Submit I Copy To Appropriate District State of New Mexico Form C-103 Office Revised August 1, 2011 Energy, Minerals and Natural Resources District I - (575) 393-6161 WELL API NO. 1625 N. French Dr., Hobbs, NM 88240 District II - (575) 748-1283 SEE ATTACHED OIL CONSERVATION DIVISION 811 S. First St., Artesia, NM 88210 5. Indicate Type of Lease District III - (505) 334-6178 1220 South St. Francis Dr. STATE | FEE \square 1000 Rio Brazos Rd., Aztec, NM 87410 Santa Fe, NM 87505 6. State Oil & Gas Lease No. District IV - (505) 476-3460 1220 S. St. Francis Dr., Santa Fe, NM SEE ATTACHED 87505 SUNDRY NOTICES AND REPORTS ON WELLS 7. Lease Name or Unit Agreement Name (DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH SEE ATTACHED PROPOSALS.) 8. Well Number 1. Type of Well: Oil Well Gas Well Other 2. Name of Operator 9. OGRID Number OXY USA, Inc. 3. Address of Operator 10. Pool name or Wildcat 12955 Willow Place West, #691485, Houston, TX 77269 4. Well Location Unit Letter feet from the line and feet from the Township Range Section **NMPM** County EDDY 11. Elevation (Show whether DR, RKB, RT, GR, etc.) 12. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data NOTICE OF INTENTION TO: SUBSEQUENT REPORT OF: PERFORM REMEDIAL WORK □ PLUG AND ABANDON □ REMEDIAL WORK ALTERING CASING □ \Box TEMPORARILY ABANDON CHANGE PLANS COMMENCE DRILLING OPNS.□ P AND A PULL OR ALTER CASING П MULTIPLE COMPL CASING/CEMENT JOB П DOWNHOLE COMMINGLE OTHER: Surface Commingle. \boxtimes OTHER: Off-Lease Storage & Measuring 13. Describe proposed or completed operations. (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work). SEE RULE 19.15.7.14 NMAC. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion. OXY USA Inc., respectfully requests authorization to surface commingle produced fluids (oil, gas, &water) from the Cedar Canyon 27 Federal COM 1H well, Cedar Canyon 28 Federal COM 2H well, and Gaines 28 Federal COM #1 well at the Gaines 28 #005 Battery. Produced oil from each well will be metered after separation by dedicated coriolis flow meters. The oil streams will then be commingled for transfer to the adjacent Gaines 28 State #5 well pad for further processing. The gas streams will be individually metered by orifice plate flow meters before being commingled and transferred to the Gaines 28 Sate #5 well pad. Produced water from each well will be individually metered by turbine water flow meters before being commingled. The Gaines 28 State #5 well has its own dedicated oil storage tank. The working interest, royalty and overriding royalty interest owners in the subject wells are different therefore notification is required (sent certified return). The proposed commingling of production is to increase the amount of usable surface lease are and reduce operating expense between the wells which will result in the increase economic life of the wells. RECEIVED BLM has also been notified of this proposal by copy of Form 3160-5. <u>JUN 13</u> 2013 Spud Date: Rig Release Date: NMOCD ARTESIA I hereby certify that the information above is true and complete to the best of my knowledge and belief. **SIGNATURE** TITLE Regulatory Consultant DATE 5-27-2013 Type or print name Laura Boyko E-mail address: LBarfield@peg-us.com PHONE: 281-890-1818 For State Use Only Accepted for record LROW NMOCD 6/20/2013 TITLE APPROVED BY: DATE

Conditions of Approval (if any):