	\$ -	\$ -	\$ 775,000	\$ -	\$ -	\$ -	\$ -	\$ -
5029	Material Tubing and Accs	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 39,967	\$ -	\$ -
5500	Material Consumables	\$ -	\$ 10,000	\$ -	\$ -	\$ 260,131	\$ -	\$ -	\$ -
5502	Drilling Fluids Products	\$ -	\$ -	\$ 195,000	\$ -	\$ -	\$ -	\$ -	\$ -
5503	Bits, Reamers, Scrapers, HO's	\$ -	\$ -	\$ 78,000	\$ -	\$ -	\$ -	\$ -	\$ -
5505	Fuel & Lubricants	\$ -	\$ 2,000	\$ 77,000	\$ -	\$ -	\$ -	\$ -	\$ -
7004	Utilities: Electricity, Water & Sewers & Trash	\$ -	\$ -	\$ 12,000	\$ -	\$ 3,196	\$ 1,440	\$ -	\$ -
Logistics, Insurance & Tax									
8000	Land Transportation	\$ -	\$ 1,000	\$ 47,000	\$ -	\$ 10,000	\$ -	\$ -	\$ -
8102	Tax & contingency	\$ -	\$ 12,000	\$ 297,000	\$ -	\$ 220,686	\$ 8,160	\$ -	\$ -
8918	Permits/Settlements/Other	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
8921	Waste Handling and Disp	\$ -	\$ -	\$ 40,000	\$ -	\$ -	\$ -	\$ -	\$ -
8945	Loss & Loss Expenses Paid	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
9999	Other Costs	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Subtotal		\$ -	\$ 249,000	\$ 3,766,000	\$ -	\$ 4,974,415	\$ 195,000	\$ -	\$ -

Signature:	
Company:	
Printed Name:	
Title:	
Date:	Approval % VM
This AFE is only an estimate. By signing, you agree to pay your proportional share of the actual costs incurred.	

Total Drilling (1+2+3+4):	\$ 4,017,000
Total Completion (5+6+7):	\$ 5,169,415
Total Facilities (8):	\$ -
Total Well Cost (1+2+3+4+5+6+7+8):	\$ 9,186,415
Assumptions:	



OXY USA Inc.

A subsidiary of Occidental Petroleum Corporation

5 Greenway Plaza, Suite 110, Houston, Texas 77046-0521
P.O. Box 27570, Houston, Texas 77227-7570

May 3, 2019

CERTIFIED MAIL – RETURN RECEIPT REQUESTED

EOG A Resources, Inc.
5509 Champions Drive
Midland, TX 79706

Re: Well Proposal – Oxbow CC 17-8 Fed Com #34H
SHL – 432' FSL & 1258' FWL
Section 17-24S-29E, Eddy County, NM
BHL – 180' FNL & 1260' FWL
Section 8-24S-29E, Eddy County, NM

OXY USA Inc. ("OXY") hereby proposes the drilling of the Oxbow CC 17-8 Fed Com #34H well at the referenced surface location to its terminus at the referenced bottom hole location in Section 8-24S-29E, Eddy County, New Mexico. The proposed horizontal well will be drilled to an approximate vertical depth of 9,920', and to an approximate measured depth of 19,920' to evaluate the Wolfcamp. A detailed description of the total estimated cost to drill and complete the well is set out in the enclosed AFE.

OXY proposes to drill this well under the terms of a newly proposed modified 1989 AAPL form of Operating Agreement, dated May 3, 2019, by and between OXY USA Inc., as Operator, and B. Jack Reed, et al as Non-Operators, covering the E/2 of Sections 17 and 8, Township 24 South, Range 29 East, N.M.P.M., Eddy Co., New Mexico. A copy of the proposed operating agreement is included in this mailing. OXY plans to batch drill the Oxbow CC 17-8 Fed Com #34H, #35H and #36H wells from a common surface location.

Please indicate your election to participate in the drilling, completing, and equipping of the proposed well by executing and returning one copy of this letter and enclosed AFE.

If you have any questions, or would like to discuss this proposal in greater detail, please don't hesitate to call or e-mail.

Very truly yours,

OXY USA Inc.

Jeremy Murphrey, CPL
Land Negotiator Advisor
Dir: 713.350.4816
Fax: 713.985.4942
Email: jeremy_murphrey@oxy.com

EOG A Resources, Inc. elects to:

___ participate in the drilling of the Oxbow CC 17-8
Federal Com #34H

___ non-consent the drilling of the Oxbow CC 17-8
Federal Com #34H

By: _____

Name: _____

Title: _____

Date: _____

Enclosures

BEFORE THE OIL CONSERVATION DIVISION
Santa Fe, New Mexico
Exhibit No. A7
Submitted by: OXY USA INC
Hearing Date: September 5, 2019
Case Nos 20763 & 20764



Occidental Oil and Gas Corporation 10k WC

Code	Element Name	1 Prep Phase	2 Location/Rig Move	3 Drilling	4 P&A	5 Completion	6 Artificial Lift	7 Hookup	8 Facilities
Location, Mobilization, Rig Move									
3010	Major Mob / Demob	\$ -	\$ -	\$ -	\$ -	\$ 8,163	\$ -	\$ -	\$ -
3011	Location & Roads + Maintenance	\$ -	\$ 103,000	\$ -	\$ -	\$ 3,500	\$ -	\$ -	\$ -
3021	Rig Move	\$ -	\$ 75,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Labor, Services & Equipment Rentals									
1000	Employee Wages	\$ -	\$ 4,000	\$ 141,000	\$ -	\$ 100,000	\$ -	\$ -	\$ -
1050	Location Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2004	Contractor Maintenance/Roustabouts	\$ -	\$ -	\$ -	\$ -	\$ 1,500	\$ -	\$ -	\$ -
2017	Contract Supervision	\$ -	\$ -	\$ -	\$ -	\$ 57,400	\$ 8,678	\$ -	\$ -
2019	Contractor HES	\$ -	\$ -	\$ -	\$ -	\$ 10,931	\$ -	\$ -	\$ -
2034	Labor services	\$ -	\$ 1,000	\$ 47,000	\$ -	\$ -	\$ -	\$ -	\$ -
3001	Services Hot Oiling	\$ -	\$ -	\$ -	\$ -	\$ 12,500	\$ 5,710	\$ -	\$ -
3002	Services Misc Heavy Equipment	\$ -	\$ -	\$ -	\$ -	\$ 40,500	\$ 1,713	\$ -	\$ -
3003	Fluid Haul	\$ -	\$ 7,000	\$ 53,000	\$ -	\$ -	\$ -	\$ -	\$ -
3005	Services Inspection	\$ -	\$ -	\$ 38,000	\$ -	\$ 4,500	\$ -	\$ -	\$ -
3009	Services Wellhead	\$ -	\$ -	\$ 18,000	\$ -	\$ 45,100	\$ 5,710	\$ -	\$ -
3012	Cased/Open Hole Logging	\$ -	\$ -	\$ -	\$ -	\$ 9,500	\$ -	\$ -	\$ -
3013	Services Coiled Tubing	\$ -	\$ -	\$ -	\$ -	\$ 178,535	\$ -	\$ -	\$ -
3014	Directional Drilling & LWD	\$ -	\$ -	\$ 486,000	\$ -	\$ -	\$ -	\$ -	\$ -
3015	Fishing	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
3016	Mud Logging	\$ -	\$ -	\$ 30,000	\$ -	\$ -	\$ -	\$ -	\$ -
3018	Services Perforating	\$ -	\$ -	\$ -	\$ -	\$ 172,200	\$ -	\$ -	\$ -
3019	Wire line & Slick line	\$ -	\$ -	\$ -	\$ -	\$ 42,000	\$ 7,422	\$ -	\$ -
3020	Rig Work	\$ -	\$ -	\$ 727,000	\$ -	\$ -	\$ 24,936	\$ -	\$ -
3022	Drilling & Completion Fluids	\$ -	\$ 6,000	\$ 69,000	\$ -	\$ -	\$ -	\$ -	\$ -
3023	Cementing	\$ -	\$ -	\$ 249,000	\$ -	\$ -	\$ -	\$ -	\$ -
3024	Services Stimulation	\$ -	\$ -	\$ -	\$ -	\$ 3,188,848	\$ -	\$ -	\$ -
3025	Services Downhole Other	\$ -	\$ -	\$ 13,000	\$ -	\$ 53,550	\$ 13,726	\$ -	\$ -
3026	Formation Testing and Coring	\$ -	\$ -	\$ -	\$ -	\$ 224,269	\$ -	\$ -	\$ -
3029	Camp & Catering	\$ -	\$ 8,000	\$ 38,000	\$ -	\$ -	\$ -	\$ -	\$ -
3032	Communications & IT	\$ -	\$ 1,000	\$ 20,000	\$ -	\$ -	\$ -	\$ -	\$ -
3035	Services Disposal	\$ -	\$ -	\$ 135,000	\$ -	\$ 179,000	\$ 4,111	\$ -	\$ -
3039	Services Fluid Hauling from Site	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
4005	Rental Downhole Equipment & Tools	\$ -	\$ -	\$ 4,000	\$ -	\$ -	\$ -	\$ -	\$ -
4007	HES & Industrial waste handling	\$ -	\$ -	\$ 8,000	\$ -	\$ -	\$ -	\$ -	\$ -
4013	Rental Surface Equipment & Tools	\$ -	\$ 19,000	\$ 104,000	\$ -	\$ 125,908	\$ 7,177	\$ -	\$ -
Consumables									
5021	Material Surface Other	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
5023	Wellhead & X-mas tree	\$ -	\$ -	\$ 69,000	\$ -	\$ 22,500	\$ -	\$ -	\$ -
5027	Material Subsurface Lift Equipment Other	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 66,231	\$ -	\$ -
5028	Casing and Casing Accessories	\$ -	\$ -	\$ 775,000	\$ -	\$ -	\$ -	\$ -	\$ -
5029	Material Tubing and Accs	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 39,967	\$ -	\$ -
5500	Material Consumables	\$ -	\$ 10,000	\$ -	\$ -	\$ 260,131	\$ -	\$ -	\$ -
5502	Drilling Fluids Products	\$ -	\$ -	\$ 195,000	\$ -	\$ -	\$ -	\$ -	\$ -
5503	Bits, Reamers, Scrapers, HO's	\$ -	\$ -	\$ 78,000	\$ -	\$ -	\$ -	\$ -	\$ -
6506	Fuel & Lubricants	\$ -	\$ 2,000	\$ 77,000	\$ -	\$ -	\$ -	\$ -	\$ -
7004	Utilities: Electricity, Water & Sewers & Trash	\$ -	\$ -	\$ 12,000	\$ -	\$ 3,196	\$ 1,440	\$ -	\$ -
Logistics, Insurance & Tax									
8000	Land Transportation	\$ -	\$ 1,000	\$ 47,000	\$ -	\$ 10,000	\$ -	\$ -	\$ -
8102	Tax & contingency	\$ -	\$ 12,000	\$ 297,000	\$ -	\$ 220,686	\$ 8,180	\$ -	\$ -
8918	Permits/Settlements/Other	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
8921	Waste Handling and Disp	\$ -	\$ -	\$ 40,000	\$ -	\$ -	\$ -	\$ -	\$ -
8945	Loss & Loss Expenses Paid	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
9999	Other Costs	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Subtotal		\$ -	\$ 248,000	\$ 3,768,000	\$ -	\$ 4,974,415	\$ 185,000	\$ -	\$ -

Signature: _____

Company: _____

Printed Name: _____

Title: _____

Date: _____ Approval _____ % WI _____

This AFE is only an estimate. By signing, you agree to pay your proportional share of the actual costs incurred.

	Total Drilling (1+2+3+4):	\$ 4,017,000
	Total Completion (5+6+7):	\$ 5,169,415
	Total Facilities (8):	\$ -
	Total Well Cost (1+2+3+4+5+6+7+8):	\$ 9,186,415
Assumptions:		



OXY USA Inc.

A subsidiary of Occidental Petroleum Corporation

5 Greenway Plaza, Suite 110, Houston, Texas 77046-0521
P.O. Box 27570, Houston, Texas 77227-7570

May 3, 2019

CERTIFIED MAIL – RETURN RECEIPT REQUESTED

EOG M Resources, Inc.
5509 Champions Drive
Midland, TX 79706

Re: Well Proposal – Oxbow CC 17-8 Fed Com #36H
SHL – 601' FSL & 1201' FEL
Section 17-24S-29E, Eddy County, NM
BHL – 180' FNL & 500' FEL
Section 8-24S-29E, Eddy County, NM

Dear Sir/Madam:

OXY USA Inc. ("OXY") hereby proposes the drilling of the Oxbow CC 17-8 Fed Com #36H well at the referenced surface location to its terminus at the referenced bottom hole location in Section 8-24S-29E, Eddy County, New Mexico. The proposed horizontal well will be drilled to an approximate vertical depth of 10,040', and to an approximate measured depth of 20,087' to evaluate the Wolfcamp. A detailed description of the total estimated cost to drill and complete the well is set out in the enclosed AFE.

OXY proposes to drill this well under the terms of a newly proposed modified 1989 AAPL form of Operating Agreement, dated May 3, 2019, by and between OXY USA Inc., as Operator, and B. Jack Reed, et al as Non-Operators, covering the E/2 of Sections 17 and 8, Township 24 South, Range 29 East, N.M.P.M., Eddy Co., New Mexico. A copy of the proposed operating agreement is included in this mailing. OXY plans to batch drill the Oxbow CC 17-8 Fed Com #34H, #35H and #36H wells from a common surface location.

Please indicate your election to participate in the drilling, completing, and equipping of the proposed well by executing and returning one copy of this letter and enclosed AFE.

If you have any questions, or would like to discuss this proposal in greater detail, please don't hesitate to call or e-mail.

Very truly yours,

OXY USA Inc.

Jeremy Murphrey, CPL
Land Negotiator Advisor
Dir: 713.350.4816
Fax: 713.985.4942
Email: jeremy_murphrey@oxy.com

EOG M Resources, Inc. elects to:

___ participate in the drilling of the Oxbow CC 17-8
Federal Com #36H

___ non-consent the drilling of the Oxbow CC 17-8
Federal Com #36H

By: _____

Name: _____

Title: _____

Date: _____

Enclosures

BEFORE THE OIL CONSERVATION DIVISION
Santa Fe, New Mexico
Exhibit No. A8
Submitted by: OXY USA INC
Hearing Date: September 5, 2019
Case Nos 20763 & 20764



Occidental Oil and Gas Corporation 10k WC

Code	Element Name	1 Prep Phase	2 Location/Rig Move	3 Drilling	4 P&A	5 Completion	6 Artificial Lift	7 Hookup	8 Facilities
Location, Mobilization, Rig Move									
3010	Major Mob / Demob	\$ -	\$ -	\$ -	\$ -	\$ 8,183	\$ -	\$ -	\$ -
3011	Location & Roads + Maintenance	\$ -	\$ 103,000	\$ -	\$ -	\$ 3,500	\$ -	\$ -	\$ -
3021	Rig Move	\$ -	\$ 75,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Labor, Services & Equipment Rentals									
1000	Employee Wages	\$ -	\$ 4,000	\$ 141,000	\$ -	\$ 100,000	\$ -	\$ -	\$ -
1050	Location Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2004	Contractor Maintenance/Rouslabouts	\$ -	\$ -	\$ -	\$ -	\$ 1,500	\$ -	\$ -	\$ -
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2019	Contractor HES	\$ -	\$ -	\$ -	\$ -	\$ 10,931	\$ -	\$ -	\$ -
2034	Labor services	\$ -	\$ 1,000	\$ 47,000	\$ -	\$ -	\$ -	\$ -	\$ -
3001	Services Hot Oiling	\$ -	\$ -	\$ -	\$ -	\$ 12,500	\$ 5,710	\$ -	\$ -
3002	Services Misc Heavy Equipment	\$ -	\$ -	\$ -	\$ -	\$ 40,500	\$ 1,713	\$ -	\$ -
3003	Fluid Haul	\$ -	\$ 7,000	\$ 53,000	\$ -	\$ -	\$ -	\$ -	\$ -
3005	Services Inspection	\$ -	\$ -	\$ 38,000	\$ -	\$ 4,500	\$ -	\$ -	\$ -
3009	Services Wellhead	\$ -	\$ -	\$ 16,000	\$ -	\$ 45,100	\$ 5,710	\$ -	\$ -
3012	Cased/Open Hole Logging	\$ -	\$ -	\$ -	\$ -	\$ 9,500	\$ -	\$ -	\$ -
3013	Services Coiled Tubing	\$ -	\$ -	\$ -	\$ -	\$ 178,535	\$ -	\$ -	\$ -
3014	Directional Drilling & LWD	\$ -	\$ -	\$ 486,000	\$ -	\$ -	\$ -	\$ -	\$ -
3015	Fishing	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
3016	Mud Logging	\$ -	\$ -	\$ 30,000	\$ -	\$ -	\$ -	\$ -	\$ -
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3024	Services Stimulation	\$ -	\$ -	\$ -	\$ -	\$ 3,188,848	\$ -	\$ -	\$ -
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4005	Rental Downhole Equipment & Tools	\$ -	\$ -	\$ 4,000	\$ -	\$ -	\$ -	\$ -	\$ -
4007	HES & Industrial waste handling	\$ -	\$ -	\$ 8,000	\$ -	\$ -	\$ -	\$ -	\$ -
4013	Rental Surface Equipment & Tools	\$ -	\$ 19,000	\$ 104,000	\$ -	\$ 125,908	\$ 7,177	\$ -	\$ -
Consumable Consumables									
5021	Material Surface Other	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
5023	Wellhead & X-mas tree	\$ -	\$ -	\$ 69,000	\$ -	\$ 22,500	\$ -	\$ -	\$ -
5027	Material Subsurface Lift Equipment Other	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 66,231	\$ -	\$ -
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5029	Material Tubing and Accs	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 39,967	\$ -	\$ -
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5502	Drilling Fluids Products	\$ -	\$ -	\$ 195,000	\$ -	\$ -	\$ -	\$ -	\$ -
5503	Bits, Reamers, Scrapers, HC's	\$ -	\$ -	\$ 78,000	\$ -	\$ -	\$ -	\$ -	\$ -
5505	Fuel & Lubricants	\$ -	\$ 2,000	\$ 77,000	\$ -	\$ -	\$ -	\$ -	\$ -
7004	Utilities: Electricity, Water & Sewers & Trash	\$ -	\$ -	\$ 12,000	\$ -	\$ 3,196	\$ 1,440	\$ -	\$ -
Logistics, Insurance & Tax									
8000	Land Transportation	\$ -	\$ 1,000	\$ 47,000	\$ -	\$ 10,000	\$ -	\$ -	\$ -
8102	Tax & contingency	\$ -	\$ 12,000	\$ 297,000	\$ -	\$ 220,686	\$ 8,180	\$ -	\$ -
8918	Permits/Settlements/Other	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
8921	Waste Handling and Disp	\$ -	\$ -	\$ 40,000	\$ -	\$ -	\$ -	\$ -	\$ -
8945	Loss & Loss Expenses Paid	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
8999	Other Costs	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Subtotal		\$ -	\$ 249,000	\$ 3,768,000	\$ -	\$ 4,974,415	\$ 195,000	\$ -	\$ -

Signature:	
Company:	
Printed Name:	
Title:	
Date:	Approval % WI
This AFE is only an estimate. By signing, you agree to pay your proportional share of the actual costs incurred.	

Total Drilling (1+2+3+4):	\$ 4,017,000
Total Completion (5+6+7):	\$ 5,169,415
Total Facilities (8):	\$ -
Total Well Cost (1+2+3+4+5+6+7+8):	\$ 9,186,415
Assumptions:	



OXY USA Inc.

A subsidiary of Occidental Petroleum Corporation

5 Greenway Plaza, Suite 110, Houston, Texas 77046-0521
P.O. Box 27570, Houston, Texas 77227-7570

May 3, 2019

CERTIFIED MAIL – RETURN RECEIPT REQUESTED

EOG A Resources, Inc.
5509 Champions Drive
Midland, TX 79706

Re: Well Proposal – Oxbow CC 17-8 Fed Com #38H
SHL – 255' FSL & 1835' FWL
Section 17-24S-29E, Eddy County, NM
BHL – 20' FNL & 2210' FEL
Section 8-24S-29E, Eddy County, NM

Dear Sir/Madam:

OXY USA Inc. ("OXY") hereby proposes the drilling of the Oxbow CC 17-8 Fed Com #38H well at the referenced surface location to its terminus at the referenced bottom hole location in Section 8-24S-29E, Eddy County, New Mexico. The proposed horizontal well will be drilled to an approximate vertical depth of 9,920', and to an approximate measured depth of 19,920' to evaluate the Wolfcamp. A detailed description of the total estimated cost to drill and complete the well is set out in the enclosed AFE.

OXY proposes to drill this well under the terms of a newly proposed modified 1989 AAPL form of Operating Agreement, dated May 3, 2019, by and between OXY USA Inc., as Operator, and B. Jack Reed, et al as Non-Operators, covering the E/2 of Sections 17 and 8, Township 24 South, Range 29 East, N.M.P.M., Eddy Co., New Mexico. A copy of the proposed operating agreement is included in this mailing.

Please indicate your election to participate in the drilling, completing, and equipping of the proposed well by executing and returning one copy of this letter and enclosed AFE.

If you have any questions, or would like to discuss this proposal in greater detail, please don't hesitate to call or e-mail.

Very truly yours,

OXY USA Inc.

Jeremy Murphrey, CPL
Land Negotiator Advisor
Dir: 713.350.4816
Fax: 713.985.4942
Email: jeremy_murphrey@oxy.com

EOG A Resources, Inc. elects to:

participate in the drilling of the Oxbow CC 17-8
Federal Com #38H

non-consent the drilling of the Oxbow CC 17-8
Federal Com #38H

By: _____

Name: _____

Title: _____

Date: _____

Enclosures

BEFORE THE OIL CONSERVATION DIVISION
Santa Fe, New Mexico
Exhibit No. A9
Submitted by: OXY USA INC
Hearing Date: September 5, 2019
Case Nos 20763 & 20764



Occidental Oil and Gas Corporation 10k WC

RMT	PRN
State & County	NM, Eddy
Field	Purple Sage
Well Type	10k WC
Well Name	Oxbow CC 17-8 Fed Com #38H
Date	4/1/2019

Code	Element Name	1 Prep Phase	2 Location/Rig Move	3 Drilling	4 P&A	5 Completion	6 Artificial Lift	7 Hookup	8 Facilities
Location, Mobilization, Rig Move									
3010	Major Mob / Demob	\$ -	\$ -	\$ -	\$ -	\$ 8,163	\$ -	\$ -	\$ -
3011	Location & Roads + Maintenance	\$ -	\$ 103,000	\$ -	\$ -	\$ 3,500	\$ -	\$ -	\$ -
3021	Rig Move	\$ -	\$ 75,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Labor, Services & Equipment Rentals									
1000	Employee Wages	\$ -	\$ 4,000	\$ 141,000	\$ -	\$ 100,000	\$ -	\$ -	\$ -
1050	Location Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2004	Contractor Maintenance/Roustabouts	\$ -	\$ -	\$ -	\$ -	\$ 1,500	\$ -	\$ -	\$ -
2017	Contract Supervision	\$ -	\$ -	\$ -	\$ -	\$ 57,400	\$ 8,678	\$ -	\$ -
2019	Contractor HES	\$ -	\$ -	\$ -	\$ -	\$ 10,931	\$ -	\$ -	\$ -
2034	Labor services	\$ -	\$ 1,000	\$ 47,000	\$ -	\$ -	\$ -	\$ -	\$ -
3001	Services Hot Oiling	\$ -	\$ -	\$ -	\$ -	\$ 12,500	\$ 5,710	\$ -	\$ -
3002	Services Misc Heavy Equipment	\$ -	\$ -	\$ -	\$ -	\$ 40,500	\$ 1,713	\$ -	\$ -
3003	Fluid Haul	\$ -	\$ 7,000	\$ 53,000	\$ -	\$ -	\$ -	\$ -	\$ -
3005	Services Inspection	\$ -	\$ -	\$ 38,000	\$ -	\$ 4,500	\$ -	\$ -	\$ -
3009	Services Wellhead	\$ -	\$ -	\$ 18,000	\$ -	\$ 45,100	\$ 5,710	\$ -	\$ -
3012	Cased/Open Hole Logging	\$ -	\$ -	\$ -	\$ -	\$ 9,500	\$ -	\$ -	\$ -
3013	Services Coiled Tubing	\$ -	\$ -	\$ -	\$ -	\$ 178,535	\$ -	\$ -	\$ -
3014	Directional Drilling & LWD	\$ -	\$ -	\$ 486,000	\$ -	\$ -	\$ -	\$ -	\$ -
3015	Fishing	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
3016	Mud Logging	\$ -	\$ -	\$ 30,000	\$ -	\$ -	\$ -	\$ -	\$ -
3018	Services Perforating	\$ -	\$ -	\$ -	\$ -	\$ 172,200	\$ -	\$ -	\$ -
3019	Wire line & Slick line	\$ -	\$ -	\$ -	\$ -	\$ 42,000	\$ 7,422	\$ -	\$ -
3020	Rig Work	\$ -	\$ -	\$ 727,000	\$ -	\$ -	\$ 24,038	\$ -	\$ -
3022	Drilling & Completion Fluids	\$ -	\$ 6,000	\$ 69,000	\$ -	\$ -	\$ -	\$ -	\$ -
3023	Cementing	\$ -	\$ -	\$ 249,000	\$ -	\$ -	\$ -	\$ -	\$ -
3024	Services Stimulation	\$ -	\$ -	\$ -	\$ -	\$ 3,188,848	\$ -	\$ -	\$ -
3025	Services Downhole Other	\$ -	\$ -	\$ 13,000	\$ -	\$ 53,550	\$ 13,726	\$ -	\$ -
3026	Formation Testing and Coring	\$ -	\$ -	\$ -	\$ -	\$ 224,269	\$ -	\$ -	\$ -
3029	Camp & Catering	\$ -	\$ 8,000	\$ 38,000	\$ -	\$ -	\$ -	\$ -	\$ -
3032	Communications & IT	\$ -	\$ 1,000	\$ 20,000	\$ -	\$ -	\$ -	\$ -	\$ -
3038	Services Disposal	\$ -	\$ -	\$ 135,000	\$ -	\$ 179,000	\$ 4,111	\$ -	\$ -
3039	Services Fluid Hauling from Site	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
4005	Rental Downhole Equipment & Tools	\$ -	\$ -	\$ 4,000	\$ -	\$ -	\$ -	\$ -	\$ -
4007	HES & Industrial waste handling	\$ -	\$ -	\$ 8,000	\$ -	\$ -	\$ -	\$ -	\$ -
4013	Rental Surface Equipment & Tools	\$ -	\$ 19,000	\$ 104,000	\$ -	\$ 125,908	\$ 7,177	\$ -	\$ -
Consumables									
5021	Material Surface Other	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
5023	Wellhead & X-mas tree	\$ -	\$ -	\$ 69,000	\$ -	\$ 22,500	\$ -	\$ -	\$ -
5027	Material Subsurface Lift Equipment Other	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 66,231	\$ -	\$ -
5028	Casing and Casing Accessories	\$ -	\$ -	\$ 775,000	\$ -	\$ -	\$ -	\$ -	\$ -
5029	Material Tubing and Accs	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 39,967	\$ -	\$ -
5500	Material Consumables	\$ -	\$ 10,000	\$ -	\$ -	\$ 280,131	\$ -	\$ -	\$ -
5502	Drilling Fluids Products	\$ -	\$ -	\$ 195,000	\$ -	\$ -	\$ -	\$ -	\$ -
5503	Bits, Reamers, Scrapers, HO's	\$ -	\$ -	\$ 78,000	\$ -	\$ -	\$ -	\$ -	\$ -
5505	Fuel & Lubricants	\$ -	\$ 2,000	\$ 77,000	\$ -	\$ -	\$ -	\$ -	\$ -
7004	Utilities: Electricity, Water & Sewers & Trash	\$ -	\$ -	\$ 12,000	\$ -	\$ 3,106	\$ 1,440	\$ -	\$ -
Logistics, Insurance & Tax									
8000	Land Transportation	\$ -	\$ 1,000	\$ 47,000	\$ -	\$ 10,000	\$ -	\$ -	\$ -
8102	Tax & contingency	\$ -	\$ 12,000	\$ 297,000	\$ -	\$ 220,686	\$ 8,180	\$ -	\$ -
8918	Permits/Settlements/Other	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
8921	Waste Handling and Disposal	\$ -	\$ -	\$ 40,000	\$ -	\$ -	\$ -	\$ -	\$ -
8945	Loss & Loss Expenses Paid	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
9999	Other Costs	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Subtotal		\$ -	\$ 249,000	\$ 3,768,000	\$ -	\$ 4,074,416	\$ 195,000	\$ -	\$ -

Signature: _____

Company: _____

Printed Name: _____

Title: _____

Date: _____ Approval: _____ % WI

This AFE is only an estimate. By signing, you agree to pay your proportional share of the actual costs incurred.

Total Drilling (1+2+3+4):	\$	4,017,000
Total Completion (5+6+7):	\$	5,189,416
Total Facilities (8):	\$	-
Total Well Cost (1+2+3+4+5+6+7+8):	\$	9,186,416

Assumptions:

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

**APPLICATION OF OXY USA INC.
FOR COMPULSORY POOLING,
EDDY, NEW MEXICO.**

CASE NOS. 20763 & 20764

**AFFIDAVIT OF TONY J. TROUTMAN
IN SUPPORT OF CASE NOS. 20763 & 20764**

Tony J. Troutman, of lawful age and being first duly sworn, declares as follows:

1. My name is Tony J. Troutman. I work for Oxy USA Inc. ("Oxy") as a Geologist.
2. I have previously testified before the New Mexico Oil Conservation Division as an expert witness in petroleum geology. My credentials as a petroleum geologist have been accepted by the Division and made a matter of record.
3. I am familiar with the applications filed by Oxy in these consolidated cases, and I have conducted a geologic study of the lands in the subject areas.
4. **Oxy Exhibit B-1** is a location map. The proposed wellbore for the proposed Oxbow CC 17-8 Fed Com No. 35H Well in Case No. 20763 is marked with a purple line. The proposed wellbores for the proposed Oxbow CC 17-8 Fed Com Nos. 34H, 36H, and 38H Wells in Case No. 20764 are marked with red lines.
5. In Case No. 20763, Oxy is targeting the Bone Spring formation.
6. **Oxy Exhibit B-2** is a subsea structure map that I prepared off the top of the Third Bone Spring formation. The contour interval is 25 feet. The structure map shows that the Bone Spring is dipping gently to the east. The structure appears consistent in this section. I do not observe any faulting, pinchouts, or other geologic hazards to developing a horizontal well.

7. **Oxy Exhibit No. B-3** shows three vertical wells, depicted in green, that were used to construct a cross-section from A to A', and three vertical wells, depicted in pink, that were used to construct a cross-section from B to B'. I consider these wells to be representative of the geology of the area.

8. **Oxy Exhibit No. B-4** is a stratigraphic cross section prepared by me for the three representative wells from A to A'. The exhibit shows logs for gamma ray, resistivity, and porosity for the wells. The proposed target interval is labeled and depicted with a purple line. The logs in the cross-section demonstrate that the target interval within the Third Bone Spring is consistent in thickness, across the entire spacing unit.

9. **Oxy Exhibit No. B-5** is a stratigraphic cross section prepared by me for the three representative wells from B to B'. The exhibit shows logs for gamma ray, resistivity, and porosity for the wells. The proposed target interval is labeled and depicted with a purple line. The logs in the cross-section also demonstrate that the target interval within the Third Bone Spring is consistent in thickness, across the entire spacing unit.

10. In Case No. 20766, Oxy is targeting the Wolfcamp formation.

11. **Oxy Exhibit B-6** is a subsea structure map that I prepared off the top of the Wolfcamp formation. The contour interval is 25 feet. The structure map shows that the Wolfcamp is dipping gently to the east. The structure appears consistent in this section. I do not observe any faulting, pinchouts, or other geologic hazards to developing a horizontal well.

12. **Oxy Exhibit No. B-7** shows three vertical wells, depicted in green, that were used to construct a cross-section from A to A', and three vertical wells, depicted in pink, that were used to construct a cross-section from B to B'. I consider these wells to be representative of the geology of the area.

13. **Oxy Exhibit No. B-8** is a stratigraphic cross section prepared by me for the three representative wells from A to A'. The exhibit shows logs for gamma ray, resistivity, and porosity for the wells. The proposed target intervals are labeled and depicted by red lines. The logs in the cross-section demonstrate that the target intervals within the Wolfcamp are consistent in thickness, across the entire spacing unit.

14. **Oxy Exhibit No. B-9** is a stratigraphic cross section prepared by me for the three representative wells from B to B'. The exhibit shows logs for gamma ray, resistivity, and porosity for the wells. The proposed target intervals are labeled and depicted by red lines. The logs in the cross-section also demonstrate that the target intervals within the Wolfcamp are consistent in thickness, across the entire spacing units.

15. Based on my geologic study of the areas, I have not identified any geologic impediments to drilling horizontal wells in the area.

16. In my opinion, each tract comprising the proposed spacing unit will be productive and contribute more-or-less equally to production from the wellbore.

17. In my opinion, the granting of Oxy's applications in these consolidated cases is in the best interest of conservation, the prevention of waste, and protection of correlative rights.

18. **Oxy Exhibits B-1 through B-9** were either prepared by me or compiled under my direction and supervision.



TONY J. TROUTMAN

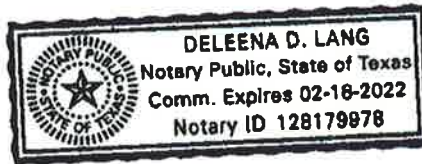
STATE OF TEXAS)
)
COUNTY OF HARRIS)

SUBSCRIBED and SWORN to before me this 3rd day of September 2019 by
Tony J. Troutman.



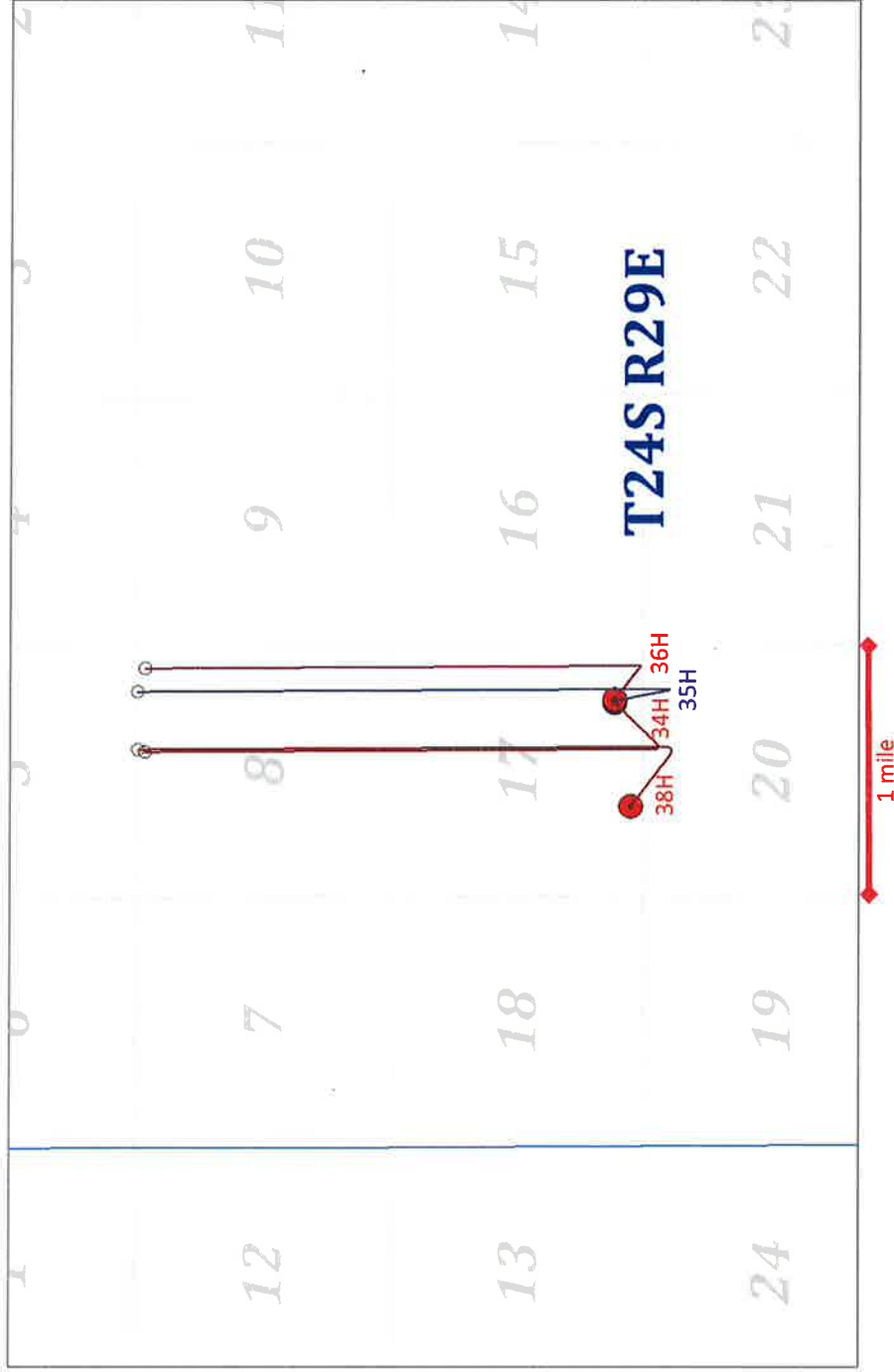
NOTARY PUBLIC

My Commission Expires:
02/18/2022



OXBOW 17-8 FED COM EAST HALF

Location Map



● Wolfcamp

● Bone Spring

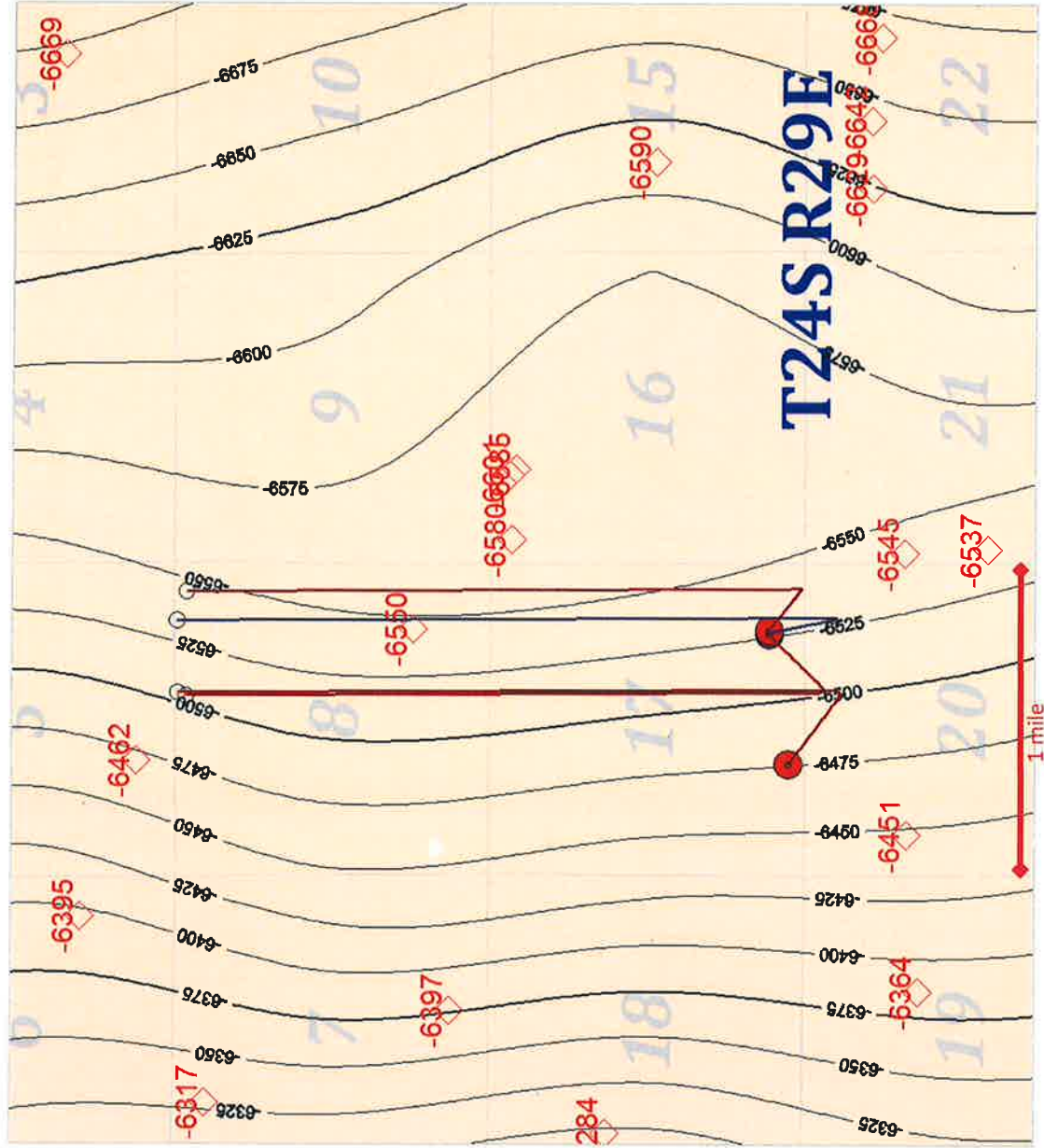
Prepared by Tony Troutman, OXY USA Inc. 7/31/2019

BEFORE THE OIL CONSERVATION DIVISION
Santa Fe, New Mexico
Exhibit No. B1
Submitted by: OXY USA INC
Hearing Date: September 5, 2019
Case Nos 20763 & 20764

OXBOW 17-8 FED COM EAST HALF

3RD BONE SPRING STRUCTURE MAP
25' CONTOUR INTERVALS SUBSEA DEPTH

- Wolfcamp
- Bone Spring
- ◇ Control point
- ◇ Subsea depth



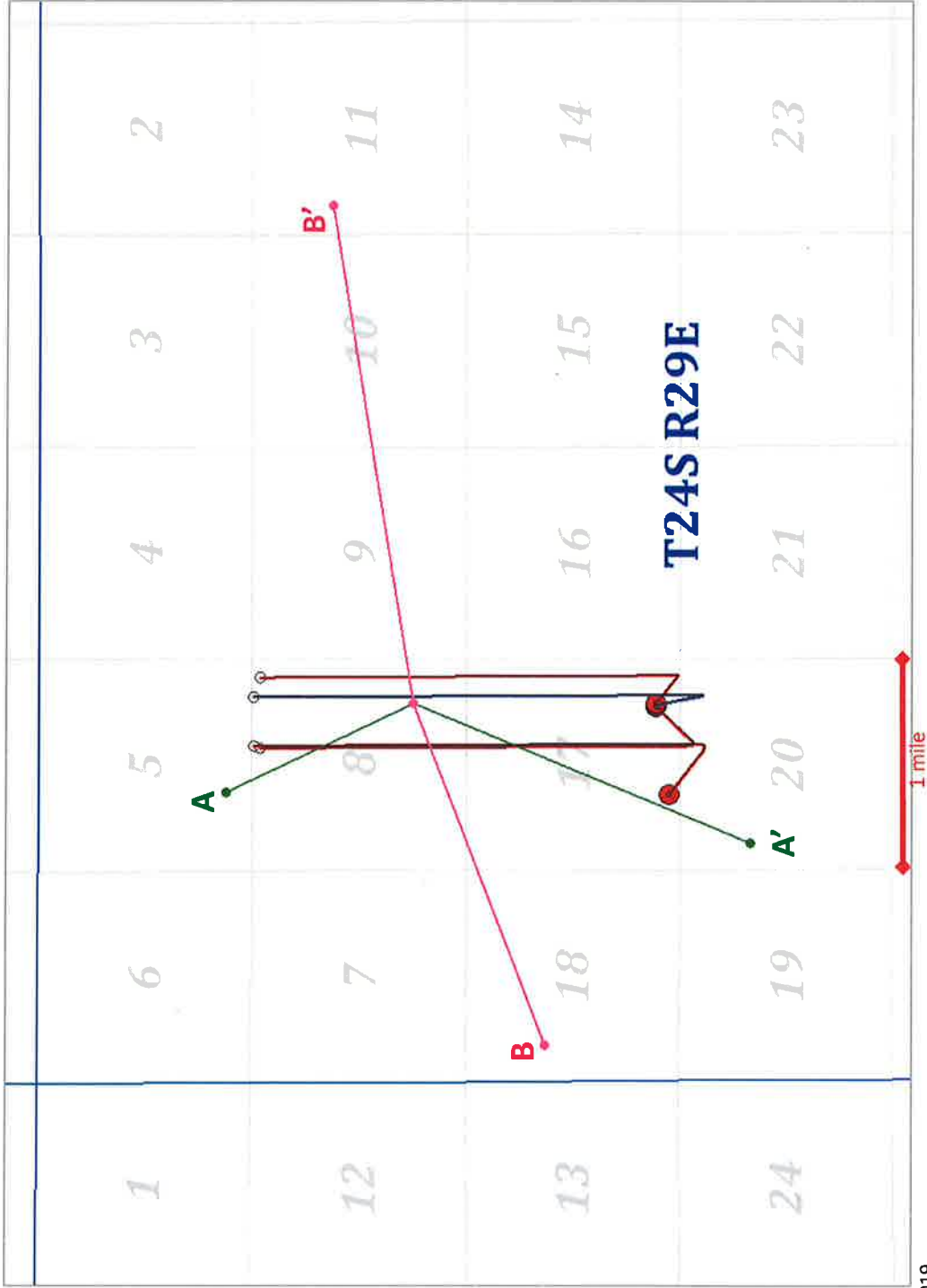
Prepared by Tony Troutman, OXY USA Inc. 7/31/2019

BEFORE THE OIL CONSERVATION DIVISION
 Santa Fe, New Mexico
Exhibit No. B2

Submitted by: **OXY USA INC**
 Hearing Date: September 5, 2019
 Case Nos 20763 & 20764

OXBOW 17-8 FED COM EAST HALF

CROSS-SECTION LOCATION MAP



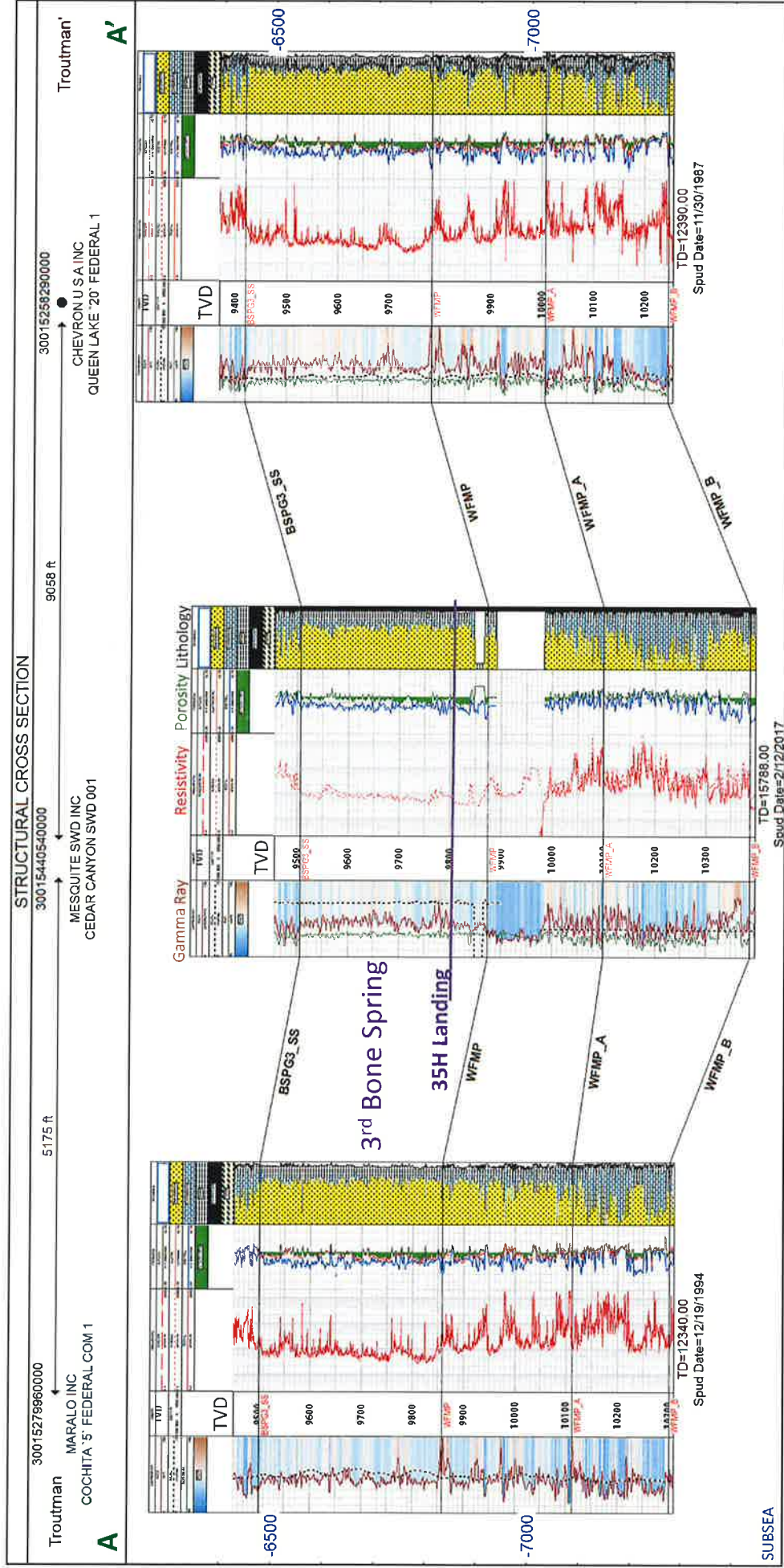
● Wolfcamp

● Bone Spring

Prepared by Tony Troutman, OXY USA Inc. 7/31/2019

OXBOW 17-8 FED COM EAST HALF

North to South Cross-section: Sections 8 and 17

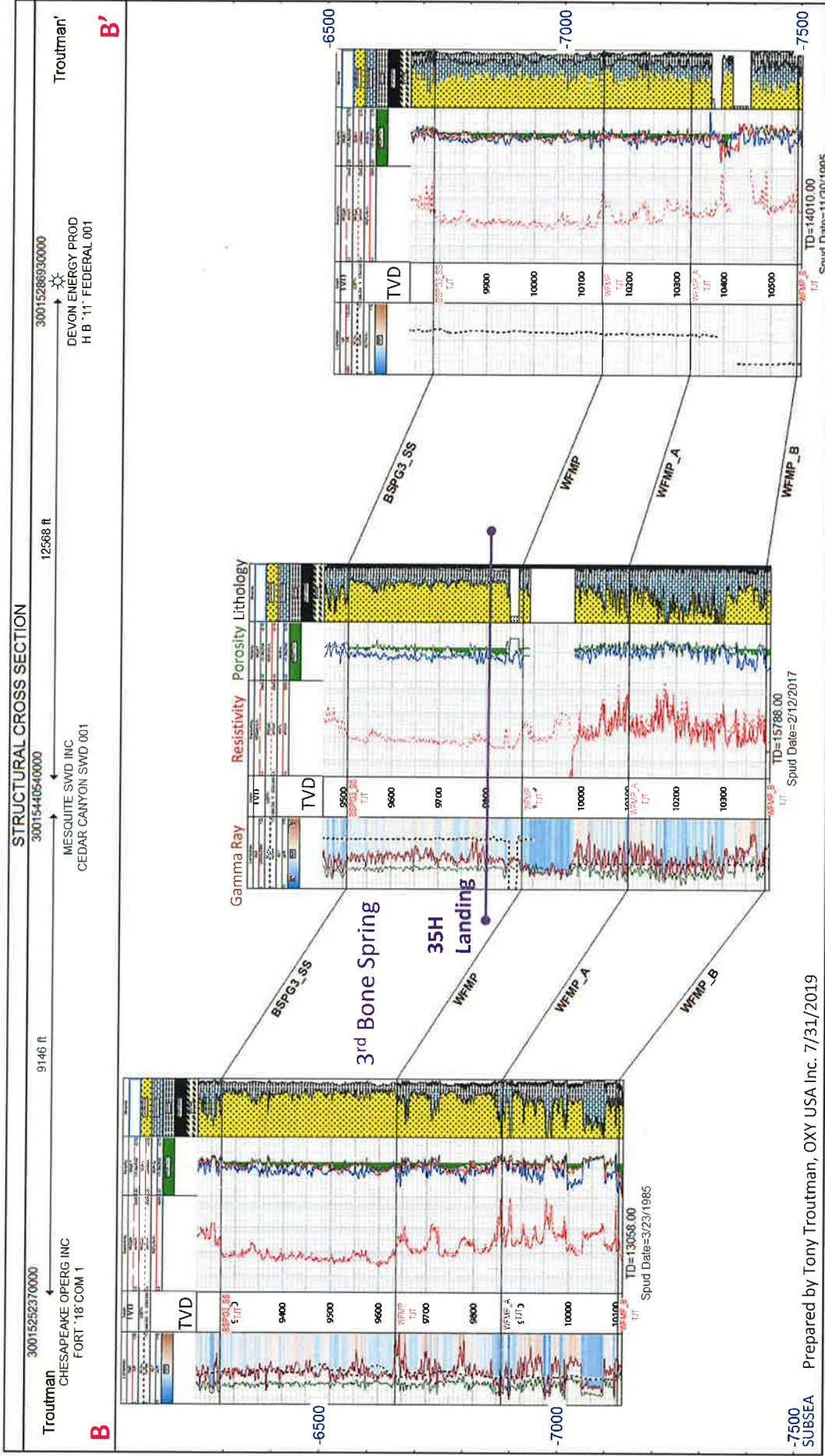


Prepared by Tony Troutman, OXY USA Inc. 7/31/2019

BEFORE THE OIL CONSERVATION DIVISION
 Santa Fe, New Mexico
 Exhibit No. B4
 Submitted by: OXY USA INC
 Hearing Date: September 5, 2019
 Case Nos 20763 & 20764

OXBOW 17-8 FED COM EAST HALF

West to East Cross-section: Sections 8 and 17



Prepared by Tony Troutman, OXY USA Inc. 7/31/2019

BEFORE THE OIL CONSERVATION DIVISION
 Santa Fe, New Mexico
 Exhibit No. B5
 Submitted by: **OXY USA INC**
 Hearing Date: September 5, 2019
 Case Nos 20763 & 20764

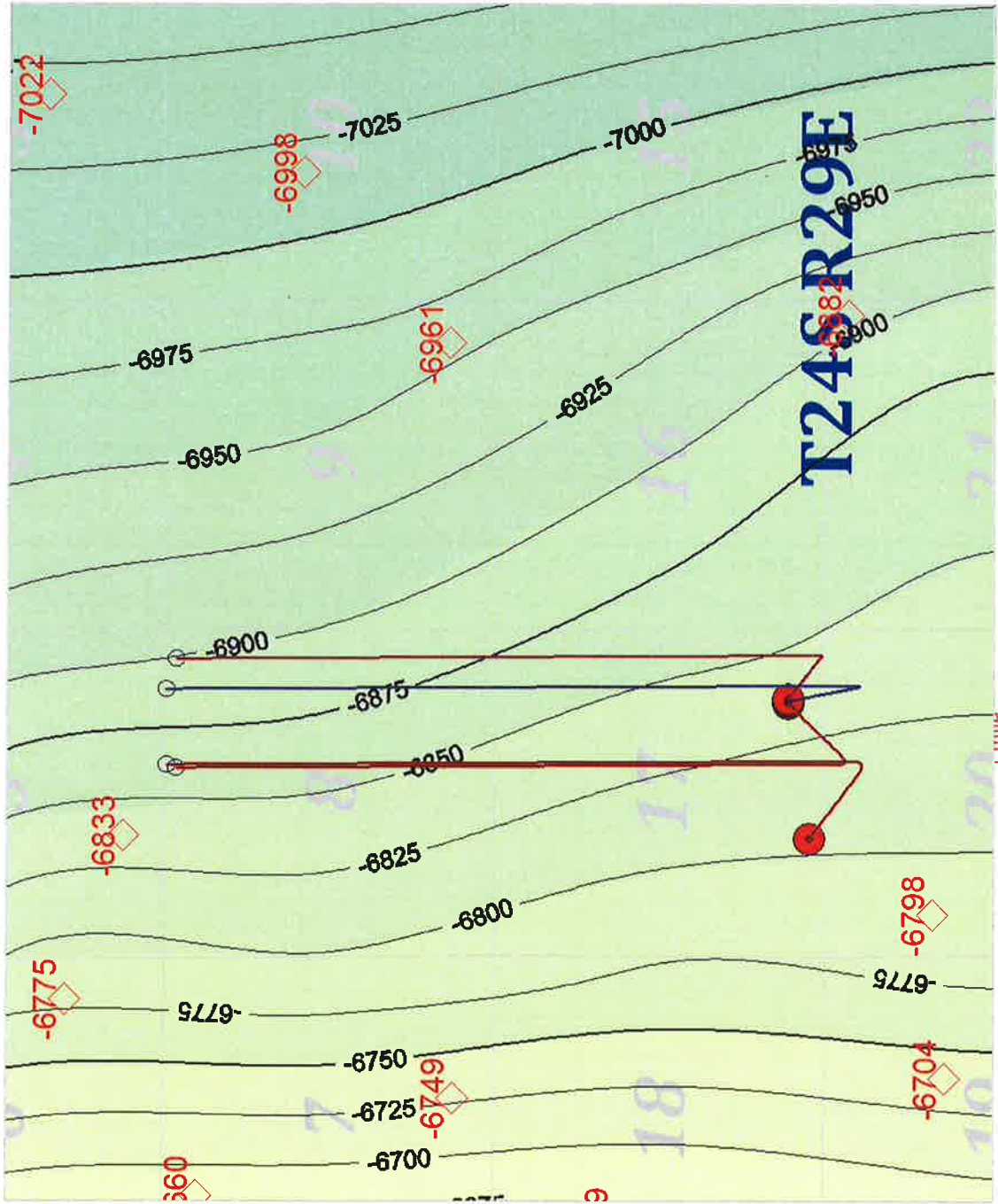
OXBOW 17-8 FED COM EAST HALF

WOLFCAMP STRUCTURE MAP
25' CONTOUR INTERVALS SUBSEA DEPTH

● Wolfcamp

● Bone Spring

◇ Control point
Subsea depth



Prepared by Tony Troutman, OXY USA Inc. 7/31/2019

BEFORE THE OIL CONSERVATION DIVISION
Santa Fe, New Mexico

Exhibit No. B6

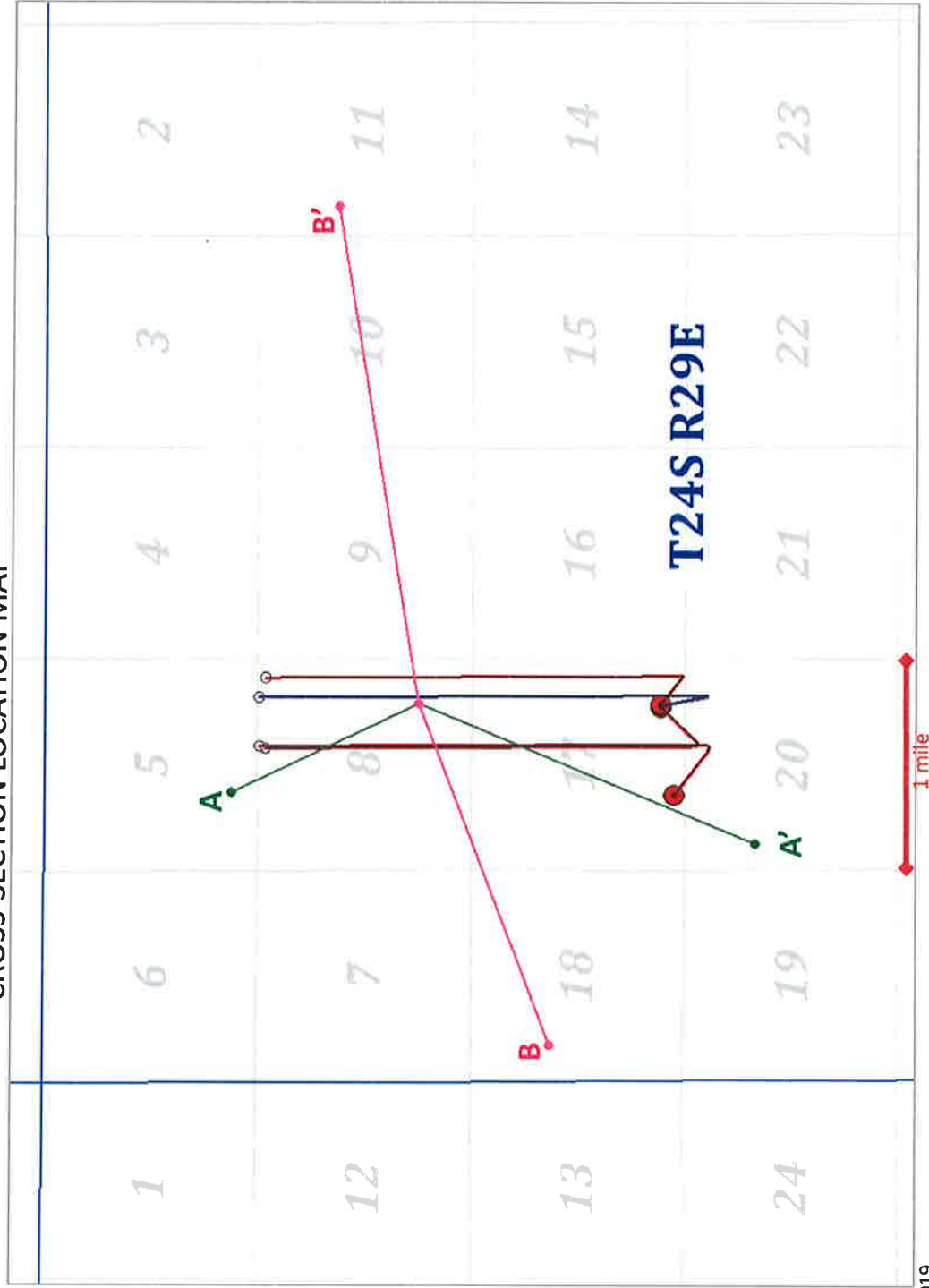
Submitted by: OXY USA INC

Hearing Date: September 5, 2019

Case Nos 20763 & 20764

OXBOW 17-8 FED COM EAST HALF

CROSS-SECTION LOCATION MAP



● Wolfcamp

● Bone Spring

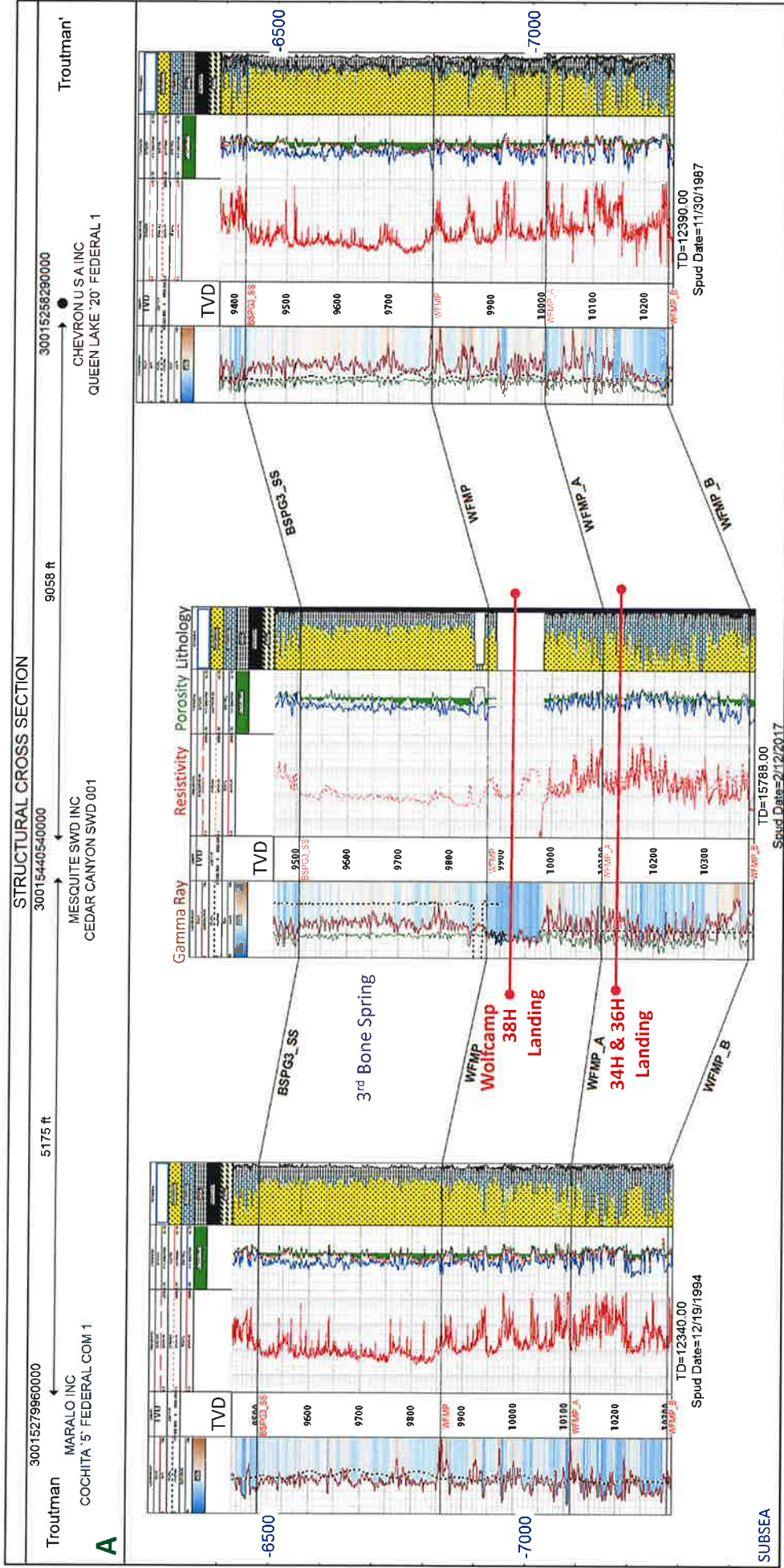
Prepared by Tony Troutman, OXY USA Inc. 7/31/2019

BEFORE THE OIL CONSERVATION DIVISION
 Santa Fe, New Mexico
 Exhibit No. B7

Submitted by: **OXY USA INC**
 Hearing Date: September 5, 2019
 Case Nos 20763 & 20764

OXBOW 17-8 FED COM EAST HALF

North to South Cross-section: Sections 8 and 17

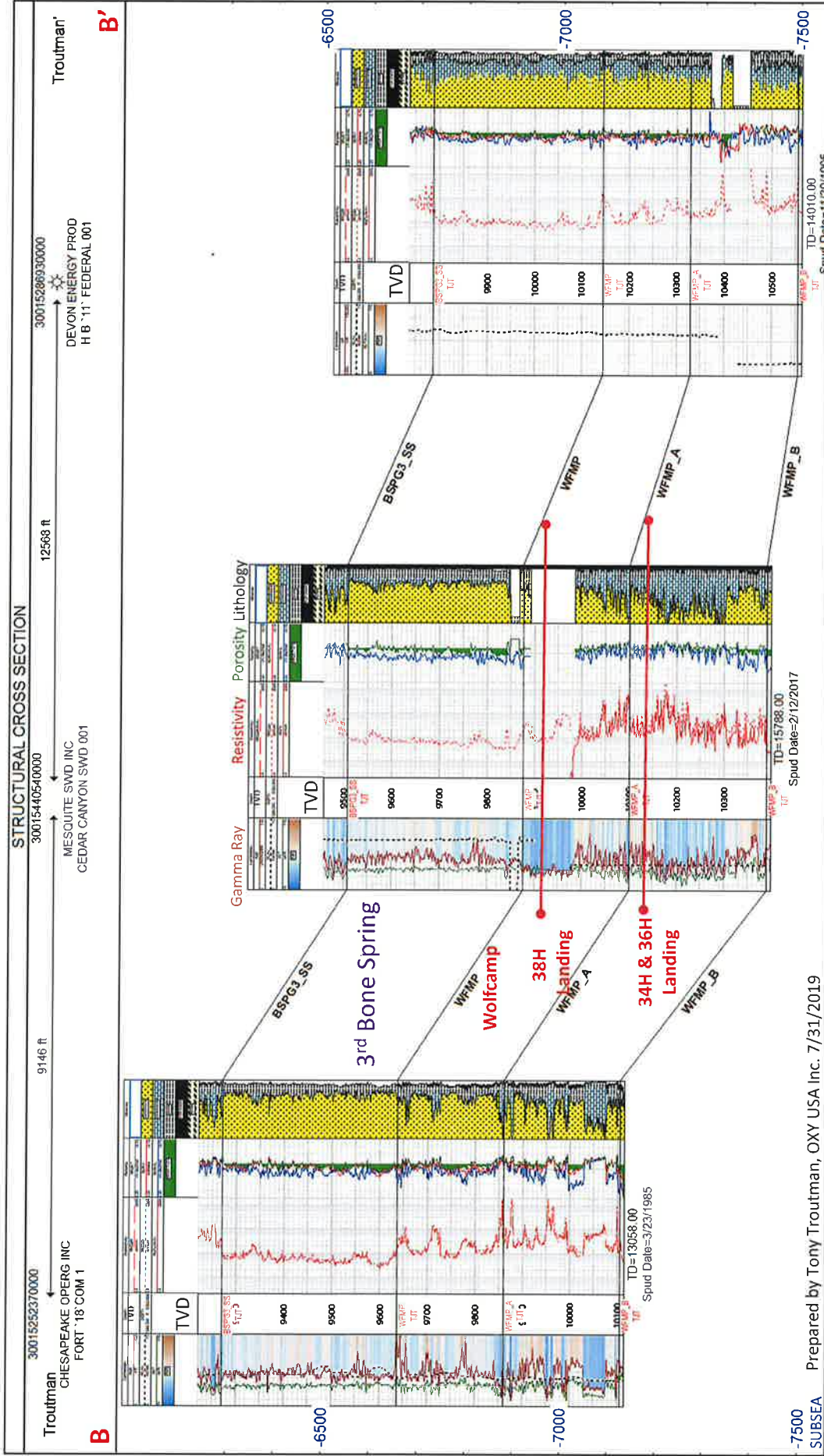


Prepared by Tony Troutman, OXY USA Inc. 7/31/2019

BEFORE THE OIL CONSERVATION DIVISION
 Santa Fe, New Mexico
 Exhibit No. B8
 Submitted by: **OXY USA INC**
 Hearing Date: September 5, 2019
 Case Nos 20763 & 20764

OXBOW 17-8 FED COM EAST HALF

West to East Cross-section: Sections 8 and 17



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

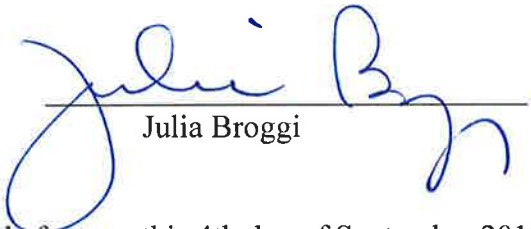
**APPLICATION OF OXY USA INC.
FOR COMPULSORY POOLING,
EDDY COUNTY, NEW MEXICO.**

CASE NO. 20763 & 20764

AFFIDAVIT

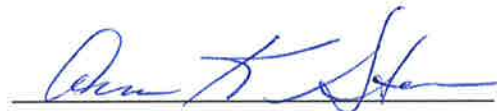
STATE OF NEW MEXICO)
) ss.
COUNTY OF SANTA FE)

Julia Broggi, attorney in fact and authorized representative of OXY USA Inc., the Applicant herein, being first duly sworn, upon oath, states that the above-referenced Application has been provided under the notice letters and proof of receipts attached hereto.



Julia Broggi

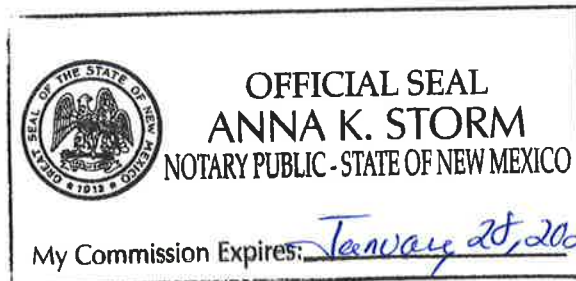
SUBSCRIBED AND SWORN to before me this 4th day of September 2019 by Julia Broggi.



Notary Public

My Commission

Expires: January 28, 2023





Michael H. Feldewert
Recognized Specialist in the
Area of Natural Resources –
Oil and Gas Law – New Mexico Board
of Legal Specification
mfeldewert@hollandhart.com

August 16, 2019

VIA CERTIFIED MAIL
CERTIFIED RECEIPT REQUESTED

TO: ALL INTEREST OWNERS SUBJECT TO POOLING PROCEEDINGS

Re: Application of OXY USA Inc. for compulsory pooling, Eddy County, New Mexico.
Oxbow CC 17-8 Fed Com #35H Well

Ladies & Gentlemen:

This letter is to advise you that OXY USA Inc. has filed the enclosed application with the New Mexico Oil Conservation Division. A hearing has been requested before a Division Examiner on September 5, 2019, and the status of the hearing can be monitored through the Division's website at <http://www.emnrd.state.nm.us/ocd/>. Division hearings will commence at 8:15 a.m. in Porter Hall at the Oil Conservation Division's Santa Fe Offices located at 1220 South Saint Francis Drive, Santa Fe, New Mexico 87505. You are not required to attend this hearing, but as an owner of an interest that may be affected by this application, you may appear and present testimony. Failure to appear at that time and become a party of record will preclude you from challenging the matter at a later date.

Parties appearing in cases are required by Division Rule 19.15.4.13.B to file a Pre-hearing Statement four business days in advance of a scheduled hearing. This statement must be filed at the Division's Santa Fe office at the above specified address and should include: the names of the parties and their attorneys; a concise statement of the case; the names of all witnesses the party will call to testify at the hearing; the approximate time the party will need to present its case; and identification of any procedural matters that are to be resolved prior to the hearing.

If you have any questions about this matter, please contact Jeremy Murphrey at (713) 350-4816 or Jeremy_Murphrey@oxy.com.

Sincerely,

Michael H. Feldewert
ATTORNEY FOR OXY USA INC.



August 16, 2019

VIA CERTIFIED MAIL
CERTIFIED RECEIPT REQUESTED

TO: ALL INTEREST OWNERS SUBJECT TO POOLING PROCEEDINGS

Re: Application of OXY USA Inc. for compulsory pooling, Eddy County, New Mexico.
Oxbow CC 17-8 Fed Com #34H, #36H, #38H Wells

Ladies & Gentlemen:

This letter is to advise you that OXY USA Inc. has filed the enclosed application with the New Mexico Oil Conservation Division. A hearing has been requested before a Division Examiner on September 5, 2019, and the status of the hearing can be monitored through the Division's website at <http://www.emnrd.state.nm.us/ocd/>. Division hearings will commence at 8:15 a.m. in Porter Hall at the Oil Conservation Division's Santa Fe Offices located at 1220 South Saint Francis Drive, Santa Fe, New Mexico 87505. You are not required to attend this hearing, but as an owner of an interest that may be affected by this application, you may appear and present testimony. Failure to appear at that time and become a party of record will preclude you from challenging the matter at a later date.

Parties appearing in cases are required by Division Rule 19.15.4.13.B to file a Pre-hearing Statement four business days in advance of a scheduled hearing. This statement must be filed at the Division's Santa Fe office at the above specified address and should include: the names of the parties and their attorneys; a concise statement of the case; the names of all witnesses the party will call to testify at the hearing; the approximate time the party will need to present its case; and identification of any procedural matters that are to be resolved prior to the hearing.

If you have any questions about this matter, please contact Jeremy Murphrey, at (713) 330-4816, or Jeremy_Murphrey@oxy.com.

Sincerely,

Michael H. Feldewert
ATTORNEY FOR OXY USA INC.

TrackingNo	ToName	DeliveryAddress	City	State	Zip	USPS_Status
94148108987 65041517880	EOG Y Resources, Inc.	5509 Champions Dr	Midland	TX	79706- 2843	Your item was delivered at 7:39 am on August 20, 2019 in MIDLAND, TX 79702.
94148108987 65041518009	Beryl Oil and Gas, LP Melissa L.	400 W Illinois Ave Ste 1150	Midland	TX	79701- 4499	Your package will arrive later than expected, but is still on its way. It is currently in transit to the next facility.
94148108987 65041518016	McKinney Schoening	301 Sir Barton Pkwy	Midland	TX	79705- 1932	Your item was delivered to an individual at the address at 2:02 pm on August 19, 2019 in MIDLAND, TX 79705.
94148108987 65041518023	Roy A. Barton III	1919 N Turner St	Hobbs	NM	88240- 2712	Your item was delivered to an individual at the address at 12:22 pm on August 19, 2019 in HOBBS, NM 88240.
94148108987 65041517897	EOG A Resources, Inc.	5509 Champions Dr	Midland	TX	79706- 2843	Your package will arrive later than expected, but is still on its way. It is currently in transit to the next facility.
94148108987 65041517910	EOG M Resources, Inc.	5509 Champions Dr	Midland	TX	79706- 2843	Your item was delivered at 7:39 am on August 20, 2019 in MIDLAND, TX 79702.
94148108987 65041517934	Brett Barton c/o Barton Oil	1919 N Turner St	Hobbs	NM	88240- 2712	Your item was delivered to an individual at the address at 12:22 pm on August 19, 2019 in HOBBS, NM 88240.
94148108987 65041517941	Heidi C. Barton	2008 N Vega Ct	Hobbs	NM	88240- 3446	Your item was delivered to an individual at the address at 4:25 pm on August 19, 2019 in HOBBS, NM 88240.
94148108987 65041517958	GD McKinney Investments LP	300 N Marienfeld St Ste 1100	Midland	TX	79701- 4384	Your package will arrive later than expected, but is still on its way. It is currently in transit to the next facility.
94148108987 65041517965	B. Jack Reed	506 Charismatic Dr	Midland	TX	79705- 1930	Your item was delivered at 11:48 am on August 23, 2019 in MIDLAND, TX 79705.

Postal Delivery Report
OXY - Oxbow 34H-36H, 38H
Case Nos. 20763, 20764

94148108987	Leopard	4200 Fairwood Dr	Midland TX	79707-1460	Your item was delivered at 1:55 pm on August 21, 2019 in MIDLAND, TX 79705.
65041517989	Petroleum LP				
94148108987	DRW Energy,	400 W Illinois Ave		79701-4673	Your item was delivered to an individual at the address at 11:53 am on August 20, 2019 in MIDLAND, TX 79701.
65041517996	LLC	Ste 970	Midland TX		

AFFIDAVIT OF PUBLICATION

Ad No.
0001294238

HOLLAND & HART
PO BOX 2208

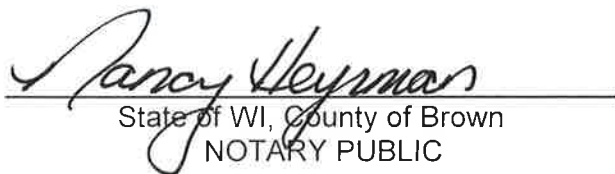
SANTA FE NM 87504

I, a legal clerk of the **Carlsbad Current-Argus**, a newspaper published daily at the City of Carlsbad, in said county of Eddy, state of New Mexico and of general paid circulation in said county; that the same is a duly qualified newspaper under the laws of the State wherein legal notices and advertisements may be published; that the printed notice attached hereto was published in the regular and entire edition of said newspaper and not in supplement thereof on the date as follows, to wit:

08/20/19


Legal Clerk

Subscribed and sworn before me this
20th of August 2019.


State of WI, County of Brown
NOTARY PUBLIC

5.15.23
My Commission Expires

NANCY HEYRMAN
Notary Public
State of Wisconsin

Ad#:0001294238
P O : 6. Oxbow CC 17-08 #35H
of Affidavits :0.00

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

The State of New Mexico through its Oil Conservation Division hereby gives notice pursuant to law and the Rules and Regulations of the Division of the following public hearing to be held at 8:15 A.M. on **September 5, 2019**, in the Oil Conservation Division Hearing Room at 1220 South St. Francis, Santa Fe, New Mexico, before an examiner duly appoint for the hearing. If you are an individual with a disability who is in need of a reader, amplifier, qualified sign language interpreter, or any other form of auxiliary aid or service to attend or participate in the hearing, please contact: Florene Davidson at 505-476-3458 or through the New Mexico Relay Network, 1-800-659-1779 by **August 26, 2019**. Public documents, including the agenda and minutes, can be provided in various accessible forms. Please contact Florene Davidson if a summary or other type of accessible form is needed.

**STATE OF NEW MEXICO TO:
All named parties and persons
having any right, title, interest
or claim in the following case
and notice to the public.**

(NOTE: All land descriptions herein refer to the New Mexico Principal Meridian whether or not so stated.)

To:All overriding royalty interest owners and pooled parties, including: EOG Y Resources, Inc.; EOG A Resources, Inc.; EOG M Resources Inc.; Brett Barton, c/o Barton Oil, his heirs and devisees; Heidi C. Barton, her heirs and devisees.

CASE 20763: Application of OXY USA Inc. for compulsory pooling, Eddy County, New Mexico. Applicant in the above-styled cause seeks an order pooling all uncommitted interests in the Bone Spring formation underlying a standard 640-acre, more or less, horizontal well spacing unit comprised of the E/2 of Sections 8 and 17, Township 24 South, Range 29 East, NMPM, Eddy County, New Mexico. Applicant proposes to dedicate the above-referenced spacing unit to its proposed **Oxbow CC 17-8 Fed Com #35H Well** to be horizontally drilled from a surface location in the SE/4 SE/4 (Unit P) of Section 17 to a bottom-hole location in the NE/4 NE/4 (Unit A) of Section 8. The completed interval for the **Oxbow CC 17-8 Fed Com #35H Well** will remain within 330 feet of the W/2 E/2 of Sections 8 and 17 to allow inclusion of these proximity tracts in a standard 640-acre horizontal well spacing comprised of E/2 of Sections 8 and 17. Also to be considered will be the cost of drilling and completing said well and the allocation of the cost thereof as well as the actual operating costs and charges for supervision, the designation of applicant as operator of the well, and the 200% charge for risk

involved in drilling said well. Said area is located approximately 5 miles east of Malaga, New Mexico.

August 20, 2019 Legal ad#1294238

CARLSBAD
CURRENT-ARGUS

AFFIDAVIT OF PUBLICATION

Ad No.
0001294235

HOLLAND & HART
PO BOX 2208


SANTA FE NM 87504

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My Commission Expires

NANCY HEYRMAN
Notary Public
State of Wisconsin

Ad#:0001294235
P O : 4. Oxbow CC 17-08 #34H
of Affidavits :0.00

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ENERGY, MINERALS AND NATURAL
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**STATE OF NEW MEXICO TO:
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or claim in the following case
and notice to the public.**

(NOTE: All land descriptions herein refer to the New Mexico Principal Meridian whether or not so stated.)

To:All overriding royalty interest owners and pooled parties, including: EOG Y Resources, Inc.; EOG A Resources, Inc.; EOG M Resource Inc.; Brett Barton, c/o Barton Oil, his heirs and devisees; Heidi C. Barton, her heirs and devisees.

CASE 20764: Application of OXY USA Inc. for compulsory pooling, Eddy County, New Mexico. Applicant in the above-styled cause seeks an order pooling all uncommitted interests in the Wolfcamp formation underlying a standard 640-acre, more or less, horizontal well spacing unit comprised of the E/2 of Sections 8 and 17, Township 24 South, Range 29 East, NMPM, Eddy County, New Mexico. Applicant proposes to dedicate the above-referenced spacing unit to the following initial proposed wells:
o The **Oxbow CC 17-8 Fed Com #34H Well** to be horizontally drilled from a surface location in the SE/4 SE/4 (Unit P) of Section 17 to a bottom-hole location in the NW/4 NE/4 (Unit B) of Section 8.
o The **Oxbow CC 17-8 Fed Com #36H Well** to be horizontally drilled from a surface location in the SE/4 SE/4 (Unit P) of Section 17 to a bottom-hole location in the NE/4 NE/4 (Unit A) of Section 8.
o The **Oxbow CC 17-8 Fed Com #38H Well** to be horizontally drilled from a surface location in the SE/4 SW/4 (Unit N) of Section 17 to a bottom-hole location in the NW/4 NE/4 (Unit B) of Section 8.

Also, to be considered will be an extension of the timefrar to drill and complete the initial well, the cost of drilling and completing said wells and the allocation of the cost thereof, the actual operating costs and charges for supervision, the designation of applicant as operator of the wells, and the imposition of a 200% charge for risk involved in drilling and completing each well. Said area is located approximately 5 miles east of Malaga, New Mexico.
August 20, 2019 Legal ad#1294235