

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENTCarlsbad Field Office
OCD ArtesiaAPPROVED
OMB NO. 1004-0137
Expires: January 31, 2018

Serial No.

NMNM86908

SUNDRY NOTICES AND REPORTS ON WELLS
*Do not use this form for proposals to drill or to re-enter an abandoned well. Use form 3160-3 (APD) for such proposals.***SUBMIT IN TRIPLICATE - Other instructions on page 2**

1. Type of Well <input checked="" type="checkbox"/> Oil Well <input type="checkbox"/> Gas Well <input type="checkbox"/> Other		6. If Indian, Allottee or Tribe Name
2. Name of Operator OXY USA INCORPORATED		7. If Unit or CA/Agreement, Name and/or No.
Contact: TAYLOR STILLMAN E-Mail: TAYLOR_STILLMAN@OXY.COM		8. Well Name and No. Multiple--See Attached
3a. Address 5 GREENWAY PLAZA SUITE 110 HOUSTON, TX 77046-0521	3b. Phone No. (include area code) Ph: 713-366-5945	9. API Well No. Multiple--See Attached
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) Multiple--See Attached		10. Field and Pool or Exploratory Area Multiple--See Attached
		11. County or Parish, State EDDY COUNTY, NM

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

TYPE OF SUBMISSION	TYPE OF ACTION			
<input checked="" type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Hydraulic Fracturing	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input checked="" type="checkbox"/> Other
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	Surface Commingling
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	

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

OXY USA INC respectfully requests a pool lease commingle permit in addition to off-lease measurement sales and storage for the following wells: Cedar Canyon 27 Fed Com #5H, Cedar Canyon 21-22 Fed Com #33H and Cedar Canyon 23 Fed #2H. The BLM's interest, 9.375%, is identical in all wells.

A detailed process description can be found attached.

NM OIL CONSERVATION
ARTESIA DISTRICT

DEC 19 2017

RECEIVED

PC 12-20-17
Accepted for record - NMOCD

14. I hereby certify that the foregoing is true and correct. Electronic Submission #387956 verified by the BLM Well Information System For OXY USA INCORPORATED, sent to the Carlsbad Committed to AFMSS for processing by PRISCILLA PEREZ on 10/03/2017 (18PP0055SE)	
Name (Printed/Typed) TAYLOR STILLMAN	Title REGULATORY ENGINEER
Signature (Electronic Submission)	Date 09/08/2017

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved By <u>J. D. W. Hittlock</u>	Title <u>TL PET</u>	Date <u>12/14/17</u>
Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.		Office <u>CFO</u>

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

(Instructions on page 2)

**** BLM REVISED ** BLM REVISED ** BLM REVISED ** BLM REVISED ** BLM REVISED ****

Additional data for EC transaction #387956 that would not fit on the form

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

NMNM126644
NMNM134543

Wells/Facilities, continued

Agreement	Lease	Well/Fac Name, Number	API Number	Location
NMNM126644	NMNM94651	CEDAR CANYON 27 FEDERAL CCA-015-43775-00-S1	30-015-43775-00-S1	Sec 27 T24S R29E NWNW 1154FNL 151FWL 32.192380 N Lat, 103.979926 W Lon
NMNM86908	NMNM86908	CEDAR CANYON 21-22 FEDERAL CCA-015-43775-00-X1	30-015-43775-00-X1	Sec 21 T24S R29E NWSW 1754FSL 374FWL 32.200497 N Lat, 103.996834 W Lon
NMNM134543	NMNM88138	CEDAR CANYON 23 2H	30-015-41194-00-S1	Sec 23 T24S R29E SWSW 650FSL 660FWL 32.197313 N Lat, 103.961140 W Lon

10. Field and Pool, continued

UNKNOWN

APPLICATION FOR POOL AND LEASE COMMINGLE, OFF-LEASE SALES AND STORAGE

Commingling proposal for Cedar Canyon 22 Federal Battery

OXY USA INC respectfully requests a pool lease commingle permit in addition to off-lease measurement sales and storage for the following wells: Cedar Canyon 27 Fed Com #5H, Cedar Canyon 21-22 Fed Com #33H and Cedar Canyon 23 Fed #2H. The BLM's interest is identical in all wells.

A detailed process description can be found below. The oil and gas meters will be calibrated on a regular basis per API, NMOCD and BLM specifications.

CA# NMNM126644; Pierce Crossing; Bone Spring, East: See Lease allocation below

Well Name	API	Surface Location	Pool	Oil (bpd)	Gravity	Gas (MSCFD)	BTU/cf	Water (bpd)
CEDAR CANYON 27 FEDERAL COM #005H	30-015-43775	D-27-24S-29E	PIERCE CROSSING; BONE SPRING, EAST	320	39.9	576	1324	408

CA# NMNM137575 Pending; Pierce Crossing; Bone Spring, East: See Lease allocation below

Well Name	API	Surface Location	Pool	Oil (bpd)	Gravity	Gas (MSCFD)	BTU/cf	Water (bpd)
CEDAR CANYON 21 22 FEDERAL COM #033H	30-015-44133	L-21-24S-29E	PIERCE CROSSING; BONE SPRING, EAST	1093*	41*	1562*	1354	2732*

CA# NMNM134543; Pierce Crossing; Bone Spring: See Lease allocation below

Well Name	API	Surface Location	Pool	Oil (bpd)	Gravity	Gas (MSCFD)	BTU/cf	Water (bpd)
CEDAR CANYON 23 #002H	30-015-41194	M-23-24S-29E	PIERCE CROSSING; BONE SPRING	135	39.9	698	1326	138

*Estimated Value

Each CA allocated 75% of the production to the Federal leases at a Royalty Rate of 12.5%, for the interest allocation of 9.375%.

Cedar Canyon 27 Fed Com 5H CA – (NMNM126644)

Includes Fed. Lease NMNM94651 – 75% & FEE Lease – 25%

Cedar Canyon 21 22 Fed Com 33H CA – (NMNM137575)

Includes Fed. Leases NMNM86908 – 25%, NMNM13996 – 12.5%, NMNM81586 – 37.50% (Total Fed. 75%) & FEE Lease – 25%

Cedar Canyon 23 2H CA – (NMNM134543)

Includes Fed. Leases NMNM81586 – 25%, NMNM88138 – 50% (Total Fed. 75%) & FEE Lease 25%

The Cedar Canyon 27 Federal #5H and Cedar Canyon 23 Federal #2H have been on production for over a year and are in Range 3 of decline. The wells can be reasonably expected to have a decline rate of less than 5 percent, as specified in Hearing Order R-14299. Therefore, wells will be tested at least once per month for a minimum of 24 hours.

The Cedar Canyon 21 22 Fed Com #33H will have its own dedicated separation and measurement equipment and tested daily prior to Range 1 of decline, and will be tested at least three times per month for a minimum of 24 hours during Range 1 of decline. When Range 2 decline is started, production will be combined with the other wells at the battery, and will be tested at least twice per month for a minimum of 24 hours during Range 2 of decline, and will be tested at least once per month for a minimum of 24 hours during Range 3 of decline, as specified in Hearing Order R-14299.

Wells will be tested through a three-phase 6'x10' test separator equipped with turbine meters for oil (S/N **) and water (S/N**) and an orifice meter (S/N**) for gas. Production will be allocated to each well based on well test and the amount of hours the well was operating in a given month.

After Range 2 of decline, the three wells will be combined into one 6' x 20' three-phase production separator. The oil production will flow through a turbine meter (S/N **) then through oil tanks before being measured through a Coriolis meter (S/N 14258900), which will serve as the oil Facility Measurement Point (FMP) for the facility.

Gas from the production separator will be sent through gas meter (S/N T151222204). Gas from the test separator will be sent through gas meter (S/N **). These gas meters will serve as the gas FMPs.

All aforementioned wells are on gas lift. Each well has an individual meter to measure gas lift gas located at the well pad to measure the amount of gas used for lift operations. Gas lift meter numbers and compressor locations for each well are shown in the table below. OXY will submit a sundry notice to request off-lease royalty-free beneficial use for gas lift operations at the aforementioned wells. Estimated volume ranges from 100 MCFPD to 600 MCFPD.

All water generated at this facility will be sent to the Cedar Canyon water disposal distribution system.

**Meter number will be submitted upon installation.

Additional Application Components:

The flow of production is shown in detail on the enclosed facility diagram. Also enclosed is a map detailing the lease boundaries, well and battery locations.

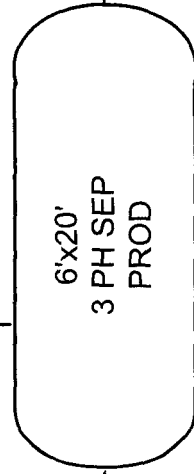
Pursuant to Statewide rule 19.15.12.10(C)(4)(g) OXY USA INC requests the option to include additional pools or leases within the defined parameters set forth in the order for future additions.

After completion of facility modifications, OXY will provide BLM with an updated facility diagram.

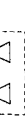
Commingling this production is the most effective means of producing the reserves. OXY USA INC understands the requested approval will not constitute the granting of any right-of-way or construction rights not granted by the lease instrument. These applications will be submitted separately for approval per NMOC and BLM regulations.

FMP

S/N T151222204



CEDAR CANYON 27-5H
CEDAR CANYON 23-2H
CEDAR CANYON 21-22 33H

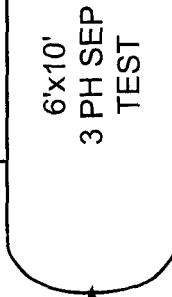


METER

METER

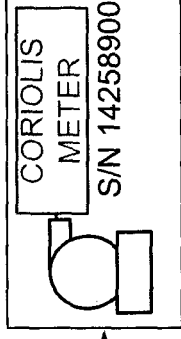
S/N *

FMP

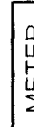


METER

WATER TO
CEDAR CANYON
15 SWD



FMP



METER

THIS DIAGRAM DEPICTS ONLY ONE
TRAIN IN CEDAR CANYON 22 CTB

OTHER EQUIPMENT ASSOCIATED
WITH DIFFERENT TRAINS IS NOT
SHOWN ON THIS DIAGRAM

CEDAR CANYON
22 SATELLITE
S22 T24S R29E

REVISION BLOCK

PRODUCTION MIX _____ _____ _____ _____ _____	REVISION BLOCK			DESCRIPTION		BY
	NO.	DATE		PRELIMINARY DRAFT		KAO
	0			REVISION		JC
	1			OFF LEASE MEASUREMENT APPLICATION		TS
	2					



PROCESS FLOW DIAGRAM
CEDAR CANYON 22
(9.375% Train)

[illegible]

Laterals

Cedar Canyon 22 CTB

Each CA allocated 75% of the production to the Federal leases at a Royalty Rate of 12.5%, for the interest allocation of 9.375%.

Lease Number	CA #	Well Name	API	Surface Location	Pool	Oil (bpd)	Gravity	Gas (MSCFD)	BTU/cf	Water (bpd)
NMNM94651	NMNM136826	CEDAR CANYON 27 FEDERAL COM #005H	30-015-43775	D-27-24S-29E	PIERCE CROSSING; BONE SPRING, EAST	320	39.9	576	1324	408
NMNM86908	NMNM137575	CEDAR CANYON 21 22 FEDERAL COM #033H	30-015-44133	L-21-24S-29E	PIERCE CROSSING; BONE SPRING, EAST	1093*	41*	1562*	1354	2732*
NMNM13996	Pending									
NMNM81586	NMNM134543	CEDAR CANYON 23 #002H	30-015-41194	M-23-24S-29E	PIERCE CROSSING; BONE SPRING	135	39.9	698	1326	138
NMNM88138										

* Estimated average production for first 6 months

**Economic Justification Worksheet
Cedar Canyon 22 Battery - 9.375% Train**

WELLS	BOPD	OIL GRAVITY @ 60	VALUE/BBL	MCFD	DRY BTU	VALUE/MCF
Cedar Canyon 23 Federal 2H	135	39.9	\$49.00/bbl	698	1326	\$2.98/mcf
Cedar Canyon 27 Fed Com 5H	320	39.9		576	1324	
Cedar Canyon 21 22 Fed Com 33H*	1093	41		1562	1354	

Economic Combined Production

BATTERY	BOPD	WEIGHTED OIL GRAVITY @ 60	VALUE/BBL	MCFD	WEIGHTED DRY BTU	VALUE/MCF
Cedar Canyon 23-3H & 21	1548	40.7	\$49.00/bbl	2836	1341	\$2.98/mcf

* Estimated value

Each CA allocated 75% of the production to the Federal leases at a Royalty Rate of 12.5%, for the interest allocated.
As per our oil purchase contract, all production is sold as sweet crude and paid on a flat 40 API gravity rate.
As per our gas purchase contract, all production is sold from gas processing plant at same value.



**BUREAU OF LAND MANAGEMENT
CASE RECORDATION
(LIVE) SERIAL REGISTER PAGE**

Run Date/Time: 12/11/17 07:05 AM

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01 02-25-1920;041STAT0437;30USC181

Total Acres
160.000

Serial Number
NMNM-- - 126644

Case Type 318310: O&G COMMUNITIZATION AGRMT

Commodity 410: NATURAL GAS

Case Disposition: AUTHORIZED Case File Juris: CARLSBAD FIELD OFFICE

Serial Number: NMNM-- - 126644

Name & Address		Int Rel	%Interest
BLM CARLSBAD FO	620 E GREENE ST	CARLSBAD NM 88220	OFFICE OF RECORD
OXY USA INC	PO BOX 4294	HOUSTON TX 772104294	OPERATOR
			0.000000000
			100.000000000

Serial Number: NMNM-- - 126644

Mer Twp	Rng	Sec	SType	Nr Suff	Subdivision	District/Resource Area	County	Mgmt Agency
23	0240S	0290E	027	ALIQ	S2N2;	CARLSBAD FIELD OFFICE	EDDY	BUREAU OF LAND MGMT

Serial Number: NMNM-- - 126644

Act Date	Code	Action	Action Remarks	Pending Office
05/06/2007	654	AGRMT PRODUCING		
05/06/2007	658	MEMO OF 1ST PROD-ACTUAL		
11/01/2007	516	FORMATION	BONE SPRING	
11/01/2007	525	ACRES-NONFEDERAL	40.00;25.00% FEE	
11/01/2007	526	ACRES-FED INT 100%	120.00;75.00%	
11/01/2007	868	EFFECTIVE DATE	VORTEC FED COM 27-2H	
05/19/2011	387	CASE ESTABLISHED		
05/23/2011	334	AGRMT APPROVED		

Line Nr Remarks Serial Number: NMNM-- - 126644

0001	RECAPITULATION EFFECTIVE 11/01/2007			
0002	TR#	LEASE SERIAL#	AC COMMITTED	%INTEREST
0003	1	FEE	40	25.00
0004	2	NM-94651	120	75.00
0005	TOTAL		160	100.00

**DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT
CASE RECORDATION
(MASS) Serial Register Page**

Run Time: 02:36 PM

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Run Date: 07/17/2017

01 02-25-1920;041STAT0437;30USC181ETSEQ

Total Acres

Serial Number

Case Type 311211: O&G LSE SIMO PUBLIC LAND

1,400.000

NMNM-- - 094651

Commodity 459: OIL & GAS

Case Disposition: AUTHORIZED

Serial Number: NMNM-- - 094651

Name & Address			Int Rel	% Interest
OXY USA INC	PO BOX 27570	HOUSTON TX 772277570	OPERATING RIGHTS	0.000000000
OXY USA INC	PO BOX 27570	HOUSTON TX 772277570	LESSEE	100.000000000
OXY USA INC	5 GREENWAY PLZ #110	HOUSTON TX 770460521	OPERATING RIGHTS	0.000000000
PHILLIPS 66 NAT GAS	4001 PENBROOK #324	ODESSA TX 79762	OPERATING RIGHTS	0.000000000
PXP PRODUCING CO LLC	717 TEXAS ST STE 2100	HOUSTON TX 770022753	OPERATING RIGHTS	0.000000000
RIVERHILL ENERGY CO	PO BOX 2726	MIDLAND TX 797022726	OPERATING RIGHTS	0.000000000
SIETE OIL & GAS CORP	BOX 2523	ROSWELL NM 882022523	OPERATING RIGHTS	0.000000000
SM ENERGY CO	1775 SHERMAN ST STE 1200	DENVER CO 802031100	OPERATING RIGHTS	0.000000000

Serial Number: NMNM-- - 094651

Mer Twp	Rng	Sec	STyp	SNr Suff	Subdivision	District/Field Office	County	Mgmt Agency
23	0240S	0290E	017	ALIQ	S2SW,NESE;	CARLSBAD FIELD OFFICE	EDDY	BUREAU OF LAND MGMT
23	0240S	0290E	027	ALIQ	SWNE,S2NW,S2;	CARLSBAD FIELD OFFICE	EDDY	BUREAU OF LAND MGMT
23	0240S	0290E	028	ALIQ	S2NE,W2,SE;	CARLSBAD FIELD OFFICE	EDDY	BUREAU OF LAND MGMT
23	0240S	0290E	029	ALIQ	SENE,W2NE,NW;	CARLSBAD FIELD OFFICE	EDDY	BUREAU OF LAND MGMT

Serial Number: NMNM-- - 094651

Act Date	Code	Action	Action Remark	Pending Office
09/24/1972	387	CASE ESTABLISHED	SPAR54;	
09/25/1972	888	DRAWING HELD		
12/01/1972	496	FUND CODE	05;145003	
12/01/1972	530	RLTY RATE - 12 1 2%		
12/01/1972	868	EFFECTIVE DATE		
01/23/1995	553	CASE CREATED BY ASGN	OUT OF NMNM17224;	
01/23/1995	932	TRF OPER RGTS FILED	SIETE/POGO	
01/23/1995	974	AUTOMATED RECORD VERIF	BCO/JV	
02/08/1995	600	RECORDS NOTED		
02/23/1995	963	CASE MICROFILMED, SCANNED	JDS	
04/19/1995	933	TRF OPER RGTS APPROVED	EPF 02/01/95	
04/19/1995	974	AUTOMATED RECORD VERIF	MV/MV	
09/20/1995	575	APD FILED		
10/03/1995	575	APD FILED		
10/19/1995	575	APD FILED		
11/13/1995	084	RENTAL RECEIVED BY ONRR	\$700 00;21/0000000283	
11/13/1995	576	APD APPROVED	#1 CEDAR CANYON "28"	
11/13/1995	576	APD APPROVED	#2 CEDAR CANYON "27"	
11/13/1995	576	APD APPROVED	#2 CEDAR CANYON "28"	
11/13/1995	576	APD APPROVED	#3 CEDAR CANYON "28"	
11/29/1995	576	APD APPROVED	1 FEDERAL 17	
12/29/1995	650	HELD BY PROD - ACTUAL	/1/	
03/06/1996	576	APD APPROVED	3-CEDAR CANYON 27 FED	
03/07/1996	576	APD APPROVED	1-CEDAR CANYON 29 FED	
05/13/1996	643	PRODUCTION DETERMINATION	/1/	
05/13/1996	658	MEMO OF 1ST PROD-ACTUAL	/1/1;	
07/08/1996	932	TRF OPER RGTS FILED	SIETE/ST MARY LAND	

NO WARRANTY IS MADE BY BLM FOR USE OF THE DATA FOR PURPOSES NOT INTENDED BY BLM

**BUREAU OF LAND MANAGEMENT
CASE RECORDATION
(LIVE) SERIAL REGISTER PAGE**

Run Date/Time: 12/11/17 07:24 AM

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01 02-25-1920;041STAT0437;30USC181

Total Acres
160.000

Serial Number
NMNM-- - 134543

Case Type 318310: O&G COMMUNITIZATION AGRMT

Commodity 459: OIL & GAS

Case Disposition: AUTHORIZED Case File Juris: CARLSBAD FIELD OFFICE

Serial Number: NMNM-- - 134543

Name & Address			Int Rel	%Interest
BLM CARLSBAD FO	620 E GREENE ST	CARLSBAD NM 88220	OFFICE OF RECORD	0.000000000
OXY USA INC	5 GREENWAY PLZ #110	HOUSTON TX 770460521	OPERATOR	100.000000000

Serial Number: NMNM-- - 134543

Mer Twp	Rng	Sec	SType	Nr Suff	Subdivision	District/Resource Area	County	Mgmt Agency
23	0240S	0290E	023	ALIQ	S2S2;	CARLSBAD FIELD OFFICE	EDDY	BUREAU OF LAND MGMT

Serial Number: NMNM-- - 134543

Act Date	Code	Action	Action Remarks	Pending Office
09/24/2014	387	CASE ESTABLISHED		
09/24/2014	516	FORMATION	BONE SPRING	
09/24/2014	525	ACRES-NONFEDERAL	40; 25% FEE	
09/24/2014	526	ACRES-FED INT 100%	120; 75% FFEDERAL	
09/24/2014	868	EFFECTIVE DATE	30-015-41194	
02/01/2015	654	AGRMT PRODUCING	/1/	
02/01/2015	658	MEMO OF 1ST PROD-ACTUAL	/1/ 30-015-41194	
05/18/2015	643	PRODUCTION DETERMINATION	/1/	

Line Nr Remarks Serial Number: NMNM-- - 134543

0001	RECAPITULATION EFFECTIVE 09/24/2014			
0002	TRACT #	LEASE SERIAL #	AC COMMITTED	% INT
0003	1	FEE	27.50	17.1875
0004	2	FEE	12.50	7.8125
0005	3	NM81586	40.00	25.00
0006	4	NM88138	80.00	50.00
0007	TOTAL		160.00	100.00

Handwritten notes: 25.00% and 75.00% are written next to the % INT column for lines 0003 and 0006 respectively.

**DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT
CASE RECORDATION
(MASS) Serial Register Page**

Run Time: 02:35 PM

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Run Date: 07/17/2017

01 12-22-1987;101STAT1330;30USC181 ET SE

Total Acres

Serial Number

Case Type 312021: O&G LSE COMP PD -1987

240.000

NMNM-- - 088138

Commodity 459: OIL & GAS

Case Disposition: AUTHORIZED

Serial Number: NMNM-- - 088138

Name & Address			Int Rel	% Interest
DEVON ENERGY PROD CO LP	333 W SHERIDAN AVE	OKLAHOMA CITY OK 731025010	OPERATING RIGHTS	0.000000000
DOMINION OK TX EXPL & PROD INC	14000 QUAIL SPGS PKY #600	OKLAHOMA CITY OK 73134	OPERATING RIGHTS	0.000000000
FORTSON OIL CO	301 COMMERCE #3301	FORT WORTH TX 761024133	OPERATING RIGHTS	0.000000000
OXY USA INC	PO BOX 27570	HOUSTON TX 77227570	LESSEE	100.000000000
OXY USA WTP LP	5 GREENWAY PLAZA #110	HOUSTON TX 77046	OPERATING RIGHTS	0.000000000
PENWELL ENERGY INC	600 N MARIENFELD #1100	MIDLAND TX 79701	OPERATING RIGHTS	0.000000000
PXP PRODUCING CO LLC	717 TEXAS ST STE 2100	HOUSTON TX 770022753	OPERATING RIGHTS	0.000000000
RKI EXPLORATION & PRODUCTION LLC	3500 ONE WILLIAMS CTR	TULSA OK 741720135	OPERATING RIGHTS	0.000000000

Serial Number: NMNM-- - 088138

Mer Twp Rng Sec	STyp	SNr Suff Subdivision	District/Field Office	County	Mgmt Agency
23 0240S 0290E 023	ALIQ	SWSE,E2SE;	CARLSBAD FIELD OFFICE	EDDY	BUREAU OF LAND MGMT
23 0240S 0290E 026	ALIQ	N2NE,NENW;	CARLSBAD FIELD OFFICE	EDDY	BUREAU OF LAND MGMT

Serial Number: NMNM-- - 088138

Act Date	Code	Action	Action Remark	Pending Office
01/21/1992	387	CASE ESTABLISHED	9201165	
01/22/1992	191	SALE HELD		
01/22/1992	267	BID RECEIVED	\$8400 00;	
01/22/1992	392	MONIES RECEIVED	\$480.00;	
02/04/1992	392	MONIES RECEIVED	\$7920 00;	
02/28/1992	237	LEASE ISSUED		
02/28/1992	974	AUTOMATED RECORD VERIF	AT/LBO	
03/01/1992	496	FUND CODE	05;145003	
03/01/1992	530	RLTY RATE - 12 1/2%		
03/01/1992	868	EFFECTIVE DATE		
03/18/1992	111	RENTAL RECEIVED	\$360 00;21/0118712163	
04/14/1992	600	RECORDS NOTED		
02/16/1993	111	RENTAL RECEIVED	\$360 00;21/1016	
06/28/1993	932	TRF OPER RGTS FILED	COLLINS/FORTSON OIL	
09/28/1993	933	TRF OPER RGTS APPROVED	EFF 07/01/93;	
09/28/1993	974	AUTOMATED RECORD VERIF	ANN/KRP	
10/08/1993	963	CASE MICROFILMED, SCANNED	CNUM 569,211 JS	
02/18/1994	111	RENTAL RECEIVED	\$360.00;21/1347	
07/21/1994	899	TRF OF ORR FILED	(1)	
07/21/1994	899	TRF OF ORR FILED	(2)	
09/19/1994	932	TRF OPER RGTS FILED	FORTSON/POGO PROD CO	
10/17/1994	140	ASGN FILED	COLLIN&WARE/POGO PROD	
10/17/1994	922	TRF OPER RGTS FILED	COLLINS&WARE/POGO	
12/15/1994	932	TRF OPER RGTS FILED	FORTSON OIL/POGO PROD	
12/22/1994	084	RENTAL RECEIVED BY ONRR	\$360 00;21/0000000015	
12/28/1994	933	TRF OPER RGTS APPROVED	EFF 10/01/94;	
12/28/1994	933	TRF OPER RGTS APPROVED	EFF 11/01/94;	

NO WARRANTY IS MADE BY BLM FOR USE OF THE DATA FOR PURPOSES NOT INTENDED BY BLM

**DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT
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01 12-22-1987;101STAT1330;30USC181 ET SE

Total Acres

Serial Number

Case Type 312021: O&G LSE COMP PD -1987

1,040.000

NMNM-- - 081586

Commodity 459: OIL & GAS

Case Disposition: AUTHORIZED

Serial Number: NMNM-- - 081586

Name & Address			Int Rel	% Interest
DOMINION OK TX EXPL & PROD INC	14000 QUAIL SPGS PKY #600	OKLAHOMA CITY OK 73134	OPERATING RIGHTS	0.000000000
FORTSON OIL CO	301 COMMERCE #3301	FORT WORTH TX 761024133	OPERATING RIGHTS	0.000000000
OXY USA INC	PO BOX 27570	HOUSTON TX 772277570	LESSEE	100.000000000
OXY USA INC	PO BOX 27570	HOUSTON TX 772277570	OPERATING RIGHTS	0.000000000
OXY USA INC	5 GREENWAY PLZ #110	HOUSTON TX 770460521	OPERATING RIGHTS	0.000000000
PXP PRODUCING CO LLC	717 TEXAS ST STE 2100	HOUSTON TX 770022753	OPERATING RIGHTS	0.000000000

Serial Number: NMNM-- - 081586

Mer Twp	Rng	Sec	STyp	SNr Suff	Subdivision	District/Field Office	County	Mgmt Agency
23	0240S	0290E	022	ALIQ	S2N2,NESW,N2SE;	CARLSBAD FIELD OFFICE	EDDY	BUREAU OF LAND MGMT
23	0240S	0290E	023	ALIQ	N2,N2SW,SESW;	CARLSBAD FIELD OFFICE	EDDY	BUREAU OF LAND MGMT
23	0240S	0290E	024	ALIQ	W2;	CARLSBAD FIELD OFFICE	EDDY	BUREAU OF LAND MGMT

Serial Number: NMNM-- - 081586

Act Date	Code	Action	Action Remark	Pending Office
04/18/1989	387	CASE ESTABLISHED	PARCEL #227	
04/19/1989	191	SALE HELD		
04/19/1989	267	BID RECEIVED	\$260000 00;	
04/19/1989	392	MONIES RECEIVED	\$2080 00;	
04/20/1989	111	RENTAL RECEIVED	\$1560 00;1YR/89-90	
04/20/1989	392	MONIES RECEIVED	\$257920 00;	
05/23/1989	237	LEASE ISSUED		
05/23/1989	974	AUTOMATED RECORD VERIF	MLO/LO	
06/01/1989	496	FUND CODE	05;145003	
06/01/1989	530	RLTY RATE - 12 1/2%		
06/01/1989	868	EFFECTIVE DATE		
06/01/1989	909	BOND ACCEPTED	EFF 07/24/78;WY0405	
06/14/1989	600	RECORDS NOTED		
06/14/1989	963	CASE MICROFILMED, SCANNED	CNUM 566,665	
05/07/1990	111	RENTAL RECEIVED	\$1560 00;21/2765	
11/07/1990	932	TRF OPER RGTS FILED	COLLINS&WARE/FORTSON	
11/08/1990	899	TRF OF ORR FILED	(1)	
11/08/1990	899	TRF OF ORR FILED	(2)	
01/28/1991	933	TRF OPER RGTS APPROVED	EFF 12/01/90	
01/28/1991	974	AUTOMATED RECORD VERIF	MRR/JLV	
03/25/1991	932	TRF OPER RGTS FILED	CORTEZ/COLLINS & WARE	
04/12/1991	111	RENTAL RECEIVED	\$1560 00;21/4774	
05/22/1991	933	TRF OPER RGTS APPROVED	EFF 04/01/91;	
05/22/1991	974	AUTOMATED RECORD VERIF	ST/CG	
08/19/1991	899	TRF OF ORR FILED		
05/17/1993	111	RENTAL RECEIVED	\$1560 00;21/1117	
03/10/1994	575	APD FILED	COLLINS & WARE INC	
04/11/1994	084	RENTAL RECEIVED BY ONRR	\$2080 00;21, 1013	
04/26/1994	575	APD FILED	POGO PROD CO	

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01 02-25-1920;041STAT0437;30USC181

Total Acres
320.000

Serial Number
NMNM-- - 137575

Case Type 318310: O&G COMMUNITIZATION AGRMT

Commodity 459: OIL & GAS

Case Disposition: AUTHORIZED Case File Juris:

Serial Number: NMNM-- - 137575

Name & Address	Int Rel	%Interest
BLM CARLSBAD FO	620 E GREENE ST	CARLSBAD NM 88220
OXY USA INC	PO BOX 4294	HOUSTON TX 772104294
		OFFICE OF RECORD
		OPERATOR
		0.000000000
		100.000000000

Serial Number: NMNM-- - 137575

Mer Twp	Rng	Sec	SType	Nr	Suff	Subdivision	District/Resource Area	County	Mgmt Agency
23	0240S	0290E	021	ALIQ		N2S2;	CARLSBAD FIELD OFFICE	EDDY	BUREAU OF LAND MGMT
23	0240S	0290E	022	ALIQ		N2S2;	CARLSBAD FIELD OFFICE	EDDY	BUREAU OF LAND MGMT

Serial Number: NMNM-- - 137575

Act Date	Code	Action	Action Remarks	Pending Office
06/01/2017	387	CASE ESTABLISHED		
06/01/2017	516	FORMATION	BONE SPRING;	
06/01/2017	525	ACRES-NONFEDERAL	80.00;25%	
06/01/2017	868	EFFECTIVE DATE	/A/	
07/14/2017	580	PROPOSAL RECEIVED	CA RECD	
12/09/2017	334	AGRMT APPROVED		

Line Nr Remarks Serial Number: NMNM-- - 137575

Line Nr	Remarks	TR#	LEASE SERIAL NO	AC COMMITTED	% INTEREST
0001	/A/RECAPITULATION EFFECTIVE 06/01/2017				
0002					
0003	1 FEE			40.00	12.50
0004	2 FEE			40.00	12.50
0005	3 NMNM86908			80.00	25.00
0006	4 NMNM13996			40.00	12.50
0007	5 NMNM81586			120.00	37.50
0008	TOTAL			320.00	100.00

Handwritten notes: 25.00% and 75.00%

**DEPARTMENT OF THE INTERIOR
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01 12-22-1987;101STAT1330;30USC181 ET SE

Total Acres

Serial Number

Case Type 312021: O&G LSE COMP PD -1987

160.000

NMNM-- - 086908

Commodity 459: OIL & GAS

Case Disposition: AUTHORIZED

Serial Number: NMNM-- - 086908

Name & Address			Int Rei	% Interest
BRAZOS LP	PO BOX 911	BRECKENRIDGE TX 76424	OPERATING RIGHTS	0.000000000
CLAIBORNE LP	500 COMMERCE ST STE 600	FORT WORTH TX 761025477	OPERATING RIGHTS	0.000000000
CONOCOPHILLIPS CO	PO BOX 7500	BARTLESVILLE OK 740057500	OPERATING RIGHTS	0.000000000
DEVON ENERGY PROD CO LP	333 W SHERIDAN AVE	OKLAHOMA CITY OK 731025010	LESSEE	100.000000000
DEVON ENERGY PROD CO LP	333 W SHERIDAN AVE	OKLAHOMA CITY OK 731025010	OPERATING RIGHTS	0.000000000
DOMINION OK TX EXPL & PROD INC	14000 QUAIL SPGS PKY #600	OKLAHOMA CITY OK 73134	OPERATING RIGHTS	0.000000000
EAGLE-K PROD CO	PO BOX 80451	MIDLAND TX 79708	OPERATING RIGHTS	0.000000000
OXY USA INC	PO BOX 27570	HOUSTON TX 772277570	OPERATING RIGHTS	0.000000000
OXY USA INC	5 GREENWAY PLZ #110	HOUSTON TX 770460521	OPERATING RIGHTS	0.000000000
PXP PRODUCING CO LLC	717 TEXAS ST STE 2100	HOUSTON TX 770022753	OPERATING RIGHTS	0.000000000
WAGNER BRYAN C	301 COMMERCE ST #3400	FORT WORTH TX 76102	OPERATING RIGHTS	0.000000000
WAGNER OIL CO	500 COMMERCE ST #600	FORT WORTH TX 76102	OPERATING RIGHTS	0.000000000
WAGNER OIL CO	301 COMMERCE ST #3400	FORT WORTH TX 76102	OPERATING RIGHTS	0.000000000

Serial Number: NMNM-- - 086908

Mer Twp Rng Sec	STyp	SNr Suff	Subdivision	District/Field Office	County	Mgmt Agency
23 02405 0290E 021	ALIQ		W2NE,N2SE;	CARLSBAD FIELD OFFICE	EDDY	BUREAU OF LAND MGMT

Serial Number: NMNM-- - 086908

Act Date	Code	Action	Action Remark	Pending Office
07/16/1991	387	CASE ESTABLISHED	9107106	
07/17/1991	191	SALE HELD		
07/17/1991	267	BID RECEIVED	\$13600.00;	
07/17/1991	392	MONIES RECEIVED	\$320.00;	
07/24/1991	111	RENTAL RECEIVED	\$240.00;21/0376711124	
07/26/1991	392	MONIES RECEIVED	\$13280.00;	
08/23/1991	237	LEASE ISSUED		
08/23/1991	974	AUTOMATED RECORD VERIF	AT/JG	
09/01/1991	496	FUND CODE	05;145003	
09/01/1991	530	RLTY RATE - 12 1/2%		
09/01/1991	868	EFFECTIVE DATE		
09/24/1991	600	RECORDS NOTED		
07/06/1993	111	RENTAL RECEIVED	\$240.00;21/40961	
07/11/1994	111	RENTAL RECEIVED	\$240.00;21/43505	
05/16/1995	575	APD FILED		
06/19/1995	576	APD APPROVED	1-MITCHELL"21" FED	
07/11/1995	084	RENTAL RECEIVED BY ONRR	\$240.00-21 0000000458	
09/20/1995	650	HELD BY PROD - ACTUAL	/1/	
10/01/1995	575	APD FILED		
11/01/1995	576	APD APPROVED	2-MITCHELL 21 FED	
11/07/1995	576	APD APPROVED	1-ARCO 6 FED	
11/07/1995	576	APD APPROVED	3-MITCHELL 21 FED	
01/18/1996	932	TRF OPER RGTS FILED	MITCHELL,POGO ETAL	
01/26/1996	658	MEMO OF 1ST PROD-ACTUAL	1.MITCHELL 21 FED 1	

NO WARRANTY IS MADE BY BLM FOR USE OF THE DATA FOR PURPOSES NOT INTENDED BY BLM

**DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT
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01 02-25-1920;041STAT0437;30USC181ETSEQ

Case Type 311211: O&G LSE SIMO PUBLIC LAND

Commodity 459: OIL & GAS

Case Disposition: AUTHORIZED

Total Acres

199.710

Serial Number

NMNM-- - 013996

Serial Number: NMNM-- - 013996

Name & Address			Int Rel	% Interest
APACHE CORP	2000 POST OAK BLVD STE 100	HOUSTON TX 770564400	OPERATING RIGHTS	0.000000000
EAGLE-K PROD CO	PO BOX 80451	MIDLAND TX 79708	OPERATING RIGHTS	0.000000000
EOG RESOURCES ASSETS LLC	105 S 4TH ST	ARTESIA NM 882102177	OPERATING RIGHTS	0.000000000
OCCIDENTAL PERMIAN LP	5 E GREENWAY PLAZA #110	HOUSTON TX 770460521	LESSEE	100.000000000
OXY USA INC	PO BOX 27570	HOUSTON TX 772277570	OPERATING RIGHTS	0.000000000
OXY USA INC	5 GREENWAY PLZ #110	HOUSTON TX 770460521	OPERATING RIGHTS	0.000000000
PG & E RESOURCE CO	6688 N CENTRAL EXPY	DALLAS TX 75206	OPERATING RIGHTS	0.000000000

Serial Number: NMNM-- - 013996

Mer Twp	Rng	Sec	STyp	SNr Suff	Subdivision	District/Field Office	County	Mgmt Agency
23	0240S	0290E	006	ALIQ	E2SW;	CARLSBAD FIELD OFFICE	EDDY	BUREAU OF LAND MGMT
23	0240S	0290E	006	LOTS	7;	CARLSBAD FIELD OFFICE	EDDY	BUREAU OF LAND MGMT
23	0240S	0290E	022	ALIQ	W2SW;	CARLSBAD FIELD OFFICE	EDDY	BUREAU OF LAND MGMT

Serial Number: NMNM-- - 013996

Act Date	Code	Action	Action Remark	Pending Office
05/23/1971	387	CASE ESTABLISHED	SPAR66;	
05/24/1971	888	DRAWING HELD		
06/15/1971	237	LEASE ISSUED		
07/01/1971	496	FUND CODE	05;145003	
07/01/1971	530	RLTY RATE - 12 1/2%		
07/01/1971	868	EFFECTIVE DATE		
05/22/1981	246	LEASE COMMITTED TO CA	SCR93 EFF 4/1/81	
04/27/1982	500	GEOGRAPHIC NAME	MALAGA FLD;	
04/27/1982	500	GEOGRAPHIC NAME	WILDCAT MARROW;	
04/27/1982	510	KMA CLASSIFIED		
04/27/1982	660	MEMO OF 1ST PROD-ALLOC	SCR-93	
08/02/1982	102	NOTICE SENT-PROD STATUS		
02/21/1984	522	CA TERMINATED	SCR-93	
02/24/1984	246	LEASE COMMITTED TO CA	NMNM94448;	
02/24/1984	660	MEMO OF 1ST PROD-ALLOC	NMNM94448;	
08/07/1985	512	KMA EXPANDED		
09/21/1987	974	AUTOMATED RECORD VERIF	KAT/KG	
10/03/1988	963	CASE MICROFILMED, SCANNED	CNUM 108,268	
04/09/1991	940	NAME CHANGE RECOGNIZED	TEXACO PROD/EXPL&PROD	
08/14/1991	932	TRF OPER RGTS FILED	AMOCO PROD/MW PETRO	
10/16/1991	933	TRF OPER RGTS APPROVED	EFF 09/01/91;	
10/16/1991	974	AUTOMATED RECORD VERIF	ST/VHG	
10/03/1994	899	TRF OF ORR FILED		
11/16/1994	932	TRF OPER RGTS FILED	MW PETRO/PG&E RES CO	
02/03/1995	933	TRF OPER RGTS APPROVED	EFF 12/01/94;	
02/03/1995	974	AUTOMATED RECORD VERIF	ANN	
10/31/1995	522	CA TERMINATED	NMNM94448;	
02/01/1996	235	EXTENDED	THRU 10/31/97	
02/01/1996	974	AUTOMATED RECORD VERIF	SSP	

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**Bureau of Land Management
Carlsbad Field Office
620 East Greene Street
Carlsbad, New Mexico 88220
575-234-5972**

**Cedar Canyon 27 Fed Com 5H, 3001543775,
Cedar Canyon 21 22 Fed Com 33H, 3001544133,
Cedar Canyon 23 2H, 300154194**

Oxy USA WTP LP

December 13, 2017

Condition of Approval

Commingling of lease/CA production, and Off lease/CA Storage, Measurement, & Sales of production

1. This approval is subject to like approval by the New Mexico Oil Conservation Division.
2. This agency shall be notified of any spill or discharge as required by NTL-3A.
3. This agency reserves the right to modify or rescind approval whenever it determines continued use of the approved method may adversely affect the surface or subsurface environments.
4. This approval does not constitute right-of-way approval for any off-lease activities. Within 30 days, an application for right-of-way approval must be submitted to the Realty Section if not already done.
5. Approval for combining production from various sources is a privilege which is granted to lessees for the purpose of aiding conservation and extending the economic life of leases. Applicants should be cognizant that failure to operate in accordance with the provisions outlined in the Authorized Officer's conditions of approval and/or subsequent stipulations or modifications will subject such approval to revocation.
6. Gas measurement for allocation must be measured as per Onshore Order #5 or 43 CFR 3175 and API requirements for sales meters.
7. All gas and oil subject to royalty shall be measured as per federal regulations and shall be reported to ONRR as required. All gas which is vented, flared or used on lease shall be reported as per 43 CFR 3179 to ONRR. All gas which is vented or flared shall be subject to royalty, unless prior approval was given by the authorized officer. These volumes are royalty bearing and shall be reported on OGOR "B" as disposition code "33".
8. This agency shall be notified of any change in sales method or location of sales point.
9. Additional wells and/or leases require additional commingling approvals.
10. Notify this office 24 Hrs. prior to any meter proving to allow time for an inspector to witness.
11. Submit meter numbers upon installation of meters and provide updated facility diagram with meters numbers.

Cedar Canyon 27 Fed Com 5H CA – (NMNM126644)

Includes Fed. Lease NMNM94651 – 75% & FEE Lease – 25%

Cedar Canyon 21 22 Fed Com 33H CA – (NMNM137575)

Includes Fed. Leases NMNM86908 – 25%, NMNM13996 – 12.5%, NMNM81586 – 37.50% (Total Fed. 75%) & FEE Lease – 25%

Cedar Canyon 23 2H CA – (NMNM134543)

Includes Fed. Leases NMNM81586 – 25%, NMNM88138 – 50% (Total Fed. 75%) & FEE Lease 25%