

**BEFORE THE OIL CONSERVATION DIVISION
EXAMINER HEARING MARCH 05, 2020**

CASE NOS. 21094 & 21095

*SALT FLAT CC "20-29" FEDERAL COM 35H
SALT FLAT CC "20-29" FEDERAL COM 34H, 36H, 38H*

EDDY COUNTY, NEW MEXICO



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

**APPLICATION OF OXY USA INC.
TO POOL ADDITIONAL INTEREST
OWNERS UNDER THE TERMS OF
ORDER NO. R-20734, EDDY COUNTY
NEW MEXICO**

**APPLICATION OF OXY USA INC.
TO POOL ADDITIONAL INTEREST
OWNERS UNDER THE TERMS OF
ORDER NO. R-20733, EDDY COUNTY
NEW MEXICO**

**CASE NOS. 21094 & 21095
(ORDER NOS. R-20734 & R-20733)**

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

**APPLICATION OF OXY USA INC.
TO POOL ADDITIONAL INTEREST
OWNERS UNDER THE TERMS OF
ORDER NO. R-20734, EDDY COUNTY,
NEW MEXICO.**

CASE NO. 21094
ORDER NO. R-20734

APPLICATION

OXY USA Inc. (“OXY” or “Applicant”) (OGRID No. 16696) through its undersigned attorneys, hereby files this application with the Oil Conservation Division to pool additional mineral interest owners under the terms of Order No. R-20734. In support of its application, OXY states:

1. Division Order No. R-20734, entered on July 31, 2019, created a 640-acre, more or less, standard horizontal spacing unit consisting of the E/2 of Sections 20 and 29, Township 24 South, Range 29 East, NMPM, Eddy County, New Mexico (the “Unit”), and designated Oxy as the operator of the Unit. Order No. R-20734 further pooled the uncommitted interests in the Bone Spring formation (Pierce Crossing; Bone Spring Pool (Pool Code 96473)) in the Unit and dedicated the Unit to the initial **Salt Flat CC “20-29” Federal Com No. 35H** 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 SE/4 SE/4 (Unit P) of Section 29.

3. Since the entry of Order No. R-20734, Oxy has determined that there are additional mineral interest owners in the Unit that require pooling because Oxy has been unable to obtain voluntary joinder.

BEFORE THE OIL CONSERVATION DIVISION
Santa Fe, New Mexico
Exhibit No. A
Submitted by: **OXY USA INC.**
Hearing Date: March 05, 2020
Case Nos 21094 & 21095

4. The pooling of the additional mineral interest owners under the terms of Order No. R-20734 will prevent waste, will protect correlative rights, and will promote administrative efficiency.

5. In order to permit Applicant to obtain its just and fair share of the oil and gas underlying the subject lands, the additional mineral interest owners should be pooled in the Unit pursuant to the terms of Order No. R-20734.

WHEREFORE, Applicant requests that this application be set for hearing before an Examiner of the Oil Conservation Division on March 5, 2020, and after notice and hearing as required by law, the Division pool the additional mineral interest owners pursuant to the terms of Order No. R-20734.

Respectfully submitted,

HOLLAND & HART LLP

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ATTORNEYS FOR OXY USA INC.

CASE _____: **Application of OXY USA Inc. to Pool Additional Interest Owners Under the Terms of Order No. R-20734, Eddy County, New Mexico.** Applicant in the above-styled cause seeks to pool additional mineral interests under the terms of Order No. R-20734. The Unit is comprised of the E/2 of Sections 20 and 29, Township 24 South, Range 29 East, NMPM, Eddy County, New Mexico. Order No. R-20734 pooled the uncommitted interests in the Bone Spring formation (Pierce Crossing; Bone Spring Pool (Pool Code 96473)) and dedicated the Unit to the initial **Salt Flat CC "20-29" Federal Com No. 35H** 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 SE/4 SE/4 (Unit P) of Section 29. ffSaid area is located approximately 5 miles east of Malaga, New Mexico.

**STATE OF NEW MEXICO
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**APPLICATION OF OXY USA INC.
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ORDER NO. R-20733, EDDY COUNTY,
NEW MEXICO.**

CASE NO. 21095
ORDER NO. R-20733

APPLICATION

OXY USA Inc. (“OXY” or “Applicant”) (OGRID No. 16696) through its undersigned attorneys, hereby files this application with the Oil Conservation Division to pool additional mineral interest owners under the terms of Order No. R-20733. In support of its application, OXY states:

1. Division Order No. R-20733, entered on July 31, 2019, created a 640-acre, more or less, standard horizontal spacing unit consisting of the E/2 of Sections 20 and 29, Township 24 South, Range 29 East, NMPM, Eddy County, New Mexico (the “Unit”), and designated Oxy as the operator of the Unit. Order No. R-20733 further pooled the uncommitted interests in the Wolfcamp formation (Purple Sage; Wolfcamp Pool (Pool Code 98220)) in the Unit and dedicated the Unit to the following initial wells:

- The **Salt Flat CC “20-29” Federal Com No. 34H Well**, 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 SW/4 SE/4 (Unit O) of Section 29.
- The **Salt Flat CC “20-29” Federal Com No. 36H Well**, 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 SE/4 SE/4 (Unit P) of Section 29.

BEFORE THE OIL CONSERVATION DIVISION
Santa Fe, New Mexico
Exhibit No. B
Submitted by: **OXY USA INC.**
Hearing Date: March 05, 2020
Case Nos 21094 & 21095

- The Salt Flat CC “20-29” Federal Com No. 38H Well, 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 SW/4 SE/4 (Unit O) of Section 29.

3. Since the entry of Order No. R-20733, Oxy has determined that there are additional mineral interest owners in the Unit that require pooling because Oxy has been unable to obtain voluntary joinder.

4. The pooling of the additional mineral interest owners under the terms of Order No. R-20733 will prevent waste, will protect correlative rights, and will promote administrative efficiency.

5. In order to permit Applicant to obtain its just and fair share of the oil and gas underlying the subject lands, the additional mineral interest owners should be pooled in the Unit pursuant to the terms of Order No. R-20733.

WHEREFORE, Applicant requests that this application be set for hearing before an Examiner of the Oil Conservation Division on March 5, 2020, and after notice and hearing as required by law, the Division pool the additional mineral interest owners pursuant to the terms of Order No. R-20733.

Respectfully submitted,

HOLLAND & HART LLP

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ATTORNEYS FOR OXY USA INC.

CASE _____: **Application of OXY USA Inc. to Pool Additional Interest Owners Under the Terms of Order No. R-20733, Eddy County, New Mexico.** Applicant in the above-styled cause seeks to pool additional mineral interests under the terms of Order No. R-20733. The Unit is comprised of the E/2 of Sections 20 and 29, Township 24 South, Range 29 East, NMPM, Eddy County, New Mexico. Order No. R-20733 pooled the uncommitted interests in the Wolfcamp formation (Purple Sage; Wolfcamp Pool (Pool Code 98220)) and dedicated the Unit to the following initial wells:

- The **Salt Flat CC “20-29” Federal Com No. 34H Well**, 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 SW/4 SE/4 (Unit O) of Section 29.
- The **Salt Flat CC “20-29” Federal Com No. 36H Well**, 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 SE/4 SE/4 (Unit P) of Section 29.
- The **Salt Flat CC “20-29” Federal Com No. 38H Well**, 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 SW/4 SE/4 (Unit O) of Section 29.

Said area is located approximately 5 miles east of Malaga, New Mexico.

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NEW MEXICO**

**CASE NOS. 21094 & 21095
(ORDER NOS. R-20734 & R-20733)**

**AFFIDAVIT OF PETER R. VAN LIEW
IN SUPPORT OF CASE NOS. 20551 & 20550**

Peter R. Van Liew, of lawful age and being first duly sworn, declares as follows:

1. My name is Peter R. Van Liew. I work for OXY USA Inc. ("Oxy") as a Senior Land Negotiator.
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 do not anticipate any opposition to these consolidated cases.

Case No. 20551

4. Division Order No. R-20734, entered on July 31, 2019, created a 640-acre, more or less, standard horizontal spacing unit consisting of the E/2 of Sections 20 and 29, Township 24 South, Range 29 East, NMPM, Eddy County, New Mexico (the "Unit"), and designated Oxy as the operator of the Unit. Order No. R-20734 further pooled the uncommitted interests in the

**BEFORE THE OIL CONSERVATION DIVISION
Santa Fe, New Mexico
Exhibit No. C
Submitted by: OXY USA INC.
Hearing Date: March 05, 2020
Case Nos 21094 & 21095**

Bone Spring formation (Pierce Crossing; Bone Spring Pool (Pool Code 96473)) in the Unit and dedicated the Unit to the initial **Salt Flat CC “20-29” Federal Com No. 35H** 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 SE/4 SE/4 (Unit P) of Section 29.

5. A true and correct copy of Division Order R-20734 is attached hereto as **Oxy Exhibit C-1**.

6. Since the entry of Order No. R-20734, Oxy has discovered additional mineral interest owners that need to be pooled. Oxy respectfully requests that these additional interest owners be pooled pursuant to the terms of the Order R-20734.

Case No. 20550

Division Order No. R-20733, entered on July 31, 2019, created a 640-acre, more or less, standard horizontal spacing unit consisting of the E/2 of Sections 20 and 29, Township 24 South, Range 29 East, NMPM, Eddy County, New Mexico (the “Unit”), and designated Oxy as the operator of the Unit. Order No. R-20733 further pooled the uncommitted interests in the Wolfcamp formation (Purple Sage; Wolfcamp Pool (Pool Code 98220)) in the Unit and dedicated the Unit to the following initial wells:

- The **Salt Flat CC “20-29” Federal Com No. 34H Well**, 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 SW/4 SE/4 (Unit O) of Section 29.
- The **Salt Flat CC “20-29” Federal Com No. 36H Well**, 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 SE/4 SE/4 (Unit P) of Section 29.

- **The Salt Flat CC “20-29” Federal Com No. 38H Well**, 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 SW/4 SE/4 (Unit O) of Section 29.
7. A true and correct copy of Division Order R-20733 is attached hereto as **Oxy Exhibit C-2**.
8. Since the entry of Order No. R-20733, Oxy has discovered additional mineral interest owners that need to be pooled. Oxy respectfully requests that these additional interest owners be pooled pursuant to the terms of the Order R-20733.
9. **Oxy Exhibit C-3** is an exhibit I prepared that identifies the ownership interests by tract and by unit for both consolidated cases. The mineral interest owners that Oxy is seeking to pool in these consolidated cases are denoted by an asterisk.
10. Oxy sent well proposal letters for the Salt Flat CC “20-29” Federal Com Nos. 35H, 34H, 36H, and 38H Wells to these mineral interest owners. Copies of the well proposal letters, along with AFEs, are attached hereto as **Exhibit C-4**.
11. Oxy has undertaken good faith efforts to reach voluntary agreement with the parties it is now seeking to pool. A chronology of contacts with the uncommitted mineral interest owners to obtain voluntary joinder is attached hereto as **Exhibit C-5**.
12. I provided the law firm of Holland & Hart LLP the names and mailing addresses for the uncommitted mineral interest owners to provide notice of this hearing. All parties were locatable.
13. **Oxy Exhibit Nos. C-3 through C-5** were either prepared by me or compiled under my direction and supervision.


PETER R. VAN LIEW

STATE OF TEXAS)
COUNTY OF Harris)

SUBSCRIBED and SWORN to before me this 4th day of March 2020, by Peter R. Van Liew.


NOTARY PUBLIC

My Commission Expires:
4/7/23



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

**IN THE MATTER OF THE HEARING CALLED BY
THE OIL CONSERVATION DIVISION TO
CONSIDER:**

**CASE NO. 20551
ORDER NO. R-20734**

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

ORDER OF THE DIVISION

BY THE DIVISION:

This case came on for hearing at 8:15 a.m. on June 13, 2019, at Santa Fe, New Mexico, before Examiner William V. Jones.

NOW, on this 31st day of July 2019, the Division Director, having considered the testimony, the record and the recommendations of the Examiner,

FINDS THAT

- (1) Due public notice has been given and the Division has jurisdiction of this case and the subject matter.
- (2) Applicant seeks to compulsory pool all uncommitted oil and gas interests within a spacing unit, as that unit is described in the attached Exhibit "A".
- (3) Applicant seeks to dedicate the Proposed Well(s) detailed in Exhibit "A" to the Unit.
- (4) MRC Permian Company entered an appearance. No other party appeared or otherwise opposed the case.
- (5) Applicant appeared at the hearing through counsel and presented evidence to the effect that:
 - (a) The well has an API number and approved permit to drill to the Wolfcamp formation. The application in this Case is for compulsory pooling of a revised target to the Bone Spring Sands.

**BEFORE THE OIL CONSERVATION DIVISION
Santa Fe, New Mexico
Exhibit No. C1
Submitted by: OXY USA INC.
Hearing Date: March 05, 2020
Case Nos 21094 & 21095**

- (b) All completed well locations are expected to be standard or Applicant will apply administratively for approval of location exceptions.
- (c) Notice by certified mail was provided to all uncommitted interest owners in the proposed Unit whose interests were evidenced by a conveyance instrument, either of record or known to Applicant when the Application was filed, and to heirs known to Applicant of deceased persons who appear as owners in such instrument.
- (d) Newspaper notice was not provided.

The Division finds and concludes that

(6) If the location of any of the Well(s) is unorthodox when the well is completed under the spacing rules then in effect and applicable to the well, the operator must obtain a non-standard location approval prior to producing the well.

(7) Two or more separately owned tracts are embraced within the Unit, and/or there are royalty interests and/or undivided interests in oil and gas minerals in one or more tracts included in the Unit that are separately owned.

(8) Applicant is owner of an oil and gas working interest within the Unit. Applicant has the right to drill and proposes to drill the Well(s) to a common source of supply within the Unit at the described depths and location(s). Applicant should be allowed a one year period to complete at least one of the Well(s) after commencing drilling of the Well(s).

(9) There are interest owners in the Unit that have not agreed to pool their interests.

(10) To avoid the drilling of unnecessary wells, protect correlative rights, prevent waste and afford to the owner of each interest in the Unit the opportunity to recover or receive without unnecessary expense a just and fair share of hydrocarbons, this application should be approved by pooling all uncommitted interests, whatever they may be, in the oil and gas in the pooled depth interval within the Unit.

(11) To ensure protection of correlative rights, any pooled working interest owner whose address is known, and who has elected to participate under the terms of this order should be notified before the Division grants any extension of the time provided herein for commencing drilling. Any such owner may file an application, with notice to the operator, requesting that the extension be denied.

(12) Infill wells within the Unit should be subject to Division Rules 19.15.13.9 NMAC through 19.15.13.10 NMAC, and to the terms and conditions of this order.

(13) Any pooled working interest owner who does not pay its share of estimated well costs of any well should have withheld from production from such well its share of reasonable

well costs plus an additional reasonable charge [see Exhibit "A"] for the risk involved in drilling the Well(s).

IT IS THEREFORE ORDERED THAT

- (1) All uncommitted interests, whatever they may be, in the oil and gas within the spacing unit (or the portion thereof within the pooled vertical extent) described in Exhibit "A" are hereby pooled. Exhibit "A" hereto is incorporated herein by this reference and made a part of this order for all purposes.
- (2) The Unit shall be dedicated to the proposed "Well(s)".
- (3) If any of the Well(s) is completed at an unorthodox location under applicable rules in effect at the time such well is completed, the operator shall provide notice and apply administratively for a location exception prior to producing the well.
- (4) The operator of the Unit shall commence drilling the Well(s) on or before the end of the month corresponding to the date of this order, in the year following the date of issuance of this order and shall thereafter continue drilling the Well(s) with due diligence to test the pooled formation or pooled vertical depths. The Well(s) shall be drilled approximately to the proposed true vertical and measured depths.
- (5) In the event the operator does not commence drilling the Well(s) on or before the date provided in the foregoing paragraph, the compulsory pooling provision of this order shall be of no effect, unless the operator obtains a written time extension from the Division Director pursuant to a written request stating its reasons for such extension and attaching satisfactory evidence.
- (6) In the event the operator does not commence completion operations within one year after commencement of drilling operations pursuant to this order, then the compulsory pooling provisions of this order shall be of no effect unless operator obtains a written time extension from the Division Director pursuant to a written request stating its reasons for such extension and attaching satisfactory evidence.
- (7) The operator shall provide a copy of any request for extension of time to drill or complete any well filed with the Director pursuant to this order to each pooled working interest owner who has elected to participate in the drilling of any well that is the subject of the request. Such copy shall be sent at the same time the request is sent to the Director.
- (8) Upon final plugging and abandonment of the Well(s) and any other well drilled on the Unit pursuant to Division Rule 19.15.13.9 NMAC, the pooled unit created by this order shall terminate unless this order has been amended to authorize further operations.
- (9) Infill wells within the Unit shall be subject to Division Rule 19.15.13.9 NMAC and to the terms and conditions of this order.

(10) After pooling, uncommitted working interest owners are referred to as pooled working interest owners. ("Pooled working interest owners" are owners of working interests in the Unit, including unleased mineral interests, who are not parties to an operating agreement governing the Unit.) After the effective date of this order, the operator shall furnish the Division and each known pooled working interest owner in the Unit separate itemized schedules of estimated costs of drilling, completing and equipping each of the Well(s) ("well costs").

(11) Within 30 days from the date the schedule of estimated well costs for any well is furnished, any pooled working interest owner shall have the right to elect to pay its share of estimated well costs to the operator in lieu of paying its share of reasonable well costs out of production as hereinafter provided. Payment shall be rendered within 30 days after expiration of the 30-day election period and any such owner who pays its share of estimated well costs as provided above for any well shall remain liable for operating costs but shall not be liable for risk charges to the extent computed based on costs of such well. Pooled working interest owners who do not elect to pay their share of estimated well costs, or who do not render timely payment to the operator, as provided in this paragraph shall thereafter be referred to as "non-consenting working interest owners."

(12) The operator shall furnish the Division and each known pooled working interest owner (including non-consenting working interest owners) an itemized schedule of actual well costs of each well within 180 days following completion of the proposed well. If no objection to the actual well costs for any well is received by the Division, and the Division has not objected, within 45 days following receipt of the schedule for such well, the actual well costs shall be deemed to be the reasonable well costs. If there is an objection to actual well costs within the 45-day period, the Division will determine reasonable well costs for such well after public notice and hearing.

(13) Within 60 days following determination of reasonable well costs for any well, any pooled working interest owner who has paid its share of estimated costs of such well in advance as provided above shall pay to the operator its share of the amount that reasonable well costs exceed estimated well costs and shall receive from the operator the amount, if any, that the estimated well costs it has paid for such well exceed its share of reasonable well costs.

(14) The operator is hereby authorized to withhold the following costs and charges from each non-consenting working interest owner's share of production from each well:

(a) the proportionate share of reasonable well costs attributable to the non-consenting working interest owner; and

(b) as a charge for the risk involved in drilling the well, the percent (shown in Exhibit "A") of the above costs.

(15) During the cost recovery period, the operator shall furnish to the Division and to each known non-consenting pooled working interest owner, annually, and within 90 days after payout occurs, a schedule of all revenues attributable to each proposed well, and all charges for

supervision and operating costs charged against such revenues. Operating costs shall include all reasonable costs incurred for the maintenance and operation of the well, except for "well costs" reported pursuant to prior ordering paragraphs, that are properly chargeable to the joint account pursuant to COPAS procedures. If no objection to the operating costs is received by the Division, and the Division has not objected, within 45 days following receipt of any schedule, the costs shall be deemed to be the reasonable operating costs. If there is an objection to the accuracy or reasonableness of operating costs reported within the 45-day period, the Division will determine reasonable operating costs after public notice and hearing.

(16) The operator shall distribute the costs and charges withheld from production, proportionately, to the parties who advanced the well costs for such well.

(17) Reasonable charges for supervision (combined fixed rates) are hereby fixed at the rates shown in Exhibit "A" per month, per well, while drilling and while producing, provided that these rates shall be adjusted annually pursuant to the COPAS form titled "Accounting Procedure-Joint Operations." The operator is authorized to withhold from production from each well the proportionate share of both the supervision charges and the actual expenditures required for operating of such well, not more than what are reasonable, attributable to pooled working interest owners.

(18) Except as provided in the foregoing paragraphs, all proceeds from production from the Well(s) that are not disbursed for any reason shall be held for the account of the person or persons entitled thereto pursuant to the Oil and Gas Proceeds Payment Act (NMSA 1978 Sections 70-10-1 through 70-10-6, as amended). If not sooner disbursed, such proceeds shall be turned over to the appropriate authority as and when required by the Uniform Unclaimed Property Act (NMSA 1978 Sections 7-8A-1 through 7-8A-31, as amended).

(19) Any unleased mineral interest shall be considered a seven-eighths (7/8) working interest and a one-eighth (1/8) royalty interest for allocating costs and charges under this order. Any costs that are to be paid out of production shall be withheld only from the working interests' share of production, and no costs or charges shall be withheld from production attributable to royalty interests.

(20) Should all the parties to this compulsory pooling order reach voluntary agreement after entry of this order, this order shall thereafter be of no further effect.

(21) The operator of the wells and Unit shall notify the Division in writing of the subsequent voluntary agreement of any party subject to the compulsory pooling provisions of this order.

(22) Jurisdiction of this case is retained for the entry of such further orders as the Division may deem necessary.

DONE at Santa Fe, New Mexico, on the day and year hereinabove designated.



S E A L

STATE OF NEW MEXICO
OIL CONSERVATION DIVISION

A handwritten signature in blue ink, appearing to read "Adrienne Sandoval".

ADRIENNE SANDOVAL
Director

Exhibit "A"

Applicant: OXY USA Inc
Operator: OXY USA Inc (OGRID 16696)

Spacing Unit: Horizontal Oil
Building Blocks: quarter-quarter section equivalents
Unit Size: 640 acres (more or less)
Orientation of Unit: North to South

Unit Description:

E/2 of Section 20 and E/2 of Section 29, Township 24 South, Range 29 East, NMPM, Eddy County, New Mexico

Pooling this Vertical Extent: Bone Spring Formation
Depth Severance? (Yes/No): No

Pool: Pierce Crossing; Bone Spring, East (Pool code 96473)
Pool Spacing Unit Size: quarter-quarter sections
Governing Well Setbacks: Horizontal Oil Well Rules
Pool Rules: Latest Horizontal Rules Apply.

Proximity Tracts: Yes
Proximity Defining Well: Well No. 35H is to be drilled within 330 feet of the proximity tracts (W/2 E/2) and therefore defines the Spacing Unit.

Monthly charge for supervision: While drilling: \$7500 While producing: \$750
As the charge for risk, 200 percent of reasonable well costs.

Proposed Well:

Salt Flat CC 20 29 Federal Com Well No. 35H, API No. 30-015-45049

SHL: 421 feet from the South line and 1236 feet from the East line,
(Unit P) of Section 17, Township 24 South, Range 29 East, NMPM.
BHL: 20 feet from the South line and 1090 feet from the East line,
(Unit P) of Section 29, Township 24 South, Range 29 East, NMPM.
Completion Target: 3rd Bone Spring Sand at approx 9806 feet TVD and 19800 feet MD.
Well Orientation: North to South
Completion Location expected to be: standard

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

**IN THE MATTER OF THE HEARING CALLED BY
THE OIL CONSERVATION DIVISION TO
CONSIDER:**

**CASE NO. 20550
ORDER NO. R-20733**

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

ORDER OF THE DIVISION

BY THE DIVISION:

This case came on for hearing at 8:15 a.m. on June 13, 2019, at Santa Fe, New Mexico, before Examiner William V. Jones.

NOW, on this 31st day of July 2019, the Division Director, having considered the testimony, the record and the recommendations of the Examiner,

FINDS THAT

- (1) Due public notice has been given and the Division has jurisdiction of this case and the subject matter.
- (2) Applicant seeks to compulsory pool all uncommitted oil and gas interests within a spacing unit, as that unit is described in the attached Exhibit "A".
- (3) Applicant seeks to dedicate the Proposed Well(s) detailed in Exhibit "A" to the Unit.
- (4) MRC Permian Company entered an appearance. No other party appeared or otherwise opposed the case.
- (5) Applicant appeared at the hearing through counsel and presented evidence to the effect that:
 - (a) All completed well locations are expected to be standard or Applicant will apply administratively for approval of location exceptions.

**BEFORE THE OIL CONSERVATION DIVISION
Santa Fe, New Mexico
Exhibit No. C2
Submitted by: OXY USA INC.
Hearing Date: March 05, 2020
Case Nos 21094 & 21095**

- (b) Notice by certified mail was provided to all uncommitted interest owners in the proposed Unit whose interests were evidenced by a conveyance instrument, either of record or known to Applicant when the Application was filed, and to heirs known to Applicant of deceased persons who appear as owners in such instrument.
- (c) Newspaper notice was not provided.

The Division finds and concludes that

(6) If the location of any of the Well(s) is unorthodox when the well is completed under the spacing rules then in effect and applicable to the well, the operator must obtain a non-standard location approval prior to producing the well.

(7) Two or more separately owned tracts are embraced within the Unit, and/or there are royalty interests and/or undivided interests in oil and gas minerals in one or more tracts included in the Unit that are separately owned.

(8) Applicant is owner of an oil and gas working interest within the Unit. Applicant has the right to drill and proposes to drill the Well(s) to a common source of supply within the Unit at the described depths and location(s). Applicant should be allowed a one year period to complete at least one of the Well(s) after commencing drilling of the Well(s).

(9) There are interest owners in the Unit that have not agreed to pool their interests.

(10) To avoid the drilling of unnecessary wells, protect correlative rights, prevent waste and afford to the owner of each interest in the Unit the opportunity to recover or receive without unnecessary expense a just and fair share of hydrocarbons, this application should be approved by pooling all uncommitted interests, whatever they may be, in the oil and gas in the pooled depth interval within the Unit.

(11) To ensure protection of correlative rights, any pooled working interest owner whose address is known, and who has elected to participate under the terms of this order should be notified before the Division grants any extension of the time provided herein for commencing drilling. Any such owner may file an application, with notice to the operator, requesting that the extension be denied.

(12) Infill wells within the Unit should be subject to Division Rules 19.15.13.9 NMAC through 19.15.13.10 NMAC, and to the terms and conditions of this order.

(13) Any pooled working interest owner who does not pay its share of estimated well costs of any well should have withheld from production from such well its share of reasonable well costs plus an additional reasonable charge [see Exhibit "A"] for the risk involved in drilling the Well(s).

IT IS THEREFORE ORDERED THAT

- (1) All uncommitted interests, whatever they may be, in the oil and gas within the spacing unit (or the portion thereof within the pooled vertical extent) described in Exhibit "A" are hereby pooled. Exhibit "A" hereto is incorporated herein by this reference and made a part of this order for all purposes.
- (2) The Unit shall be dedicated to the proposed "Well(s)".
- (3) If any of the Well(s) is completed at an unorthodox location under applicable rules in effect at the time such well is completed, the operator shall provide notice and apply administratively for a location exception prior to producing the well.
- (4) The operator of the Unit shall commence drilling the Well(s) on or before the end of the month corresponding to the date of this order, in the year following the date of issuance of this order and shall thereafter continue drilling the Well(s) with due diligence to test the pooled formation or pooled vertical depths. The Well(s) shall be drilled approximately to the proposed true vertical and measured depths.
- (5) In the event the operator does not commence drilling the Well(s) on or before the date provided in the foregoing paragraph, the compulsory pooling provision of this order shall be of no effect, unless the operator obtains a written time extension from the Division Director pursuant to a written request stating its reasons for such extension and attaching satisfactory evidence.
- (6) In the event the operator does not commence completion operations within one year after commencement of drilling operations pursuant to this order, then the compulsory pooling provisions of this order shall be of no effect unless operator obtains a written time extension from the Division Director pursuant to a written request stating its reasons for such extension and attaching satisfactory evidence.
- (7) The operator shall provide a copy of any request for extension of time to drill or complete any well filed with the Director pursuant to this order to each pooled working interest owner who has elected to participate in the drilling of any well that is the subject of the request. Such copy shall be sent at the same time the request is sent to the Director.
- (8) Upon final plugging and abandonment of the Well(s) and any other well drilled on the Unit pursuant to Division Rule 19.15.13.9 NMAC, the pooled unit created by this order shall terminate unless this order has been amended to authorize further operations.
- (9) Infill wells within the Unit shall be subject to Division Rule 19.15.13.9 NMAC and to the terms and conditions of this order.
- (10) After pooling, uncommitted working interest owners are referred to as pooled working interest owners. ("Pooled working interest owners" are owners of working interests in the

Unit, including unleased mineral interests, who are not parties to an operating agreement governing the Unit.) After the effective date of this order, the operator shall furnish the Division and each known pooled working interest owner in the Unit separate itemized schedules of estimated costs of drilling, completing and equipping each of the Well(s) ("well costs").

(11) Within 30 days from the date the schedule of estimated well costs for any well is furnished, any pooled working interest owner shall have the right to elect to pay its share of estimated well costs to the operator in lieu of paying its share of reasonable well costs out of production as hereinafter provided. Payment shall be rendered within 30 days after expiration of the 30-day election period and any such owner who pays its share of estimated well costs as provided above for any well shall remain liable for operating costs but shall not be liable for risk charges to the extent computed based on costs of such well. Pooled working interest owners who do not elect to pay their share of estimated well costs, or who do not render timely payment to the operator, as provided in this paragraph shall thereafter be referred to as "non-consenting working interest owners."

(12) The operator shall furnish the Division and each known pooled working interest owner (including non-consenting working interest owners) an itemized schedule of actual well costs of each well within 180 days following completion of the proposed well. If no objection to the actual well costs for any well is received by the Division, and the Division has not objected, within 45 days following receipt of the schedule for such well, the actual well costs shall be deemed to be the reasonable well costs. If there is an objection to actual well costs within the 45-day period, the Division will determine reasonable well costs for such well after public notice and hearing.

(13) Within 60 days following determination of reasonable well costs for any well, any pooled working interest owner who has paid its share of estimated costs of such well in advance as provided above shall pay to the operator its share of the amount that reasonable well costs exceed estimated well costs and shall receive from the operator the amount, if any, that the estimated well costs it has paid for such well exceed its share of reasonable well costs.

(14) The operator is hereby authorized to withhold the following costs and charges from each non-consenting working interest owner's share of production from each well:

(a) the proportionate share of reasonable well costs attributable to the non-consenting working interest owner; and

(b) as a charge for the risk involved in drilling the well, the percent (shown in Exhibit "A") of the above costs.

(15) During the cost recovery period, the operator shall furnish to the Division and to each known non-consenting pooled working interest owner, annually, and within 90 days after payout occurs, a schedule of all revenues attributable to each proposed well, and all charges for supervision and operating costs charged against such revenues. Operating costs shall include all reasonable costs incurred for the maintenance and operation of the well, except for "well costs"

reported pursuant to prior ordering paragraphs, that are properly chargeable to the joint account pursuant to COPAS procedures. If no objection to the operating costs is received by the Division, and the Division has not objected, within 45 days following receipt of any schedule, the costs shall be deemed to be the reasonable operating costs. If there is an objection to the accuracy or reasonableness of operating costs reported within the 45-day period, the Division will determine reasonable operating costs after public notice and hearing.

(16) The operator shall distribute the costs and charges withheld from production, proportionately, to the parties who advanced the well costs for such well.

(17) Reasonable charges for supervision (combined fixed rates) are hereby fixed at the rates shown in Exhibit "A" per month, per well, while drilling and while producing, provided that these rates shall be adjusted annually pursuant to the COPAS form titled "Accounting Procedure-Joint Operations." The operator is authorized to withhold from production from each well the proportionate share of both the supervision charges and the actual expenditures required for operating of such well, not more than what are reasonable, attributable to pooled working interest owners.

(18) Except as provided in the foregoing paragraphs, all proceeds from production from the Well(s) that are not disbursed for any reason shall be held for the account of the person or persons entitled thereto pursuant to the Oil and Gas Proceeds Payment Act (NMSA 1978 Sections 70-10-1 through 70-10-6, as amended). If not sooner disbursed, such proceeds shall be turned over to the appropriate authority as and when required by the Uniform Unclaimed Property Act (NMSA 1978 Sections 7-8A-1 through 7-8A-31, as amended).

(19) Any unleased mineral interest shall be considered a seven-eighths (7/8) working interest and a one-eighth (1/8) royalty interest for allocating costs and charges under this order. Any costs that are to be paid out of production shall be withheld only from the working interests' share of production, and no costs or charges shall be withheld from production attributable to royalty interests.

(20) Should all the parties to this compulsory pooling order reach voluntary agreement after entry of this order, this order shall thereafter be of no further effect.

(21) The operator of the wells and Unit shall notify the Division in writing of the subsequent voluntary agreement of any party subject to the compulsory pooling provisions of this order.

(22) Jurisdiction of this case is retained for the entry of such further orders as the Division may deem necessary.

DONE at Santa Fe, New Mexico, on the day and year hereinabove designated.



S E A L

STATE OF NEW MEXICO
OIL CONSERVATION DIVISION

A handwritten signature in blue ink, appearing to read "Adrienne Sandoval".

ADRIENNE SANDOVAL
Director

Exhibit "A"

Applicant: OXY USA Inc
Operator: OXY USA Inc (OGRID 16696)

Spacing Unit: Horizontal Gas
Building Blocks: half section equivalents
Unit Size: 640 acres (more or less)
Orientation of Unit: North to South

Unit Description:

E/2 of Section 20 and E/2 of Section 29, Township 24 South, Range 29 East, NMPM, Eddy County, New Mexico

Pooling this Vertical Extent: Wolfcamp Formation
Depth Severance? (Yes/No): No

Pool: Purple Sage; Wolfcamp Gas (Pool code 98220)
Pool Spacing Unit Size: half sections
Governing Well Setbacks: Purple Sage Pool Rules Govern Well Setbacks
Pool Rules: 330-foot.

Proximity Tracts: No
Proximity Defining Well: None

Monthly charge for supervision: While drilling: \$7500 While producing: \$750
As the charge for risk, 200 percent of reasonable well costs.

There are 3 Proposed Well(s):

Salt Flat CC 20 29 Federal Com Well No. 34H, API No. 30-015-45048

SHL: 421 feet from the South line and 1271 feet from the East line,
(Unit P) of Section 17, Township 24 South, Range 29 East, NMPM.
BHL: 20 feet from the South line and 1720 feet from the East line,
(Unit O) of Section 29, Township 24 South, Range 29 East, NMPM.
Completion Target: Upper Wolfcamp at approx 10050 feet TVD and 19800 feet MD.
Well Orientation: North to South
Completion Location expected to be: standard

Salt Flat CC 20 29 Federal Com Well No. 36H, API No. 30-015-45050

SHL: 421 feet from the South line and 1201 feet from the East line,
(Unit P) of Section 17, Township 24 South, Range 29 East, NMPM.
BHL: 180 feet from the South line and 500 feet from the East line,
(Unit P) of Section 29, Township 24 South, Range 29 East, NMPM.
Completion Target: Upper Wolfcamp at approximately 9938 feet TVD
Well Orientation: North to South

Completion Location expected to be: standard

Salt Flat CC 20 29 Federal Com Well No. 38H, API No. 30-015-Pending

SHL: 435 feet from the South line and 1835 feet from the West line,
(Unit N) of Section 17, Township 24 South, Range 29 East, NMPM.

BHL: 20 feet from the South line and 2310 feet from the East line,
(Unit O) of Section 29, Township 24 South, Range 29 East, NMPM.

Completion Target: Upper Wolfcamp at approximately 9946 feet TVD

Well Orientation: North to South

Completion Location expected to be: standard











**E/2 Sections 20 & 29, T24S-R29E, NMPM
Eddy County, New Mexico, containing 640 acres**

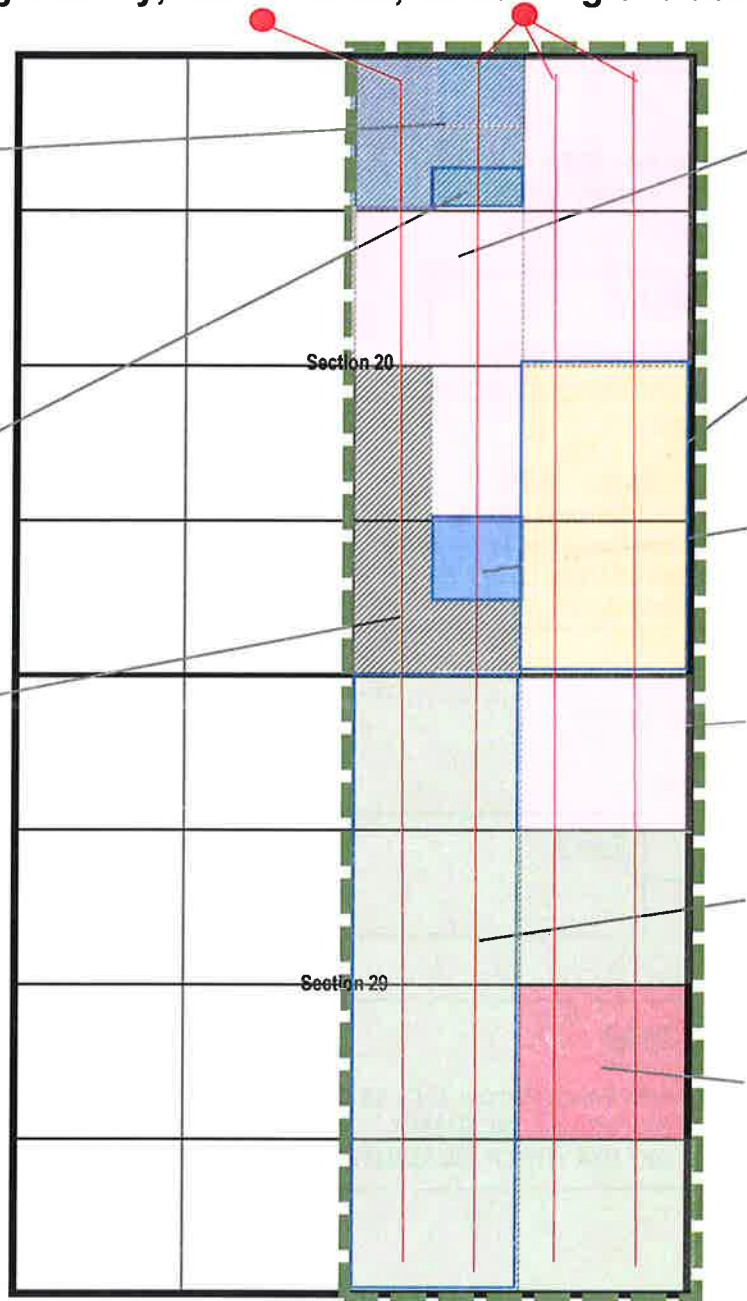
Tract 1:
MRC Permian Co. - 50.0%
Tap Rock Resources, LLC. - 49.21875%
Prime Rock Resources AssetCo, LLC - 0.78125%

Tract 2:
MRC Permian Co. - 25.888732%
OXY USA Inc. - 60.171182%

Pooled Parties:
John D. Stribling - 9.957204%
Margaret Stribling - 1.327627%
Robert Cain Duncan - 1.327627%
Salem Pecos Stribling - 1.327627%

Tract 4:
OXY USA Inc. - 25.0%
Occidental Permian LP - 25.0%
OXY Y-1 Company - 50.0%

-  Project Area
-  Tract 1
-  Tract 2
-  Tract 3
-  Tract 4
-  Tract 5
-  Tract 6
-  Tract 7
-  Tract 8
-  Wells



Tract 5:

OXY USA Inc. - 80.0%
OXY Y-1 Company - 20.0%

Tract 3:

OXY USA Inc. - 100.0%

Tract 6:

OXY USA Inc. - 20.0%
OXY Y-1 Company - 20.0%
Lonsdale Resources, LLC - 37.5%
Maduro Oil & Gas, LLC - 7.5%
1 Timothy 6, LLC - 15.0%

Tract 7:

Tract 8:

WPX Energy Permian, LLC - 33.333334%
OXY USA Inc. - 33.333333%
OXY USA WTP LP - 33.333333%

Salt Flat CC 20-29 Fed Com #34H, #35H, #36H & #38H

E/2 Sections 20 & 29, T24S-R29E, NMPM, Eddy County, New Mexico

| | | | |
|---------|--|---|-----|
| | | Total Acres In proposed spacing unit: | 640 |
| Tract 1 | W/2NW/4NE/4, NE/4NW/4NE/4, N/2SE/4NW/4NE/4 Section 20, T24S-R29E, Eddy Co., NM | Acres contributed to proposed spacing unit: | 35 |
| | 50.000000% MRC Permian Co. | | |
| | 49.218750% Tap Rock Resources, LLC | | |
| | 0.781250% Prime Rock Resources AssetCo, LLC | | |
| | 100.000000% | | |
| | Total Committed Interest | 100.000000% | |
| | Total Uncommitted Interest | 0.000000% | |
| Tract 2 | S/2SE/4NW/4NE/4 Section 20, T24S-R29E, Eddy Co., NM | Acres contributed to proposed spacing unit: | 5 |
| | 25.888732% MRC Permian Co. | | |
| | 60.171182% OXY USA Inc. | | |
| | 9.957204% John D. Stribling | | |
| | 1.327627% Margaret Stribling | | |
| | 1.327627% Robert Cain Duncan | | |
| | 1.327627% Salem Pecos Stribling | | |
| | 100.000000% | | |
| | Total Committed Interest | 86.058914% | |
| | Total Uncommitted Interest | 13.940086% | |
| Tract 3 | E/2SE/4 Section 20, T24S-R29E, Eddy Co., NM | Acres contributed to proposed spacing unit: | 80 |
| | 100.000000% OXY USA Inc. | | |
| | 100.000000% | | |
| | Total Committed Interest | 100.000000% | |
| | Total Uncommitted Interest | 0.000000% | |
| Tract 4 | W/2W/2SE/4, SE/4SW/4SE/4 Section 20, T24S-R29E, Eddy Co., NM | Acres contributed to proposed spacing unit: | 50 |
| | 25.000000% OXY USA Inc. | | |
| | 25.000000% Occidental Permian LP | | |
| | 50.000000% OXY Y-1 Company | | |
| | 100.000000% | | |
| | Total Committed Interest | 100.000000% | |
| | Total Uncommitted Interest | 0.000000% | |
| Tract 5 | E/2NE/4, SW/4NE/4, E/2NW/4SE/4 Section 20 & NE/4NE/4 Section 29, T24S-R29E, Eddy Co., NM | Acres contributed to proposed spacing unit: | 180 |
| | 80.000000% OXY USA Inc. | | |
| | 20.000000% OXY Y-1 Company | | |
| | 100.000000% | | |
| | Total Committed Interest | 100.000000% | |
| | Total Uncommitted Interest | 0.000000% | |
| Tract 6 | NE/4SW/4SE/4 Section 20, T24S-R29E, Eddy Co., NM | Acres contributed to proposed spacing unit: | 10 |
| | 20.000000% OXY USA Inc. | | |
| | 20.000000% OXY Y-1 Company | | |
| | 37.500000% Lonsdale Resources, LLC | | |
| | 7.500000% Meduro Oil & Gas, LLC | | |
| | 15.000000% 1 Timothy 6, LLC | | |
| | 100.000000% | | |
| | Total Committed Interest | 100.000000% | |
| | Total Uncommitted Interest | 0.000000% | |
| Tract 7 | W/2E/2, SE/4NE/4 & SE/4SE/4 Section 29, T24S-R29E, Eddy Co., NM | Acres contributed to proposed spacing unit: | 240 |
| | 100.000000% OXY USA Inc. | | |
| | 100.000000% | | |
| | Total Committed Interest | 100.000000% | |
| | Total Uncommitted Interest | 0.000000% | |
| Tract 8 | NE/4SE/4 Section 29, T24S-R29E, Eddy Co., NM | Acres contributed to proposed spacing unit: | 40 |
| | 33.333334% WPX Energy Permian, LLC | | |
| | 33.333333% OXY USA Inc. | | |
| | 33.333333% OXY USA WTP LP | | |
| | 100.000000% | | |
| | Total Committed Interest | 100.000000% | |
| | Total Uncommitted Interest | 0.000000% | |

Working Interest for each party in 640.0 acre proposed spacing unit:

| | |
|-----------------------------------|-------------|
| OXY USA Inc. | 77.318046% |
| OXY USA WTP LP | 2.083333% |
| OXY Y-1 Company | 9.843750% |
| Occidental Permian LP | 1.953125% |
| MRC Permian Co. | 2.936831% |
| Tap Rock Resources, LLC | 2.691650% |
| Prime Rock Resources AssetCo, LLC | 0.042725% |
| John D. Stribling | 0.077781% |
| Margaret Stribling | 0.010372% |
| Robert Cain Duncan | 0.010372% |
| Salem Pecos Stribling | 0.010372% |
| Lonsdale Resources, LLC | 0.585938% |
| Meduro Oil & Gas, LLC | 0.117188% |
| 1 Timothy 6, LLC | 0.234975% |
| WPX Energy Permian, LLC | 2.083333% |
| Total | 100.000000% |
| OXY Entity Totals | 91.189254% |



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

Direct: 713.985.6972 Fax: 713.985.1278

Peter_Vanliew@oxy.com

December 18, 2019

CERTIFIED MAIL – RETURN RECEIPT REQUESTED

Margaret Stribling
1933 San Mateo Blvd.
Albuquerque, NM 87110

RE: **Well Proposal – Salt Flat CC 20-29 Fed Com #34H**
SHL – 421' FSL & 1271' FEL
Section 17, Township 24 South, Range 29 East, Eddy County, NM
BHL – 20' FSL, 1720' FEL
Section 29, Township 24 South, Range 29 East, Eddy County, NM

Dear Sir/Madam:

OXY USA Inc. ("OXY") proposes the drilling of the Salt Flat CC 20-29 Fed Com #34H well at the referenced surface location in Section 17-24S-29E to its terminus at the referenced bottom hole location in Section 29-24S-29E, Eddy County, New Mexico. The proposed horizontal well will be drilled to an approximate vertical depth of 10,050', and to an approximate measured depth of 19,800' to evaluate the Wolfcamp formation. 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 and complete this well under the terms of a modified 1989 AAPL form of Joint Operating Agreement, dated January 24, 2019, by and between OXY USA Inc., as Operator, and MRC Permian Company, et al as Non-Operators, covering the East Half of Sections 20 and 29, Township 24 South, Range 29 East, N.M.P.M., Eddy Co., New Mexico ("JOA").

Please indicate your election to participate in the drilling, completing, and equipping of Salt Flat CC 20-29 Fed Com #34H well by executing and returning one copy of this letter within thirty (30) days.

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

Sincerely,

OXY USA Inc.

Peter Van Liew, RPL
Senior Land Negotiator

Working Interest Party elects to:

Enclosures

____ participate in the drilling of the Salt Flat CC 20-29 Fed Com #34H

____ non-consent the drilling of the Salt Flat CC 20-29 Fed Com #34H

By: _____

Name: _____

Title: _____

Company: _____

Date: _____

BEFORE THE OIL CONSERVATION DIVISION

Santa Fe, New Mexico

Exhibit No. C4

Submitted by: OXY USA INC.

Hearing Date: March 05, 2020

Case Nos 21094 & 21095



Occidental Oil and Gas Corporation
10k WC

| | |
|-----------------|---------------------------------|
| RMT: | PRN |
| State & County: | NM, Eddy |
| Field: | Corral |
| Well Type: | 10k WC |
| Well Name: | Salt Flat CC 20-29 Fed Com #34H |
| 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 | \$ - | \$ - | \$ 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 | \$ - | \$ - | \$ - | \$ - | \$ - |
| 3016 | 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 | \$ - | \$ - | \$ - | \$ - | \$ - |
| 3036 | Services Disposal | \$ - | \$ - | \$ 135,000 | \$ - | \$ 179,000 | \$ 4,111 | \$ - | \$ - |
| 3039 | Services Fluid Hauling from Site | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 4006 | 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 | \$ 8,180 | \$ - | \$ - |
| 8918 | Permits/Settlements/Other | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 8921 | Waste Handling and Disp | \$ - | \$ - | \$ 40,000 | \$ - | \$ - | \$ - | \$ - | \$ - |
| 8945 | Loss & Loss Expenses Paid | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 9999 | Other Costs | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Subtotal | | \$ - | \$ 249,000 | \$ 3,768,000 | \$ - | \$ 4,974,415 | \$ 195,000 | \$ - | \$ - |

| | |
|--------------|--|
| Company Name | |
| Name/Title | |
| Signature | |
| Date | |

| | |
|------------------------------------|--------------|
| 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

Direct: 713.985.6972 Fax: 713.985.1278

Peter_Vanliew@oxy.com

December 18, 2019

CERTIFIED MAIL – RETURN RECEIPT REQUESTED

Margaret Stribling
1933 San Mateo Blvd.
Albuquerque, NM 87110

RE: **Well Proposal – Salt Flat CC 20-29 Fed Com #35H**
SHL – 421' FSL & 1361' FEL
Section 17, Township 24 South, Range 29 East, Eddy County, NM
BHL – 20' FSL, 1090' FEL
Section 29, Township 24 South, Range 29 East, Eddy County, NM

Dear Sir/Madam:

OXY USA Inc. ("OXY") proposes the drilling of the Salt Flat CC 20-29 Fed Com #35H well at the referenced surface location in Section 17-24S-29E to its terminus at the referenced bottom hole location in Section 29-24S-29E, Eddy County, New Mexico. The proposed horizontal well will be drilled to an approximate vertical depth of 9,806', and to an approximate measured depth of 19,800' to evaluate the Bone Spring formation. 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 and complete this well under the terms of a modified 1989 AAPL form of Joint Operating Agreement, dated January 24, 2019, by and between OXY USA Inc., as Operator, and MRC Permian Company, et al as Non-Operators, covering the East Half of Sections 20 and 29, Township 24 South, Range 29 East, N.M.P.M., Eddy Co., New Mexico ("JOA").

Please indicate your election to participate in the drilling, completing, and equipping of the Salt Flat CC 20-29 Fed Com #35H well by executing and returning one copy of this letter within thirty (30) days.

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

Sincerely,

OXY USA Inc.

Peter Van Liew, RPL
Senior Land Negotiator

Working Interest Party elects to:

Enclosures

____ participate in the drilling of the Salt Flat CC 20-29 Fed Com #35H

____ non-consent the drilling of the Salt Flat CC 20-29 Fed Com #35H

By: _____

Name: _____

Title: _____

Company: _____

Date: _____



Occidental Oil and Gas Corporation
10K Bone Spring

| | |
|-----------------|---------------------------------|
| RMT: | PRN |
| State & County: | NM, Eddy |
| Field: | Corral |
| Well Type: | 10k BS |
| Well Name: | Salt Flat CC 20-29 Fed Com #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 | \$ - | \$ - | \$ - | \$ - | \$ 6,163 | \$ - | \$ - | \$ - |
| 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 | \$ - | \$ - | \$ 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 | \$ - | \$ - | \$ - | \$ - | \$ - |
| 3016 | 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 | \$ - | \$ - |
| Consums/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 | \$ 8,180 | \$ - | \$ - |
| 8918 | Permits/Settlements/Other | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 8921 | Waste Handling and Disp | \$ - | \$ - | \$ 40,000 | \$ - | \$ - | \$ - | \$ - | \$ - |
| 8945 | Loss & Loss Expenses Paid | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 9999 | Other Costs | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Subtotal | | \$ - | \$ 249,000 | \$ 3,768,000 | \$ - | \$ 4,974,416 | \$ 195,000 | \$ - | \$ - |

| |
|--------------|
| Company Name |
| Name/Title |
| Signature |
| Date |

| | |
|------------------------------------|--------------|
| 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.

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5 Greenway Plaza, Suite 110, Houston, Texas 77046-0521

P.O. Box 27570, Houston, Texas 77227-7570

Direct: 713.985.6972 Fax: 713.985.1278

Peter_Vanliew@oxy.com

December 18, 2019

CERTIFIED MAIL – RETURN RECEIPT REQUESTED

Margaret Stribling
1933 San Mateo Blvd.
Albuquerque, NM 87110

RE: **Well Proposal – Salt Flat CC 20-29 Fed Com #36H**
SHL – 421' FSL & 1201' FEL
Section 17, Township 24 South, Range 29 East, Eddy County, NM
BHL – 180' FSL, 500' FEL
Section 29, Township 24 South, Range 29 East, Eddy County, NM

Dear Sir/Madam:

OXY USA Inc. ("OXY") proposes the drilling of the Salt Flat CC 20-29 Fed Com #36H well at the referenced surface location in Section 17-24S-29E to its terminus at the referenced bottom hole location in Section 29-24S-29E, Eddy County, New Mexico. The proposed horizontal well will be drilled to an approximate vertical depth of 9,938', and to an approximate measured depth of 20,186' to evaluate the Wolfcamp formation. 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 and complete this well under the terms of a modified 1989 AAPL form of Joint Operating Agreement, dated January 24, 2019, by and between OXY USA Inc., as Operator, and MRC Permian Company, et al as Non-Operators, covering the East Half of Sections 20 and 29, Township 24 South, Range 29 East, N.M.P.M., Eddy Co., New Mexico ("JOA").

Please indicate your election to participate in the drilling, completing, and equipping of the Salt Flat CC 20-29 Fed Com #36H well by executing and returning one copy of this letter within thirty (30) days.

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

Sincerely,

OXY USA Inc.

Peter Van Liew, RPL
Senior Land Negotiator

Working Interest Party elects to:

Enclosures

____ participate in the drilling of the Salt Flat CC 20-29 Fed Com #36H

____ non-consent the drilling of the Salt Flat CC 20-29 Fed Com #36H

By: _____

Name: _____

Title: _____

Company: _____

Date: _____



Occidental Oil and Gas Corporation
10k WC

| | |
|-----------------|---------------------------------|
| RMT: | PRN |
| State & County: | NM, Eddy |
| Field: | Corral |
| Well Type: | 10k WC |
| Well Name: | Salt Flat CC 20-29 Fed Com #36H |
| 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 | \$ - | \$ - | \$ 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 | \$ - | \$ - | \$ - | \$ - | \$ - |
| 3016 | 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 | \$ 8,180 | \$ - | \$ - |
| 8916 | Permits/Settlements/Other | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 8921 | Waste Handling and Disp | \$ - | \$ - | \$ 40,000 | \$ - | \$ - | \$ - | \$ - | \$ - |
| 8945 | Loss & Loss Expenses Paid | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 9999 | Other Costs | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Subtotal | | \$ - | \$ 249,000 | \$ 3,768,000 | \$ - | \$ 4,974,415 | \$ 195,000 | \$ - | \$ - |

| |
|--------------|
| Company Name |
| Name/Title |
| Signature |
| Date |

| | |
|------------------------------------|--------------|
| 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

Direct: 713.985.6972 Fax: 713.985.1278

Peter_Vanliew@oxy.com

December 18, 2019

CERTIFIED MAIL – RETURN RECEIPT REQUESTED

Margaret Stribling
1933 San Mateo Blvd.
Albuquerque, NM 87110

RE: **Well Proposal – Salt Flat CC 20-29 Fed Com #36H**
SHL – 435' FSL & 1835' FWL
Section 17, Township 24 South, Range 29 East, Eddy County, NM
BHL – 20' FSL, 2310' FEL
Section 29, Township 24 South, Range 29 East, Eddy County, NM

Dear Sir/Madam:

OXY USA Inc. ("OXY") proposes the drilling of the Salt Flat CC 20-29 Fed Com #38H well at the referenced surface location in Section 17-24S-29E to its terminus at the referenced bottom hole location in Section 29-24S-29E, Eddy County, New Mexico. The proposed horizontal well will be drilled to an approximate vertical depth of 9,946', and to an approximate measured depth of 19,800' to evaluate the Wolfcamp formation. 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 and complete this well under the terms of a modified 1989 AAPL form of Joint Operating Agreement, dated January 24, 2019, by and between OXY USA Inc., as Operator, and MRC Permian Company, et al as Non-Operators, covering the East Half of Sections 20 and 29, Township 24 South, Range 29 East, N.M.P.M., Eddy Co., New Mexico ("JOA").

Please indicate your election to participate in the drilling, completing, and equipping of the Salt Flat CC 20-29 Fed Com #38H well by executing and returning one copy of this letter within thirty (30) days.

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

Sincerely,

OXY USA Inc.

Peter Van Liew, RPL
Senior Land Negotiator

Working Interest Party elects to:

Enclosures

____ participate in the drilling of the Salt Flat CC 20-29 Fed Com #38H

____ non-consent the drilling of the Salt Flat CC 20-29 Fed Com #38H

By: _____

Name: _____

Title: _____

Company: _____

Date: _____



Occidental Oil and Gas Corporation
10k WC

RMT: PRN
State & County: NM, Eddy
Field: Corral
Well Type: 10k WC
Well Name: Salt Flat CC 20-29 Fed Com #39H
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 | \$ - | \$ - | \$ - | \$ - | \$ - |
| 3006 | 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 | \$ - | \$ - | \$ - | \$ - | \$ 176,535 | \$ - | \$ - | \$ - |
| 3014 | Directional Drilling & LWD | \$ - | \$ - | \$ 486,000 | \$ - | \$ - | \$ - | \$ - | \$ - |
| 3016 | 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 | \$ - | \$ 3,198 | \$ 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 | | \$ - | \$ 249,000 | \$ 3,768,000 | \$ - | \$ 4,974,416 | \$ 195,000 | \$ - | \$ - |

| | |
|--------------|--|
| Company Name | |
| Name/Title | |
| Signature | |
| Date | |

| | |
|------------------------------------|--------------|
| 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: | |

| <u>Date</u> | <u>Action</u> |
|-----------------------|--|
| 12/18/2019 | Initial well proposals mailed out for 34H, 35H, 36H & 38H OXY Land Negotiator, Peter Van Liew, made telephone contact with Salem "Sam" Pecos Stribling regarding interests owned by Margaret Stribling, Robert Cain Duncan and himself. During the call, the option of leasing, divesting and participating with their interest was discussed. A follow up email from Peter Van Liew to Sam Stribling contained an offer to acquire the mineral interest as well as an offer to lease. Sam Stribling indicated that he would speak with |
| 1/14/2020 | family to decide as a group. Peter Van Liew left multiple voicemail messages seeking return call regarding pending offer from 1/20 - 2/13. Contact was made on 2/13/2020 in which Sam Stribling counter offered and ask that additional acreage be included in any |
| 1/20/2020 - 2/13/2020 | acquisition by OXY. Sam Stribling emailed Peter Van Liew to determine if OXY was interested in the counter offer. Peter Van Liew called Sam Stribling to indicate that OXY would be unable to verify additional ownership at this time but was still interested in acquiring ownership in this development. Sam Stribling indicated that he |
| 2/24/2020 | would talk to his family and send a response. |

* OXY was unable to find any telephone or email contact information for John D. Stribling. No response was ever received from our well proposal.

BEFORE THE OIL CONSERVATION DIVISION
Santa Fe, New Mexico
Exhibit No. D
Submitted by: **OXY USA INC.**
Hearing Date: March 05, 2020
Case Nos 21094 & 21095



February 10, 2020

VIA CERTIFIED MAIL
CERTIFIED RECEIPT REQUESTED**TO: ALL INTEREST OWNERS SUBJECT TO POOLING PROCEEDINGS****Re: Application of OXY USA Inc. to Pool Additional Interest Owners Under the
Terms of Order No. R-20734, Eddy County, New Mexico.
Salt Flat CC "20-29" Federal 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 March 5, 2020, 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 Peter Van Liew, at (713) 985-6972, or Peter_VanLiew@oxy.com.

Sincerely,

for Michael H. Feldewert

ATTORNEY FOR OXY USA INC.

HOLLAND & HART^{LLP}



Michael H. Feldewert

Phone (505) 988-4421

Fax (505) 983-6043

mfeldewert@hollandhart.com

February 10, 2020

VIA CERTIFIED MAIL
CERTIFIED RECEIPT REQUESTED

TO: ALL INTEREST OWNERS SUBJECT TO POOLING PROCEEDINGS

**Re: Application of OXY USA Inc. to Pool Additional Interest Owners Under the
Terms of Order No. R-20733, Eddy County, New Mexico.
Salt Flat CC "20-29" Federal 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 March 5, 2020, 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.

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If you have any questions about this matter, please contact Peter Van Liew, at (713) 985-6972, or Peter_VanLiew@oxy.com.

Sincerely,

for

Michael H. Feldewert
ATTORNEY FOR OXY USA INC.

OXY - Salt Flat 34H-36H, 38H

Case Nos. 21094-21095 Postal Delivery Report

| Tracking Number | Recipient | Status |
|------------------------|--|------------------------------|
| 9214890194038306030321 | Geneva F Osborn PO BOX 419 Tipton OK 73570-0419 | Delivered Signature Received |
| 9214890194038306030338 | John D Stribling PO BOX 10204 Albuquerque NM 87184 | Delivered Signature Received |
| 9214890194038306030345 | Margaret Stribling 1933 San Mateo Blvd Albuquerque NM 87110 | Delivered Signature Received |
| 9214890194038306030352 | Robert Duncan Cain 12004 Zia Road NE Apt A1 Albuquerque NM 87123 | In-Transit |
| 9214890194038306030369 | Salem Pecos Stribling 7319 Via Contenta NE Albuquerque NM 87113 | Delivered Signature Received |



\$5.90 x 5 = \$29.50

Shipment Confirmation Acceptance Notice

A. Mailer Action

Note to Mailer: The labels and volume associated to this form online, **must** match the labeled packages being presented to the USPS® employee with this form.

OXY - Salt Flat 34H,-36H, 38H
Case Nos. 21094-21095
CM# 44506.0005

Shipment Date: 02/10/2020

Shipped From:

Name: HOLLAND & HART LLP (1)

Address: 110 N GUADALUPE ST # 1

City: SANTA FE

State: NM ZIP+4® 87501

| Type of Mail | Volume |
|------------------------------|--------|
| Priority Mail Express® | |
| Priority Mail® | 0 |
| First-Class Package Service® | |
| Returns | |
| International* | |
| Other | 5 |
| Total | 5 |

*Start time for products with service guarantees will begin when mail arrives at the local Post Office™ and items receive individual processing and acceptance scans.

B. USPS Action

Note to RSS Clerk:

1. Home screen > Mailing/Shipping > More
2. Select Shipment Confirm
3. Scan or enter the barcode/label number from PS Form 5630
4. Confirm the volume count message by selecting Yes or No
5. Select Pay and End Visit to complete transaction

USPS EMPLOYEE: Please scan upon pickup or receipt of mail.
Leave form with customer or in customer's mail receptacle.


USPS SCAN AT ACCEPTANCE



9275 0901 1935 6200 0020 1795 70



Firm Mailing Book For Accountable Mail

| Name and Address of Sender | | Check type of mail or service | | Affix Stamp Here (if issued as an international certificate of mailing or for additional copies of this receipt). Postmark with Date of Receipt. | | | | | | | | | | | | |
|------------------------------|-----------------------------|--|--|--|---------------------|-----------------|----------------------------|---------------|-------------------|---------|----------|--------|--------|--------|----------|--------|
| USPS Tracking/Article Number | | Addressee (Name, Street, City, State, & ZIP Code™) | | Postage | (Extra Service) Fee | Handling Charge | Actual Value if Registered | Insured Value | Due Sender if COD | ASR Fee | ASRD Fee | RD Fee | RR Fee | SC Fee | SCRD Fee | SH Fee |
| 1. | 9214 8901 9403 8306 0303 21 | <input type="checkbox"/> Adult Signature Required <input type="checkbox"/> Adult Signature Restricted Delivery <input checked="" type="checkbox"/> Certified Mail <input type="checkbox"/> Certified Mail Restricted Delivery <input type="checkbox"/> Collect on Delivery (COD) <input type="checkbox"/> Insured Mail <input type="checkbox"/> Priority Mail <input type="checkbox"/> Priority Mail Express <input type="checkbox"/> Registered Mail <input type="checkbox"/> Return Receipt for Merchandise <input type="checkbox"/> Signature Confirmation <input type="checkbox"/> Signature Confirmation Restricted Delivery | | 0.65 | 3.55 | | | | | | | | 1.70 | | | |
| 2. | 9214 8901 9403 8306 0303 38 | John D Stribling PO BOX 418 Tipton OK 73570-0418 | | 0.65 | 3.55 | | | | | | | | 1.70 | | | |
| 3. | 9214 8901 9403 8306 0303 45 | Margaret Stribling 1933 San Mateo Blvd Albuquerque NM 87110 | | 0.65 | 3.55 | | | | | | | | 1.70 | | | |
| 4. | 9214 8901 9403 8306 0303 52 | Robert Duncan Cain 12004 Zia Road NE Apt A1 Albuquerque NM 87123 | | 0.65 | 3.55 | | | | | | | | 1.70 | | | |
| 5. | 9214 8901 9403 8306 0303 69 | Salem Pecos Stribling 7319 Via Contenta NE Albuquerque NM 87113  | | 0.65 | 3.55 | | | | | | | | 1.70 | | | |

PS Form 3877, April 2015
PSN 7530-02-000-9098

Carlsbad Current Argus.

PART OF THE USA TODAY NETWORK

Affidavit of Publication

Ad # 0004061115

This is not an invoice

HOLLAND & HART
POBOX 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:

February 18, 2020


Legal Clerk

Subscribed and sworn before me this February 18, 2020:


State of WI, County of Brown
NOTARY PUBLIC

8-25-23
My commission expires

SHELLY HORA
Notary Public
State of Wisconsin

Ad # 0004061115
PO #: 35H Federal com
of Affidavits 1

This is not an invoice

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

The State of New Mexico, Energy Minerals and Natural Resources Department, Oil Conservation Division ("Division") hereby gives notice that the Division will hold a public hearing before a hearing examiner on March 5, 2020, 8:15 a.m., in Porter Hall, 1st Floor, Wendell Chino Building, 1220 South St. Francis, Santa Fe, New Mexico. The docket may be viewed electronically on the Division's website, <http://www.emnrd.state.nm.us/OCD/hearings.html> or obtained from Florene Davidson, OCD Clerk, at (505) 476-3458. Documents filed in the case may be viewed at <http://ocdimage.emnrd.state.nm.us/imaging/CaseFileCriteria.aspx>. If you are an individual with a disability who needs a reader, amplifier, qualified sign language interpreter, or other form of auxiliary aid or service to attend or participate in the hearing, contact Florene Davidson, OCD Clerk, at (505) 476-3458, or at the New Mexico Relay Network, 1-800-659-1779, no later than February 24, 2020.

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: Margaret Stribling, her heirs and devisees; Robert Duncan Cain, his heirs and devisees; Salem Pecos Stribling, his/her heirs and devisees; Geneva F. Osborn, her heirs and devisees; and John D. Stribling, his heirs and devisees.

Case No. 21094: Application of OXY USA Inc. to Pool Additional Interest Owners Under the Terms of Order No. R-20734, Eddy County, New Mexico. Applicant in the above-styled cause seeks to pool additional mineral interests under the terms of Order No. R-20734. The Unit is comprised of the E/2 of Sections 20 and 29, Township 24 South, Range 29 East, NMPM, Eddy County, New Mexico. Order No. R-20734 pooled the uncommitted interests in the Bone Spring formation (Pierce Crossing; Bone Spring Pool (Pool Code 96473)) and dedicated the Unit to the initial Salt Flat CC "20-29" Federal Com No. 35H 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 SE/4 SE/4 (Unit P) of Section 29. Said area is located approximately 5 miles east of Malaga, New Mexico.

#4061115 Carlsbad Current Argus, February 18, 2020

BEFORE THE OIL CONSERVATION DIVISION
Santa Fe, New Mexico
Exhibit No. E
Submitted by: OXY USA INC.
Hearing Date: March 05, 2020
Case Nos 21094 & 21095

Carlsbad Current Argus.

PART OF THE USA TODAY NETWORK

Affidavit of Publication

Ad # 0004061163

This is not an invoice

HOLLAND & HART
POBOX 2208

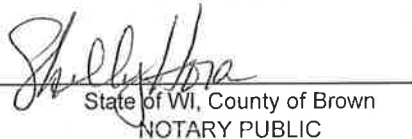
SANTA FE, NM 87504

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:

February 18, 2020


Legal Clerk

Subscribed and sworn before me this February 18, 2020:


State of WI, County of Brown
NOTARY PUBLIC

8-25-23

My commission expires

SHELLY HORA
Notary Public
State of Wisconsin

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

The State of New Mexico, Energy Minerals and Natural Resources Department, Oil Conservation Division ("Division") hereby gives notice that the Division will hold a public hearing before a hearing examiner on March 5, 2020, 8:15 a.m., in Porter Hall, 1st Floor, Wendell Chino Building, 1220 South St. Francis, Santa Fe, New Mexico. The docket may be viewed electronically on the Division's website, <http://www.emnrd.state.nm.us/OCD/hearings.html> or obtained from Florene Davidson, OCD Clerk, at (505) 476-3458. Documents filed in the case may be viewed at <http://ocdimage.emnrd.state.nm.us/imaging/CaseFileCriteria.aspx>. If you are an individual with a disability who needs a reader, amplifier, qualified sign language interpreter, or other form of auxiliary aid or service to attend or participate in the hearing, contact Florene Davidson, OCD Clerk, at (505) 476-3458, or at the New Mexico Relay Network, 1-800-659-1779, no later than February 24, 2020.

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: Margaret Stribling, her heirs and devisees; Robert Duncan Cain, his heirs and devisees; Salem Pecos Stribling, his/her heirs and devisees; Geneva F. Osborn, her heirs and devisees; and John D. Stribling, his heirs and devisees.

Case No. 21095: Application of OXY USA Inc. to Pool Additional Interest Owners Under the Terms of Order No. R-20733, Eddy County, New Mexico. Applicant in the above-styled cause seeks to pool additional mineral interests under the terms of Order No. R-20733. The Unit is comprised of the E/2 of Sections 20 and 29, Township 24 South, Range 29 East, NMPM, Eddy County, New Mexico. Order No. R-20733 pooled the uncommitted interests in the Wolfcamp formation (Purple Sage; Wolfcamp Pool (Pool Code 98220)) and dedicated the Unit to the following initial wells:

- o The Salt Flat CC "20-29" Federal Com No. 34H Well, 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 SW/4 SE/4 (Unit O) of Section 29.

- o The Salt Flat CC "20-29" Federal Com No. 36H Well, 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 SE/4 SE/4 (Unit P) of Section 29.

- o The Salt Flat CC "20-29" Federal Com No. 38H Well, 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 SW/4 SE/4 (Unit O) of Section 29.

Said area is located approximately 5 miles east of Malaga, New Mexico.

#4061163 Carlsbad Current Argus, February 18, 2020

Ad # 0004061163
PO #: Salt Flat 34H, 36H, 38H
of Affidavits 1

This is not an invoice