

District I  
1625 N. French Drive, Hobbs, NM 88240  
District II  
811 S. First St., Artesia, NM 88210  
District III  
1000 Rio Brazos Road, Aztec, NM 87410  
District IV  
1220 S. St Francis Dr. Santa Fe, NM  
87505

State of New Mexico  
Energy, Minerals and Natural Resources Department

Form C-107-B  
Revised August 1, 2011

**OIL CONSERVATION DIVISION**  
1220 S. St Francis Drive  
Santa Fe, New Mexico 87505

Submit the original  
application to the Santa Fe  
office with one copy to the  
appropriate District Office.

**APPLICATION FOR SURFACE COMMINGLING (DIVERSE OWNERSHIP)**

OPERATOR NAME: OXY USA INC  
OPERATOR ADDRESS: P.O. BOX 4294, HOUSTON, TX 77210-4294  
APPLICATION TYPE:

☒ Pool Commingling ☐ Lease Commingling ☐ Pool and Lease Commingling ☐ Off-Lease Storage and Measurement (Only if not Surface Commingled)

LEASE TYPE: ☐ Fee ☐ State ☒ Federal

Is this an Amendment to existing Order? ☐ Yes ☒ No If "Yes", please include the appropriate Order No. remove from PLC-271  
Have the Bureau of Land Management (BLM) and State Land office (SLO) been notified in writing of the proposed commingling  
☒ Yes ☐ No

**(A) POOL COMMINGLING**  
Please attach sheets with the following information

(1) Pool Names and Codes	Gravities / BTU of Non-Commingled Production	Calculated Gravities / BTU of Commingled Production		Calculated Value of Commingled Production	Volumes
SEE ATTACHED					

- (2) Are any wells producing at top allowables? ☐ Yes ☒ No  
(3) Has all interest owners been notified by certified mail of the proposed commingling? ☒ Yes ☐ No  
(4) Measurement type: ☐ Metering ☒ Other (Specify) WELL TEST  
(5) Will commingling decrease the value of production? ☐ Yes ☒ No If "yes", describe why commingling should be approved

**(B) LEASE COMMINGLING**  
Please attach sheets with the following information

- (1) Pool Name and Code.  
(2) Is all production from same source of supply? ☐ Yes ☐ No  
(3) Has all interest owners been notified by certified mail of the proposed commingling? ☐ Yes ☐ No  
(4) Measurement type: ☐ Metering ☐ Other (Specify)

**(C) POOL and LEASE COMMINGLING**  
Please attach sheets with the following information

- (1) Complete Sections A and E.

**(D) OFF-LEASE STORAGE and MEASUREMENT**  
Please attached sheets with the following information

- (1) Is all production from same source of supply? ☐ Yes ☐ No  
(2) Include proof of notice to all interest owners.

**(E) ADDITIONAL INFORMATION (for all application types)**  
Please attach sheets with the following information

- (1) A schematic diagram of facility, including legal location.  
(2) A plat with lease boundaries showing all well and facility locations. Include lease numbers if Federal or State lands are involved.  
(3) Lease Names, Lease and Well Numbers, and API Numbers.

I hereby certify that the information above is true and complete to the best of my knowledge and belief.

SIGNATURE: Sandra Musallam TITLE: REGULATORY ENGINEER DATE: 11/20/2020  
TYPE OR PRINT NAME SANDRA MUSALLAM TELEPHONE NO.: 713-366-5106  
E-MAIL ADDRESS: SANDRA\_MUSALLAM@OXY.COM

Revised March 23, 2017

RECEIVED:	REVIEWER:	TYPE:	APP NO:
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ABOVE THIS TABLE FOR OCD DIVISION USE ONLY

**NEW MEXICO OIL CONSERVATION DIVISION**  
 - Geological & Engineering Bureau -  
 1220 South St. Francis Drive, Santa Fe, NM 87505



**ADMINISTRATIVE APPLICATION CHECKLIST**

THIS CHECKLIST IS MANDATORY FOR ALL ADMINISTRATIVE APPLICATIONS FOR EXCEPTIONS TO DIVISION RULES AND  
 REGULATIONS WHICH REQUIRE PROCESSING AT THE DIVISION LEVEL IN SANTA FE

**Applicant:** OXY USA INC **OGRID Number:** 16696  
**Well Name:** COVINGTON A FEDERAL #003 & MULTIPLE **API:** 30-025-32445 & MULTIPLE  
**Pool:** RED TANK, DELAWARE, WEST & RED TANK, BONE SPRING **Pool Code:** 51689 & 51683

**SUBMIT ACCURATE AND COMPLETE INFORMATION REQUIRED TO PROCESS THE TYPE OF APPLICATION  
 INDICATED BELOW**

**1) TYPE OF APPLICATION:** Check those which apply for [A]

A. Location - Spacing Unit - Simultaneous Dedication

☐ NSL

☐ NSP (PROJECT AREA)

☐ NSP (PRORATION UNIT)

☐ SD

B. Check one only for [I] or [II]

[I] Commingling - Storage - Measurement

☐ DHC

☐ CTB

☐ PLC

☒ PC

☐ OLS

☐ OLM

[II] Injection - Disposal - Pressure Increase - Enhanced Oil Recovery

☐ WFX

☐ PMX

☐ SWD

☐ IPI

☐ EOR

☐ PPR

**2) NOTIFICATION REQUIRED TO:** Check those which apply.

A. ☐ Offset operators or lease holders

B. ☒ Royalty, overriding royalty owners, revenue owners

C. ☐ Application requires published notice

D. ☐ Notification and/or concurrent approval by SLO

E. ☒ Notification and/or concurrent approval by BLM

F. ☐ Surface owner

G. ☒ For all of the above, proof of notification or publication is attached, and/or,

H. ☐ No notice required

**FOR OCD ONLY**

☐ Notice Complete

☐ Application  
Content  
Complete

**3) CERTIFICATION:** I hereby certify that the information submitted with this application for administrative approval is **accurate** and **complete** to the best of my knowledge. I also understand that **no action** will be taken on this application until the required information and notifications are submitted to the Division.

**Note: Statement must be completed by an individual with managerial and/or supervisory capacity.**

SANDRA MUSALLAM

Print or Type Name

Date

11/20/2020

713-366-5106

Phone Number

SANDRA\_MUSALLAM@OXY.COM

e-mail Address

Signature

**APPLICATION FOR POOL COMMINGLE****Commingle proposal for Covington A Federal 18 Battery**

OXY USA INC requests approval for a Pool Commingle at the Covington A Federal 18 Battery (C-25-22S-32E, LAT 32.367752 and LONG -103.630755, Lea County). This Pool Commingle will remove Covington A Federal 18 Battery from PLC-271.

Wells included in the commingle are listed below.

**BLM 12.5% NRI (NMNM02379)**

Well Name	API	Surface Location	Date Online	Oil (BPD)	Gravity API	Gas (MSCFD)	BTU/cf	Water (BPD)
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**POOL: RED TANK; DELAWARE, WEST (51689)**

COVINGTON A FEDERAL #003	30-025-32445	E-25-22S-32E	Jun-1998	12	40.9	11	1323	40
COVINGTON A FEDERAL #004	30-025-32290	I-25-22S-32E	Oct-1997	0	40.9	0	1323	0
COVINGTON A FEDERAL #006	30-025-31851	F-25-22S-32E	Feb-1996	10	40.9	6	1323	111
COVINGTON A FEDERAL #011	30-025-33074	P-25-22S-32E	Jun-2001	4	40.9	5	1323	91
COVINGTON A FEDERAL #013	30-025-33142	J-25-22S-32E	Mar-1999	6	40.9	16	1323	107
COVINGTON A FEDERAL #017	30-025-35940	H-26-22S-32E	Aug-2003	3	40.9	8	1323	27
COVINGTON A FEDERAL #018	30-025-32037	B-26-22S-32E	Oct-1993	0	40.9	0	1323	0
COVINGTON A FEDERAL #035	30-025-34706	D-25-22S-32E	Dec-1999	1	40.9	7	1323	10
COVINGTON A FEDERAL #036	30-025-34479	J-26-22S-32E	Dec-2002	8	40.9	8	1323	116

**POOLS: RED TANK; BONE SPRING (51683) & RED TANK; DELAWARE, WEST (51689)****DHC 3006-0**

COVINGTON A FEDERAL #002	30-025-31850	D-25-22S-32E	Apr-1998	20	40.9	18	1306	74
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**PLUGGED - REMOVE FROM PERMIT**

COVINGTON A FEDERAL #001	30-025-24947	C-25-22S-32E						
COVINGTON A FEDERAL #014	30-025-33399	G-25-22S-32E						
COVINGTON A FEDERAL #016	30-025-33224	B-25-22S-32E						

**PROCESS DESCRIPTION**

Production flows through a 30" X 10' two-phase production separator. The combined oil and water stream flow to a 6' X 20' heater-treater. Oil then flows to three oil tanks for storage then sales via trucking (oil FMP). Oil production is allocated back to each well based on well test.

For testing purposes, Covington A Federal 18 Battery is equipped with a 4' X 10' three-phase separator. The separator is equipped with turbine meters for oil (serial number 12110778623) and water (serial number 12111288840) measurement, and an orifice meter for gas measurement. All wells at the battery have been online for at least 17 years and are in Range 3 of decline. These wells are tested at least once per month as specified in Hearing Order R-14299.

Gas production flows from the 30" X 10' two-phase separator and is measured through OXY check meter 83241P which serves as the point of royalty payment (gas FMP) then to sales. Gas production is allocated back to each well based on well test.

All water from the Covington A Federal 18 Battery is sent to the Salt Water Disposal Distribution system.

**ADDITIONAL APPLICATION COMPONENTS**

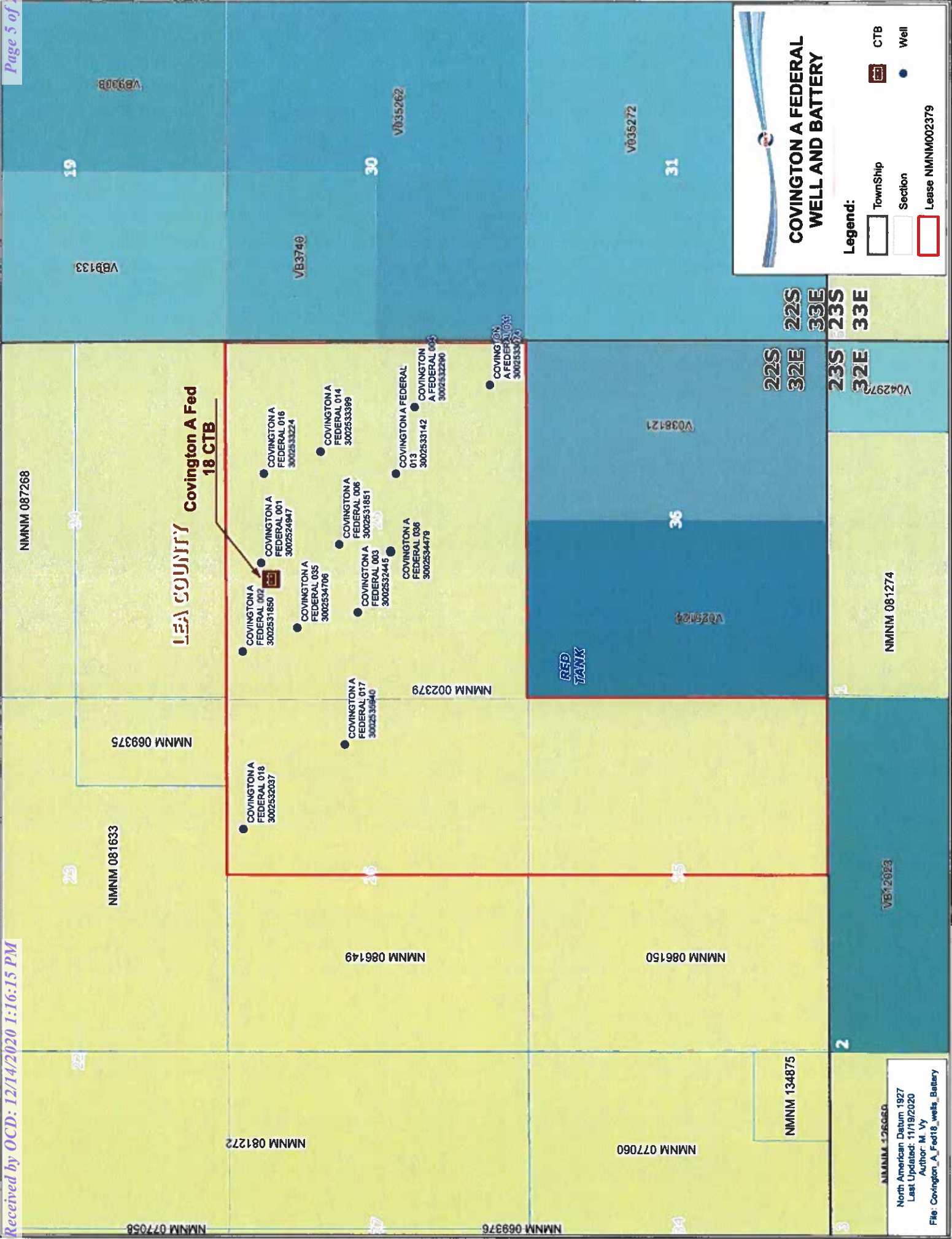
The flow of production is shown in detail on the enclosed facility diagram. Also enclosed is a map detailing the lease boundaries, well and battery locations.

The oil and gas meters are calibrated on a regular basis per API and NMOCD specifications.

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.

Commingling will not reduce the individual wells' production value or otherwise adversely affect the interest owners. It 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.









**OXY USA WTP Limited Partnership / OXY USA INC. /  
OCCIDENTAL PERMIAN LTD**  
A subsidiary of Occidental Petroleum Corporation

5 Greenway Plaza, Suite 110, Houston, Texas  
77046  
P.O. Box 4294, Houston, Texas 77210-4294

December 3, 2020

Re: **Pool Commingle Application for Covington A Federal 18 Battery**

**Section 25, T22S R32E, Lea County**

**Red Tank; Delaware, West (51689)**

**Covington A Federal 3 – API 30-025-32445**

**Covington A Federal 4 – API 30-025-32290**

**Covington A Federal 6 – API 30-025-31851**

**Covington A Federal 11 – API 30-025-33074**

**Covington A Federal 13 – API 30-025-33142**

**Covington A Federal 17 – API 30-025-35940**

**Covington A Federal 18 – API 30-025-32037**

**Covington A Federal 35 – API 30-025-34706**

**Covington A Federal 36 – API 30-025-35936**

**Red Tank; Bone Spring (51683) & Red Tank; Delaware, West (51689)**

**Covington A Federal 2 (DHC 3006-0) – API 30-025-31850**

Dear Interest Owner:

This is to advise you that OXY USA INC. is filing a surface commingle application for the wells at the Covington A Federal 18 Battery. A copy of the application submitted to the Division is attached.

Any objections or requests for a hearing regarding this application must be submitted to the New Mexico Oil Conservation Division Santa Fe Office within 20 Days from the date of this letter.

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.

For questions regarding this application, please contact Sandra Musallam (713) 366-5106.

Respectfully,

OXY USA INC.  
Sandra Musallam  
Regulatory Engineer – Compliance Lead  
Sandra\_Musallam@oxy.com

OWNER NAME	OWNER ADDRESS LINE 1	CITY	STATE	ZIP	TRACKING NUMBER
OXY USA INC	5 GREENWAY PLAZA SUITE 110	HOUSTON	TX	77046	N/A
MINERALS MANAGEMENT SERVICE	PO BOX 25627	DENVER	CO	80225-0627	WIS SUBMITTAL
KEN PERKINS OIL & GAS INC	50 SUGAR CREEK CENTER BLVD SUITE 275	SUGAR LAND	TX	77478	7011 3500 0002 4940 1072
EOG RESOURCES INC	P O BOX 840321	DALLAS	TX	75284	7011 3500 0002 4940 1089
MADURO OIL & GAS LLC	3102 MAPLE AVENUE SUITE 400	DALLAS	TX	75201	7011 3500 0002 4940 1096
1 TIMOTHY 6 LLC	P O BOX 30598	EDMOND	OK	73003	7011 3500 0002 4940 1102
LONSDALE RESOURCES LLC	2626 COLE AVE STE 300	DALLAS	TX	75204	7011 3500 0002 4940 1119

MAILED 12/3/2020



# Affidavit of Publication

STATE OF NEW MEXICO  
COUNTY OF LEA

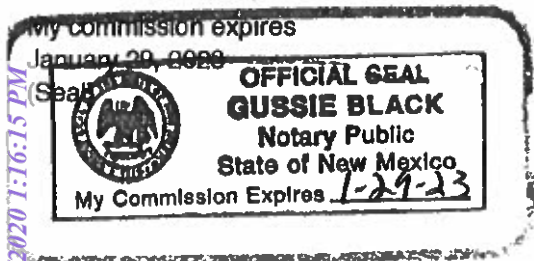
I, Daniel Russell, Publisher of the Hobbs News-Sun, a newspaper published at Hobbs, New Mexico, solemnly swear that the clipping attached hereto was published in the regular and entire issue of said newspaper, and not a supplement thereof for a period of 1 issue(s).

Beginning with the issue dated  
November 20, 2020  
and ending with the issue dated  
November 20, 2020.

*Daniel Russell*  
\_\_\_\_\_  
Publisher

Sworn and subscribed to before me this  
20th day of November 2020.

*Gussie Black*  
\_\_\_\_\_  
Business Manager



This newspaper is duly qualified to publish legal notices or advertisements within the meaning of Section 3, Chapter 167, Laws of 1937 and payment of fees for said

**LEGALB**

**LEGAL NOTICE**  
November 20, 2020

Notice of Application for Surface Commingling

OXY USA INC. located at 5 Greenway Plaza, Suite 110 Houston TX 77048 is applying to the NMOC to commingle production at Covington A Federal 18 Battery in Lea County, Section 25, T22S -- R32E. Wells are located in Sections 25 and 26. Production is from the Red Tank, Bone Spring and Red Tank; Delaware, West pools.

Pursuant to Statewide Rule 19.15.12.10, interested parties must file objections or requests for hearing in writing with the division's Santa Fe office within 20 days after publication, or the NMOC may approve the application.

For questions pertaining to the application, please contact Sandra Musallam at (713) 366-5106.  
#36016

01101573

00248591

STACY CRUZ  
OXY, INC.  
PO BOX 1747  
ADDISON, TX 75001-1747

Submit to Appropriate  
District Office  
State Lease - 4 copies  
Fee Lease - 3 copies

State of New Mexico  
Energy, Minerals and Natural Resources Department

Form C-102  
Revised 1-1-89

**OIL CONSERVATION DIVISION**

P.O. Box 2088  
Santa Fe, New Mexico 87504-2088

**DISTRICT I**

P.O. Box 1990, Hobbs, NM 88240

**DISTRICT II**

P.O. Drawer DD, Artesia, NM 88210

**DISTRICT III**

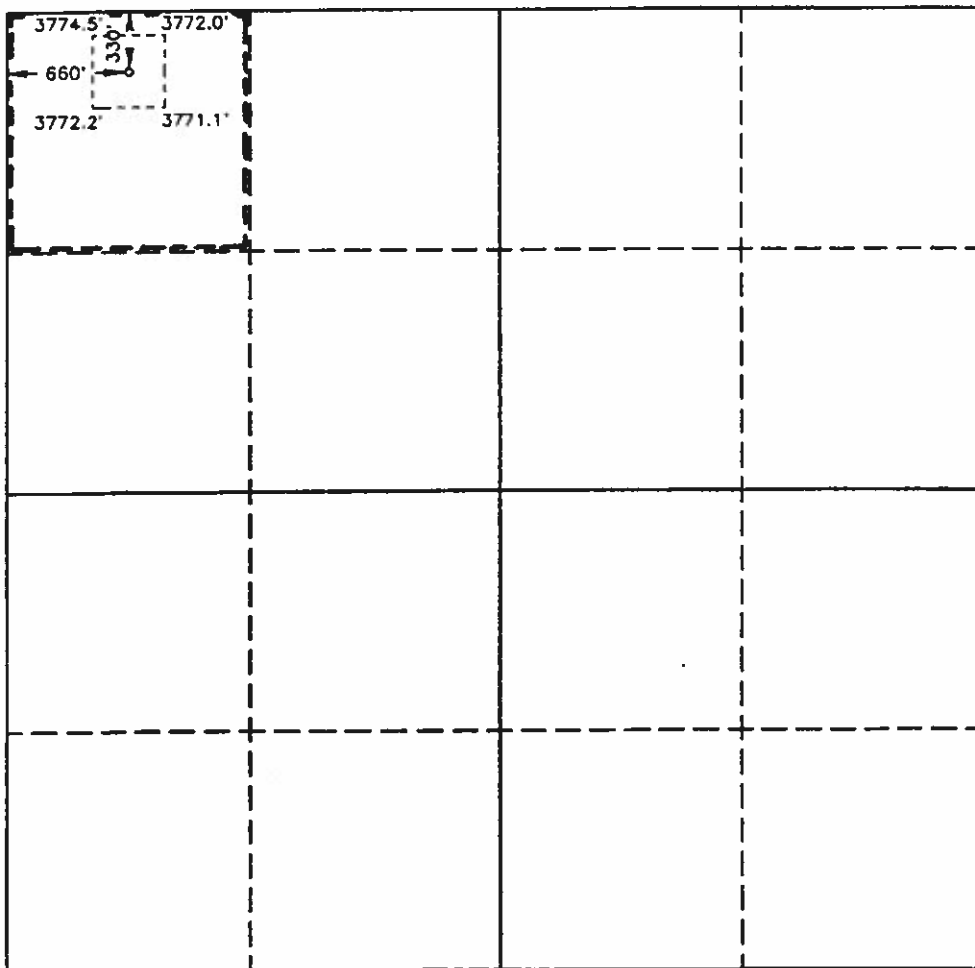
1000 Rio Brazos Rd., Artec, NM 87410

**WELL LOCATION AND ACREAGE DEDICATION PLAT**

All Distances must be from the outer boundaries of the section

Operator <b>POGO PRODUCING COMPANY</b>			Lease <b>COVINGTON "A" FEDERAL</b>		Well No. <b>2</b>
Unit Letter <b>D</b>	Section <b>25</b>	Township <b>22 SOUTH</b>	Range <b>32 EAST</b>	County <b>LEA</b>	
Actual Footage Location of Well: <b>330</b> feet from the <b>NORTH</b> line and <b>660</b> feet from the <b>WEST</b> line					
Ground Level Elev. <b>3774.1'</b>	Producing Formation <b>BONE SPRINGS</b>		Pool <b>UNDES. RED TANK BONE SPRINGS</b>	Dedicated Acreage: <b>40</b> Acres	

- Outline the acreage dedicated to the subject well by colored pencil or hatchure marks on the plat below.
- If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).
- If more than one lease of different ownership is dedicated to the well, have the interest of all owners been consolidated by communization, unitization, force-pooling, etc.?  
☐ Yes ☐ No If answer is "yes" type of consolidation \_\_\_\_\_  
 If answer is "no" list of owners and tract descriptions which have actually been consolidated. (Use reverse side of this form necessary).  
 No allowable will be assigned to the well unit all interests have been consolidated (by communization, unitization, forced-pooling, otherwise) or until a non-standard unit, eliminating such interest, has been approved by the Division.



0 330 660 990 1320 1650 1980 2310 2640 2000 1500 1000 500 0

**OPERATOR CERTIFICATION**

I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.

Signature  
*Richard L. Wright*

Printed Name  
**Richard L. Wright**

Position  
**Division Operations Supr.**

Company  
**POGO PRODUCING COMPANY**

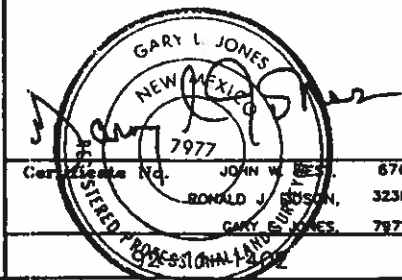
Date  
**November 17, 1992**

**SURVEYOR CERTIFICATION**

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

Date Surveyed  
**SEPTEMBER 21, 1992**

Signature & Seal of  
Professional Surveyor



Submit to Appropriate  
District Office  
State Lease - 4 copies  
Fee Lease - 3 copies

State of New Mexico  
Energy, Minerals and Natural Resources Department

Form C-102  
Revised 1-1-89

**OIL CONSERVATION DIVISION**

P.O. Box 2088  
Santa Fe, New Mexico 87504-2088

**DISTRICT I**

P.O. Box 1080, Hobbs, NM 88240

**DISTRICT II**

P.O. Drawer DD, Artesia, NM 88210

**DISTRICT III**

1000 Rio Brazos Rd., Aztec, NM 87410

**WELL LOCATION AND ACREAGE DEDICATION PLAT**

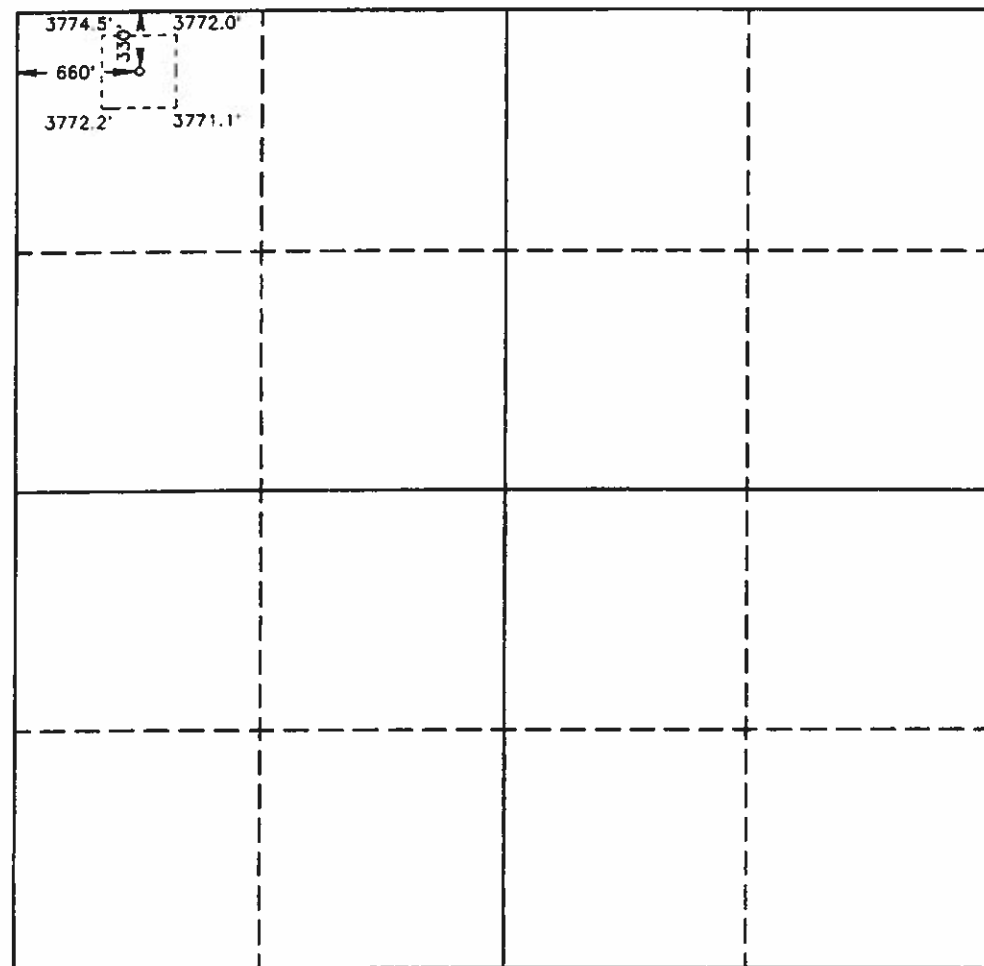
All Distances must be from the outer boundaries of the section

Operator <b>POGO PRODUCING COMPANY</b>			Lease <b>COVINGTON "A" FEDERAL</b>		Well No. <b>2</b>
Unit Letter <b>D</b>	Section <b>25</b>	Township <b>22 SOUTH</b>	Range <b>32 EAST</b>	County <b>LEA</b>	
Actual Footage Location of Well:					
330 feet from the <b>NORTH</b> line and		660 feet from the <b>WEST</b> line			
Ground Level Elev. <b>3774.1'</b>	Producing Formation <b>Delaware</b>	Pool <b>West Red Tank Delaware</b>	Dedicated Acreage: <b>Acres</b>		

- Outline the acreage dedicated to the subject well by colored pencil or hatchure marks on the plat below.
- If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).
- If more than one lease of different ownership is dedicated to the well, have the interest of all owners been consolidated by communitization, unitization, force-pooling, etc.?  
☐ Yes ☐ No If answer is "yes" type of consolidation \_\_\_\_\_

If answer is "no" list of owners and tract descriptions which have actually been consolidated. (Use reverse side of this form necessary.)

No allowable will be assigned to the well unit all interests have been consolidated (by communitization, unitization, forced-pooling, otherwise) or until a non-standard unit, eliminating such interest, has been approved by the Division.



**OPERATOR CERTIFICATION**

I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.

Signature

*Barrett L. Smith*

Printed Name

**Barrett L. Smith**

Position

**Division Operations Eng**

Company

**Pogo Producing Company**

Date

**07/24/98**

**SURVEYOR CERTIFICATION**

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

Date Surveyed

**SEPTEMBER 21, 1992**

Signature & Seal of  
Professional Surveyor

*John W. West*

Certificate No.	JOHN W. WEST	676
	RONALD J. EISEN	3239
	GARY L. JONES	7977

DISTRICT I  
P.O. Box 1980, Hobbs, NM 88241-1980

DISTRICT II  
P.O. Drawer DD, Artesia, NM 88211-0719

DISTRICT III  
1000 Rio Brazos Rd., Aztec, NM 87410

DISTRICT IV  
P.O. BOX 2088, SANTA FE, N.M. 87504-2088

State of New Mexico  
Energy, Minerals and Natural Resources Department

Form C-102  
Revised February 10, 1984  
Submit to Appropriate District Office  
State Lease - 4 Copies  
Fee Lease - 3 Copies

# OIL CONSERVATION DIVISION

P.O. Box 2088  
Santa Fe, New Mexico 87504-2088

☐ AMENDED REPORT

## WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number 30-025-32445	Pool Code 51689	Pool Name Red Tank Delaware West
Property Code 9316	Property Name COVINGTON "A" FEDERAL	Well Number 3
OGRID No. 017891	Operator Name POGO PRODUCING COMPANY	Elevation 3773

### Surface Location

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
E	25	22 S	32 E		2310	NORTH	1300	WEST	LEA

### Bottom Hole Location If Different From Surface

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
Dedicated Acres 40	Joint or Infill	Consolidation Code	Order No. NSL-3832						

NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED  
OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION

	<b>OPERATOR CERTIFICATION</b>  I hereby certify the the information contained herein to true and complete to the best of my knowledge and belief.   Signature Barrett L. Smith Printed Name Division Operations Engineer Title 5/30/98 Date
	<b>SURVEYOR CERTIFICATION</b>  I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.  APRIL 17, 1997 Date Surveyed Signature of Surveyor Professional Surveyor  Certificate No. JOHN W. WEST 676 RONALD J. EIDSON 3239 PROFESSIONAL SURVEYOR EIDSON 12641

Page 13 of 28  
Received by OGD-12/14/2020 1:16:15 PM

DISTRICT I  
P.O. Box 1900, Hobbs, NM 88240

DISTRICT II  
P.O. Drawer DD, Artesia, NM 88210

State of New Mexico  
Energy, Minerals and Natural Resources Department

Form C-102  
Revised February 10, 1994  
Instruction on back  
Submit to Appropriate District Office  
State Lease - 4 Copies  
Fee Lease - 3 Copies

DISTRICT III  
1000 Rio Brazos Rd., Aztec, NM 87410

DISTRICT IV  
PO BOX 2088, SANTA FE, NM 87504-2088

OIL CONSERVATION DIVISION  
P.O. Box 2088  
Santa Fe, New Mexico 87504-2088

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number 30-025-32290	Pool Code 51689	Pool Name Red Tank Delaware West
Property Code 9316	Property Name COVINGTON "A" FEDERAL	Well Number 4
OGRID No. 017891	Operator Name POGO PRODUCING COMPANY	Elevation 3749

Surface Location

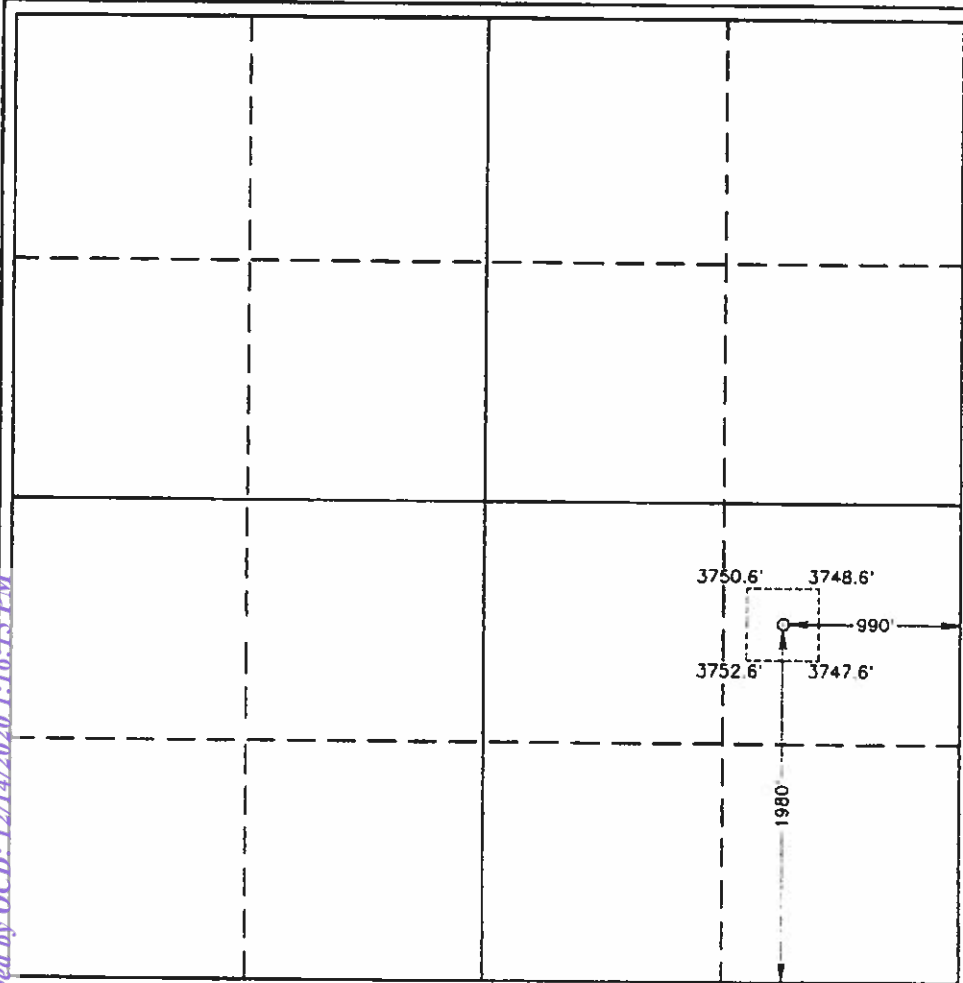
UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
1	25	22 S	32 E		1980	SOUTH	990	EAST	LEA

Bottom Hole Location If Different From Surface

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County

Dedicated Acres 40	Joint or Infill	Consolidation Code	Order No.
-----------------------	-----------------	--------------------	-----------

NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED  
OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION



**OPERATOR CERTIFICATION**

I hereby certify the the information contained herein is true and complete to the best of my knowledge and belief.

*Barrett L. Smith*  
Signature  
Barrett L. Smith  
Printed Name  
Senior Operations Engineer  
Title  
10/23/97  
Date

**SURVEYOR CERTIFICATION**

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

JULY 17, 1995

Date Surveyed  
Signature & Seal of Professional Surveyor  
SJA  
NEW MEXICO  
JUL 27 1995  
S.W.O. NUM. 95-1123  
Certificate No. JOHN E. WEST 676  
J. EIDSON 3239  
J. EIDSON 12641

DISTRICT I  
P.O. Box 1980, Hobbs, NM 88240

DISTRICT II  
P.O. Drawer DD, Artesia, NM 88210

DISTRICT III  
1000 Rio Brazos Rd., Artec, NM 87410

State of New Mexico  
Energy, Minerals and Natural Resources Department

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**OIL CONSERVATION DIVISION**  
P.O. Box 2088  
Santa Fe, New Mexico 87504-2088

☐ AMENDED REPORT

**WELL LOCATION AND ACREAGE DEDICATION PLAT**

API Number 30-025-31851	Pool Code 51689	Pool Name Red Tank West Delaware
Property Code 9316	Property Name COVINGTON "A" FEDERAL	Well Number 6
OGRID No. 017891	Operator Name POGO PRODUCING CO.	Elevation 3771

**Surface Location**

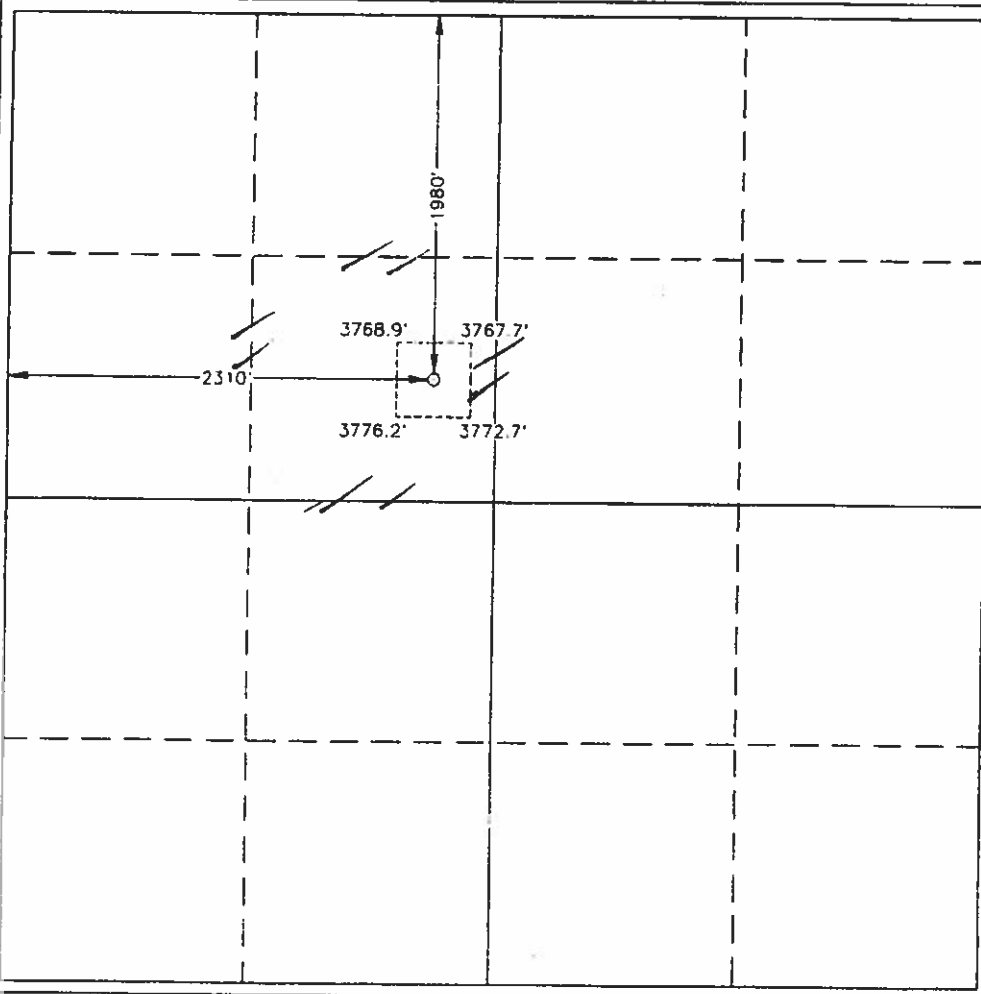
UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
F	25	22 S	32 E		1980	NORTH	2310	WEST	LEA

**Bottom Hole Location If Different From Surface**

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County

Dedicated Acres 40	Joint or Infill	Consolidation Code	Order No.
-----------------------	-----------------	--------------------	-----------

NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED  
OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION



<b>OPERATOR CERTIFICATION</b>	
I hereby certify the the information contained herein is true and complete to the best of my knowledge and belief.	
<i>Barrett L. Smith</i>	
Signature	
Barrett L. Smith	
Printed Name	
Senior Operations Engineer	
Title	
3/14/96	
Date	
<b>SURVEYOR CERTIFICATION</b>	
I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.	
APRIL 6, 1995	
Date Surveyed	
Signature & Seal of Professional Surveyor	
<i>Ronald W. West</i>	
WFO Num 95-11-0529	
Certified No.	JOHN W WEST 676
	RONALD W. EIDSON 3239
	CAMP EIDSON 12641

Amended Location



District I  
PO Box 1980, Hobbs, NM 88241-1980

District II  
811 South First, Artesia, NM 88210

District III  
1000 Rio Brazos Rd., Aztec, NM 87410

District IV  
2040 South Pacheco, Santa Fe, NM 87505

**State of New Mexico**  
Energy, Minerals & Natural Resources Department

**OIL CONSERVATION DIVISION**  
2040 South Pacheco  
Santa Fe, NM 87505

Form C-102

Revised October 18, 1994

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☐ AMENDED REPORT

**WELL LOCATION AND ACREAGE DEDICATION PLAT**

API Number 30-025-33074		Pool Code 51689	Pool Name W. Red Tank Delaware
Property Code 9316	Property Name Covington, A Federal		Well Number 11
OGRID No. 017891	Operator Name Pogo Producing Company		Elevation 3767


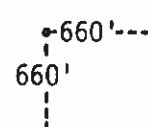
**Surface Location**

UL or lot no. P	Section 25	Township 22S	Range 32E	Lot Idn	Feet from the 660	North/South line South	Feet from the 660	East/West Line East	County Lea
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**Bottom Hole Location If Different From Surface**

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West Line	County
Dedicated Acres 40		Joint or Infill	Consolidation Code	Order No.					

NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED  
OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION

16				<b>OPERATOR CERTIFICATION</b> I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief   Signature Cathy Tomberlin Printed Name Operation Tech Title 07/02/01 Date
				<b>SURVEYOR CERTIFICATION</b> I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.  Date of Survey Signature and Seal of Professional Surveyer:  Certificate Number
				

DISTRICT I  
P.O. Box 1980, Hobbs, NM 88240

DISTRICT II  
P.O. Drawer DD, Artesia, NM 88210

DISTRICT III  
1000 Rio Brazos Rd., Aztec, NM 87410

DISTRICT IV  
PO BOX 2088, SANTA FE, NM 87504-2088

State of New Mexico  
Energy, Minerals and Natural Resources Department

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## OIL CONSERVATION DIVISION

P.O. Box 2088  
Santa Fe, New Mexico 87504-2088

☐ AMENDED REPORT

### WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number 30-025-33142	Pool Code 51689	Pool Name West Red Tank Delaware
Property Code 9316	Property Name COVINGTON "A" FEDERAL	Well Number 13
OGED No. 017891	Operator Name POGO PRODUCING COMPANY	Elevation 3759

#### Surface Location

UL or lot No. J	Section 25	Township 22 S	Range 32 E	Lot Idn	Feet from the 2310	North/South line SOUTH	Feet from the 1980	East/West line EAST	County LEA
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#### Bottom Hole Location If Different From Surface

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
Dedicated Acres 40		Joint or Infill	Consolidation Code	Order No.					

NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED  
OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION

				<b>OPERATOR CERTIFICATION</b>	
				<p>I hereby certify the the information contained herein is true and complete to the best of my knowledge and belief.</p> <p><i>Cathy Tomberlin</i> Signature Cathy Tomberlin Printed Name Operations Technician Title 03/30/99 Date</p>	
				<b>SURVEYOR CERTIFICATION</b>	
				<p>I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.</p> <p>JULY 17, 1995</p> <p>Date Surveyed Signature &amp; Seal of Professional Surveyor Professional No. 9239 J.O. N.M. 95-1122 CORRECTION No. 30 N.W. WEST 676 PROFESSIONAL J. EDSON 3239 J. EDSON 12641</p>	
				<p>3751.6' 3756.0' 1980' 3759.0' 3757.4' 2310'</p>	

District I  
1625 N. French Dr., Hobbs, NM 88240  
District II  
811 South First, Artesia, NM 88210  
District III  
1000 Rio Bravo Rd., Aztec, NM 87410  
District IV  
2040 South Pacheco, Santa Fe, NM 87505

State of New Mexico  
Energy, Minerals & Natural Resources Department

OIL CONSERVATION DIVISION  
2040 South Pacheco  
Santa Fe, NM 87505

Form C-102  
Revised August 15, 2000

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☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number 30-025-35940		Pool Code <del>51589</del> 51689	Pool Name Red Tank Delaware West
Property Code 9316	Property Name Covington A Federal		Well Number 17
OGRID No. 017891	Operator Name Pogo Producing Company		Elevation 3753'

<sup>10</sup> Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
H	26	22S	32E		2080	North	660	East	Lea

<sup>11</sup> Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
<sup>12</sup> Dedicated Acres 40		<sup>13</sup> Joint or Infill		<sup>14</sup> Consolidation Code		<sup>15</sup> Order No.			

NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION

	<sup>17</sup> OPERATOR CERTIFICATION	
	I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.	
	 Signature Cathy Tomberlin Printed Name Sr. Operation Tech Title 08/28/03 Date	
	<sup>18</sup> SURVEYOR CERTIFICATION	
I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.		
Date of Survey		
Signature and Seal of Professional Surveyor:		
Certificate Number		

Submit to Appropriate  
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State of New Mexico  
Energy, Minerals and Natural Resources Department

Form C-102  
Revised 1-1-89

**OIL CONSERVATION DIVISION**

P.O. Box 2088  
Santa Fe, New Mexico 87504-2088

**DISTRICT I**

P.O. Box 1980, Hobbs, NM 88240

**DISTRICT II**

P.O. Drawer DD, Artesia, NM 88210

**DISTRICT III**

1000 Rio Brazos Rd., Aztec, NM 87410

**WELL LOCATION AND ACREAGE DEDICATION PLAT**

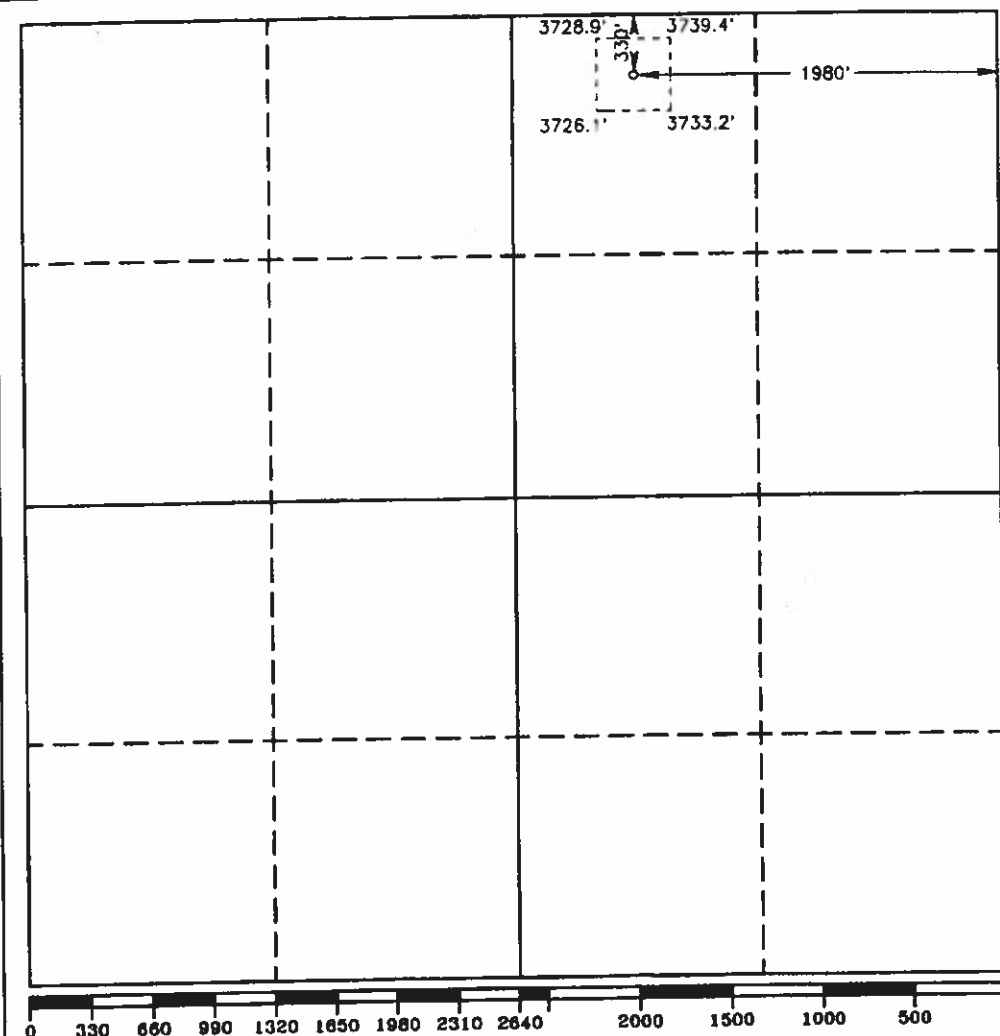
All Distances must be from the outer boundaries of the section

Operator <b>POGO PRODUCING COMPANY</b>			Lease <b>COVINGTON "A" FEDERAL</b>		Well No. <b>18</b>
Unit Letter <b>B</b>	Section <b>26</b>	Township <b>22 SOUTH</b>	Range <b>32 EAST</b>	County <b>LEA</b>	
Actual Footage Location of Well: <b>330</b> feet from the <b>NORTH</b> line and <b>1980</b> feet from the <b>EAST</b> line					
Ground Level Elev. <b>3731.6'</b>	Producing Formation <b>Delaware</b>	Pool <b>Red Tank Delaware West</b>		Dedicated Acreage: <b>40</b> Acres	

1. Outline the acreage dedicated to the subject well by colored pencil or hachure marks on the plat below.
2. If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).
3. If more than one lease of different ownership is dedicated to the well, have the interest of all owners been consolidated by communitization, unitization, force-pooling, etc.?  
☐ Yes ☐ No If answer is "yes" type of consolidation \_\_\_\_\_

If answer is "no" list of owners and tract descriptions which have actually been consolidated. (Use reverse side of this form necessary.)

No allowable will be assigned to the well unit all interests have been consolidated (by communitization, unitization, forced-pooling, otherwise) or until a non-standard unit, eliminating such interest, has been approved by the Division.



**OPERATOR CERTIFICATION**

I hereby certify the the information contained herein is true and complete to the best of my knowledge and belief.

Signature

Printed Name  
**Barrett L. Smith**

Position

**Senior Operations Engineer**

Company

**Pogo Producing Company**

Date

**March 2, 1995**

**SURVEYOR CERTIFICATION**

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

Date Surveyed

**SEPTEMBER 21, 1992**

Signature & Seal of  
Professional Surveyor

Certificate No. **JOHN W. WEST** 676  
**RONALD J. EIDSON** 3239  
**PROF. GARY W. JONES** 7977

92-111406

## DISTRICT I

P.O. Box 1080, Hobbs, NM 88241-1080

## DISTRICT II

P.O. Drawer 20, Artesia, NM 88211-0710

## DISTRICT III

1000 Rio Brazos Rd., Artesia, NM 87410

## DISTRICT IV

P.O. Box 2088, Santa Fe, NM 87504-2088

## State of New Mexico

Energy, Minerals and Natural Resources Department

Form C-102

Revised February 10, 1994

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## OIL CONSERVATION DIVISION

P.O. Box 2088

Santa Fe, New Mexico 87504-2088

☐ AMENDED REPORT

## WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number 30-025-34706	Pool Code 51689	Pool Name W. Red Tank Delaware
Property Code 9316	Property Name COVINGTON "A" FEDERAL	Well Number 35
OGRI No. 017891	Operator Name POGO PRODUCING COMPANY	Elevation 3762

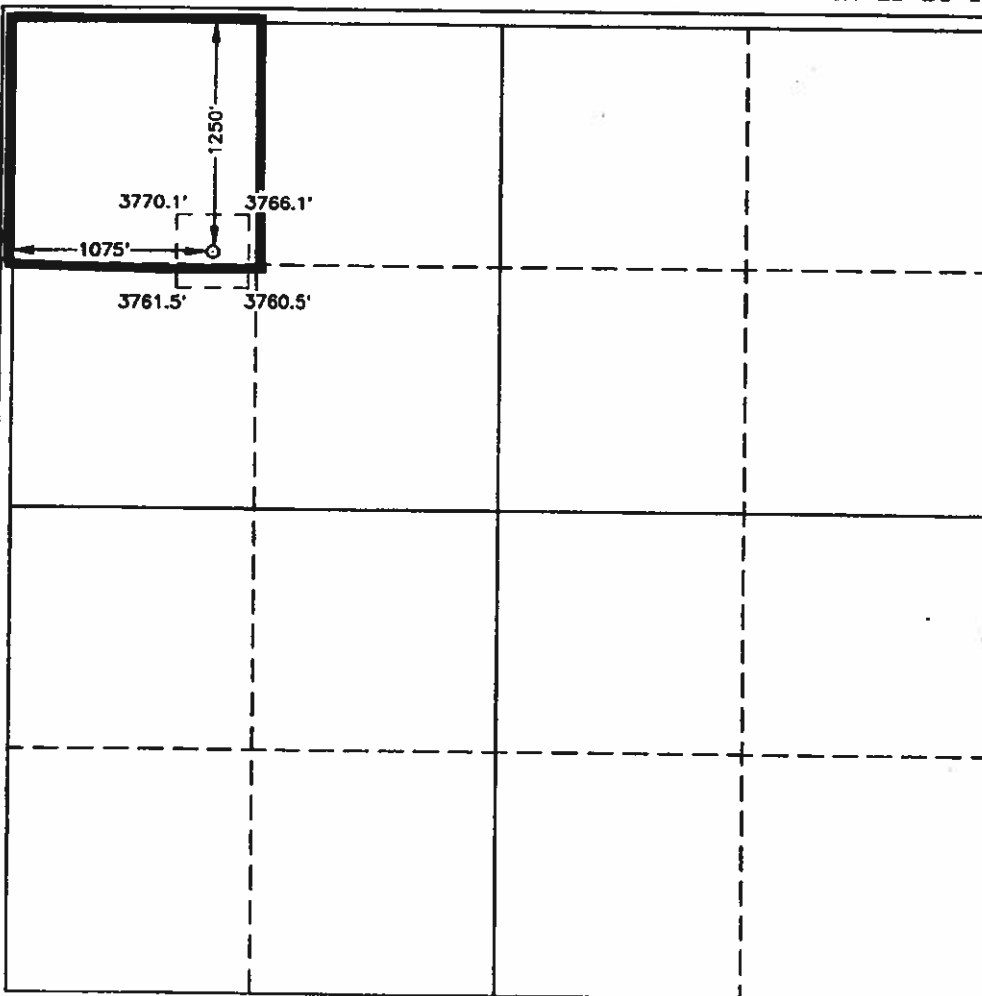
## Surface Location

UL or lot No.	Section	Township	Range	Lot 1/4	Feet from the	North/South line	Feet from the	East/West line	County
D	25	22 S	32 E		1250	NORTH	1075	WEST	LEA

## Bottom Hole Location If Different From Surface

UL or lot No.	Section	Township	Range	Lot 1/4	Feet from the	North/South line	Feet from the	East/West line	County
Dedicated Acres 40	Joint or Infill	Consolidation Code	Order No. NSL-4205						

NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED  
OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION



## OPERATOR CERTIFICATION

I hereby certify the the information contained herein is true and complete to the best of my knowledge and belief.

*Cathy Tomberlin*  
Signature

Cathy Tomberlin  
Printed Name

Operation Tech  
Title

12/20/99  
Date

## SURVEYOR CERTIFICATION

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

JUNE 6, 1998

Date Surveyed JLP

Signature & Seal of

Professional Surveyor

NEW MEXICO

659-98

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659-98

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659-98

**DISTRICT I**

P.O. Box 1880, Hobbs, NM 88241-1880

**DISTRICT II**

P.O. Drawer DD, Arlene, NM 88211-0719

**DISTRICT III**

1000 Rio Brazos Rd., Aztec, NM 87410

**DISTRICT IV**

P.O. BOX 2088, SANTA FE, N.M. 87504-2088

**State of New Mexico**

Energy, Minerals and Natural Resources Department

**OIL CONSERVATION DIVISION**

P.O. Box 2088

Santa Fe, New Mexico 87504-2088

Form C-102

Revised February 10, 1994

Submit to Appropriate District Office

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☐ AMENDED REPORT

**WELL LOCATION AND ACREAGE DEDICATION PLAT**

API Number 30-025-34479		Pool Code 51689	Pool Name West Red Tank Delaware
Property Code 9316	Property Name COVINGTON "A" FEDERAL		Well Number 36
OGRID No. 017891	Operator Name PCGO PRODUCING COMPANY		Elevation 3768

**Surface Location**

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
K	25	22 S	32 E		2500	SOUTH	2275	WEST	LEA

**Bottom Hole Location If Different From Surface**

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County

Dedicated Acres 40	Joint or Infill	Consolidation Code	Order No.
-----------------------	-----------------	--------------------	-----------

NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION

				<p><b>OPERATOR CERTIFICATION</b></p> <p>I hereby certify the the information contained herein is true and complete to the best of my knowledge and belief.</p> <p><i>Richard L. Wright</i> Signature</p> <p>Richard L. Wright Printed Name</p> <p>Division Operations Manager Title</p> <p>11/19/98 Date</p>	
				<p><b>SURVEYOR CERTIFICATION</b></p> <p>I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.</p> <p>MAY 20, 1998</p> <p>Date Surveyed JMC</p> <p>Signature &amp; Seal of Professional Surveyor <i>Ronald J. Eason</i> 5-22-98 98-11-0769</p> <p>Certificate No. RONALD J. EASON 5239 GARY EASON 12641 WACON-MCDONALD 12185</p>	



Well Name	API	Pool	Pool Code
COVINGTON A FEDERAL #003	30-025-32445	RED TANK; DELAWARE, WEST (51689)	51689
COVINGTON A FEDERAL #004	30-025-32290	RED TANK; DELAWARE, WEST (51689)	51689
COVINGTON A FEDERAL #006	30-025-31851	RED TANK; DELAWARE, WEST (51689)	51689
COVINGTON A FEDERAL #011	30-025-33074	RED TANK; DELAWARE, WEST (51689)	51689
COVINGTON A FEDERAL #013	30-025-33142	RED TANK; DELAWARE, WEST (51689)	51689
COVINGTON A FEDERAL #017	30-025-35940	RED TANK; DELAWARE, WEST (51689)	51689
COVINGTON A FEDERAL #018	30-025-32037	RED TANK; DELAWARE, WEST (51689)	51689
COVINGTON A FEDERAL #035	30-025-34706	RED TANK; DELAWARE, WEST (51689)	51689
COVINGTON A FEDERAL #036	30-025-34479	RED TANK; DELAWARE, WEST (51689)	51689
COVINGTON A FEDERAL #002	30-025-31850	RED TANK; BONE SPRING (51683) & RED TANK; DELAWARE, WEST (51689)	51689 & 51683
COVINGTON A FEDERAL #001	30-025-24947	PLUGGED	N/A
COVINGTON A FEDERAL #014	30-025-33399	PLUGGED	N/A
COVINGTON A FEDERAL #016	30-025-33224	PLUGGED	N/A

**From:** [Engineer, OCD, EMNRD](#)  
**To:** [Musallam, Sandra C](#)  
**Cc:** [McClure, Dean, EMNRD](#); [Bratcher, Mike, EMNRD](#); [Kautz, Paul, EMNRD](#); [lisa@rwbyram.com](mailto:lisa@rwbyram.com); [Glover, James](#); [kparadis@blm.gov](mailto:kparadis@blm.gov); [Walls, Christopher](#)  
**Subject:** Approved Administrative Order PLC-727  
**Date:** Monday, January 4, 2021 11:30:59 AM  
**Attachments:** [PLC727 Order.pdf](#)

NMOCD has issued Administrative Order PLC-727 which authorizes Oxy USA, Inc. (16696) to surface commingle or off-lease measure, as applicable, the following wells:

Well API	Well Name	Location (NMPPM)	Pool Code
30-025-32445	Covington A Federal #3	E-25-22S-32E	51689
30-025-32290	Covington A Federal #4	I-25-22S-32E	51689
30-025-31851	Covington A Federal #6	F-25-22S-32E	51689
30-025-33074	Covington A Federal #11	P-25-22S-32E	51689
30-025-33142	Covington A Federal #13	J-25-22S-32E	51689
30-025-35940	Covington A Federal #17	H-26-22S-32E	51689
30-025-32037	Covington A Federal #18	B-26-22S-32E	51689
30-025-34706	Covington A Federal #35	D-25-22S-32E	51689
30-025-34479	Covington A Federal #36	K-25-22S-32E	51689
30-025-31850	Covington A Federal #2	D-25-22S-32E	51689 51683

The administrative order is attached to this email and can also be found online at OCD Imaging.

Please review the content of the order to ensure you are familiar with the authorities granted and any conditions of approval.

Dean McClure  
 Petroleum Engineer, Oil Conservation Division  
 New Mexico Energy, Minerals and Natural Resources Department  
 (505) 469-8211

**State of New Mexico**  
**Energy, Minerals and Natural Resources Department**

## Notice

Order: **PLC-727**

**Operator:** Oxy USA, Inc. (16696)

Publication Date: 11/20/2020

**Date Sent:** 12/3/2020

## Noticed Persons

Date	Person	Certified Tracking Number	Status
MINERALS MANAGEMENT SERVICE		WIS	
12/4/2020	KEN PERKINS OIL & GAS INC	7011 3500 0002 4940 1072	Delivered
12/3/2020	EOG RESOURCES INC	7011 3500 0002 4940 1089	Delivered
12/3/2020	MADURO OIL & GAS LLC	7011 3500 0002 4940 1096	Delivered
12/8/2020	1 TIMOTHY 6 LLC	7011 3500 0002 4940 1102	In-Transit
12/4/2020	LONSDALE RESOURCES LLC	7011 3500 0002 4940 1119	Delivered

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

**APPLICATION FOR SURFACE COMMINGLING  
SUBMITTED BY OXY USA, INC.**

**ORDER NO. PLC-727**

**ORDER**

The Director of the New Mexico Oil Conservation Division (“OCD”), having considered the application and the recommendation of the Engineering Bureau, issues the following Order.

**FINDINGS OF FACT**

1. Oxy USA, Inc. (“Applicant”) submitted a complete application to surface commingle and off-lease measure the oil and gas production ("Application") from the pools, leases, and wells identified in Exhibit A.
2. To the extent that ownership is identical, Applicant submitted a certification by a licensed attorney or qualified petroleum landman that the ownership in the pools, leases, and wells to be commingled is identical as defined in 19.15.12.7(B) NMAC.
3. Applicant proposed a method to allocate the oil and gas production to the pools, leases, and wells to be commingled.
4. To the extent that ownership is diverse, Applicant provided notice of the Application to all persons owning an interest in the oil and gas production to be commingled, including the owners of royalty and overriding royalty interests, regardless whether they have a right or option to take their interests in kind, and those persons either submitted a written waiver or did not file an objection to the Application.
5. Applicant provided notice of the Application to the Bureau of Land Management (“BLM”) or New Mexico State Land Office (“NMSLO”), as applicable.
6. Applicant certified the commingling of oil and gas production from the pools, leases, and wells will not in reasonable probability reduce the value of the oil and gas production to less than if it had remained segregated.
7. Applicant in the notice for the Application stated that it sought authorization to add additional pools, leases, and wells and identified the parameters to make such additions.

**CONCLUSIONS OF LAW**

8. OCD has jurisdiction to issue this Order pursuant to the Oil and Gas Act, NMSA 1978, §§ 70-2-6, 70-2-11, 70-2-12, 70-2-16, and 70-2-17, and 19.15.12 NMAC.
9. Applicant satisfied the notice requirements for the Application in accordance with 19.15.12.10(A)(2), (C)(4)(c), and (C)(4)(e) NMAC, as applicable.

10. Applicant's proposed method of allocation, as modified herein, complies with 19.15.12.10(B)(1) or (C)(1) NMAC, as applicable.
11. Commingling of oil and gas production from state, federal, or tribal leases shall not commence until approved by the BLM or NMSLO, as applicable, in accordance with 19.15.12.10(B)(3) and (C)(4)(h) NMAC.
12. Applicant satisfied the notice requirements for the subsequent addition of pools, leases, and wells in the notice for the Application, in accordance with 19.15.12.10(C)(4)(g) NMAC. Subsequent additions of pools, leases, and wells within Applicant's defined parameters, as modified herein, will not, in reasonable probability, reduce the commingled production's value or otherwise adversely affect the interest owners in the production to be added.
13. By granting the Application with the conditions specified below, this Order prevents waste and protects correlative rights, public health, and the environment.

### **ORDER**

1. Applicant is authorized to surface commingle and off-lease measure oil and gas production from the pools, leases, and wells identified in Exhibit A.
2. For the wells identified in Exhibit A, this Order supersedes Order PLC-271.
3. The oil and gas production for each well identified in Exhibit A shall be allocated by conducting a minimum of one (1) well test per month.

Applicant shall conduct a well test by separating and measuring the oil and gas production from that well for a minimum of twenty-four (24) consecutive hours.

The well test requirements of this Order shall be suspended for any well shut-in for a period that continues for more than thirty (30) days until the well commences production.

4. Applicant shall measure the commingled oil at a central tank battery described in Exhibit A in accordance with 19.15.18.15 NMAC or 19.15.23.8 NMAC.
5. Applicant shall measure the commingled gas at a central delivery point or central tank battery described in Exhibit A in accordance with 19.15.19.9 NMAC, provided however that if the gas is flared, and regardless whether OCD has granted an exception pursuant to 19.15.18.12(B) NMAC, Applicant shall report the gas in accordance with 19.15.18.12(F) NMAC.
6. Applicant shall calibrate the meters used to measure or allocate oil and gas production in accordance with 19.15.12.10(C)(2) NMAC.
7. If the commingling of oil and gas production from any pool, lease, or well reduces the value of the commingled oil and gas production to less than if it had remained segregated, no later than sixty (60) days after the decrease in value has occurred Applicant shall submit a new surface commingling application to OCD to amend this Order to remove the pool, lease, or well whose oil and gas production caused the decrease in value. If Applicant fails to submit

a new application, this Order shall terminate on the following day, and if OCD denies the application, this Order shall terminate on the date of such action.

8. Applicant may submit an application to amend this Order to add pools, leases, and subsequently drilled wells with spacing units adjacent to or within the tracts commingled by this Order by submitting a Form C-107-B via the OCD Fee Portal in accordance with 19.15.12.10(C)(4)(g) NMAC.
9. Applicant shall not commence commingling oil or gas production from state, federal, or tribal leases until approved by the BLM or NMSLO, as applicable.
10. OCD retains jurisdiction and reserves the right to modify or revoke this Order as it deems necessary to prevent waste or protect correlative rights, public health, or the environment.

**STATE OF NEW MEXICO  
OIL CONSERVATION DIVISION**



**ADRIENNE SANDOVAL  
DIRECTOR**

AS/dm

**DATE:** 1/04/2021



State of New Mexico  
Energy, Minerals and Natural Resources Department

## Exhibit A

Order: PLC-727

Operator: Oxy USA, Inc. (16696)

Central Tank Battery: Covington A Federal 18 Battery

Central Tank Battery Location (NMPM): Unit C, Section 25, Township 22 South, Range 32 East

Gas Custody Transfer Meter Location (NMPM): Unit C, Section 25, Township 22 South, Range 32 East

### Pools

Pool Name	Pool Code
RED TANK; DELAWARE, WEST	51689
RED TANK; BONE SPRING	51683

### Leases as defined in 19.15.12.7(C) NMAC

Lease	Location (NMPM)
NMNM 002379	All Sec 25, E/2 Sec 26 & 35 T22S-R32E

### Wells

Well API	Well Name	Location (NMPM)	Pool Code	Train
30-025-32445	Covington A Federal #3	E-25-22S-32E	51689	
30-025-32290	Covington A Federal #4	I-25-22S-32E	51689	
30-025-31851	Covington A Federal #6	F-25-22S-32E	51689	
30-025-33074	Covington A Federal #11	P-25-22S-32E	51689	
30-025-33142	Covington A Federal #13	J-25-22S-32E	51689	
30-025-35940	Covington A Federal #17	H-26-22S-32E	51689	
30-025-32037	Covington A Federal #18	B-26-22S-32E	51689	
30-025-34706	Covington A Federal #35	D-25-22S-32E	51689	
30-025-34479	Covington A Federal #36	K-25-22S-32E	51689	
30-025-31850	Covington A Federal #2	D-25-22S-32E	51689	
			51683	

**District I**  
1625 N. French Dr., Hobbs, NM 88240  
Phone:(575) 393-6161 Fax:(575) 393-0720  
**District II**  
811 S. First St., Artesia, NM 88210  
Phone:(575) 748-1283 Fax:(575) 748-9720  
**District III**  
1000 Rio Brazos Rd., Aztec, NM 87410  
Phone:(505) 334-6178 Fax:(505) 334-6170  
**District IV**  
1220 S. St Francis Dr., Santa Fe, NM 87505  
Phone:(505) 476-3470 Fax:(505) 476-3462

**State of New Mexico**  
**Energy, Minerals and Natural Resources**  
**Oil Conservation Division**  
**1220 S. St Francis Dr.**  
**Santa Fe, NM 87505**

CONDITIONS  
  
Action 12007

CONDITIONS OF APPROVAL

Operator:	OXY USA INC	P.O. Box 4294	Houston, TX772104294	OGRID:	16696	Action Number:	12007	Action Type:	C-107B
OCD Reviewer	Condition								
dmcclure	Please review the content of the order to ensure you are familiar with the authorities granted and any conditions of approval.								