

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: PO BOX 4294, HOUSTON, TX. 77210

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. \_\_\_\_\_

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

(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)

(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:  TITLE: REGULATORY ENGINEER DATE: 3/09/2021

TYPE OR PRINT NAME SANDRA MUSALLAM TELEPHONE NO.: 713-366-5106

E-MAIL ADDRESS: SANDRA\_MUSALLAM@OXY.COM

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

<b>Applicant:</b> <u>OXY USA INC.</u>	<b>OGRID Number:</b> <u>16696</u>
<b>Well Name:</b> <u>CEDAR CANYON 28 FED COM #008H</u>	<b>API:</b> <u>30-015-43819</u>
<b>Pool:</b> <u>PIERCE CROSSING; BONE SPRING, EAST</u>	<b>Pool Code:</b> <u>96473</u>

**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	
<input type="checkbox"/>	Notice Complete
<input type="checkbox"/>	Application Content Complete

OXY is only WIO; letter from OXY Land Negotiator attached

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

Signature

3/9/2021  
Date

713-366-5106  
Phone Number

SANDRA\_MUSALLAM@OXY.COM  
e-mail Address

**APPLICATION FOR OFF LEASE MEASUREMENT, STORAGE, AND SALES**  
**Cedar Canyon 28-4 Phase 1 CTB Train #2 – Cedar Canyon 28 Fed Com #008H**

OXY USA INC requests approval for off-lease measurement for oil production for the well listed below at the Cedar Canyon 28-4 Phase 1 CTB in K-28-24S-29E.

CA NMNM136822 – 50% NMNM094651 (BLM 12.5%) & 50% FEE

WELL NAME	API	SURFACE LOCATION	POOL	POOL CODE
CEDAR CANYON 28 FED COM #008H	30-015-43819	A-29-24S-29E	PIERCE CROSSING;BONE SPRING, EAST	96473

**Process Flow**

Production flows to a 6 X 20 three-phase separator. Oil then flows to oil storage tanks. It is then pumped through a LACT, which is the sales meter for royalty payment.

Gas flows through an orifice meter off the three-phase separator. The meter is sales quality and continuously measures volume. It serves as the final royalty allocation point. A separate gas commingle will be filed for Cedar Canyon 28 Fed Com #008H.

All water will be sent to the Cedar Canyon Water Disposal 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 boundary, well and battery locations.

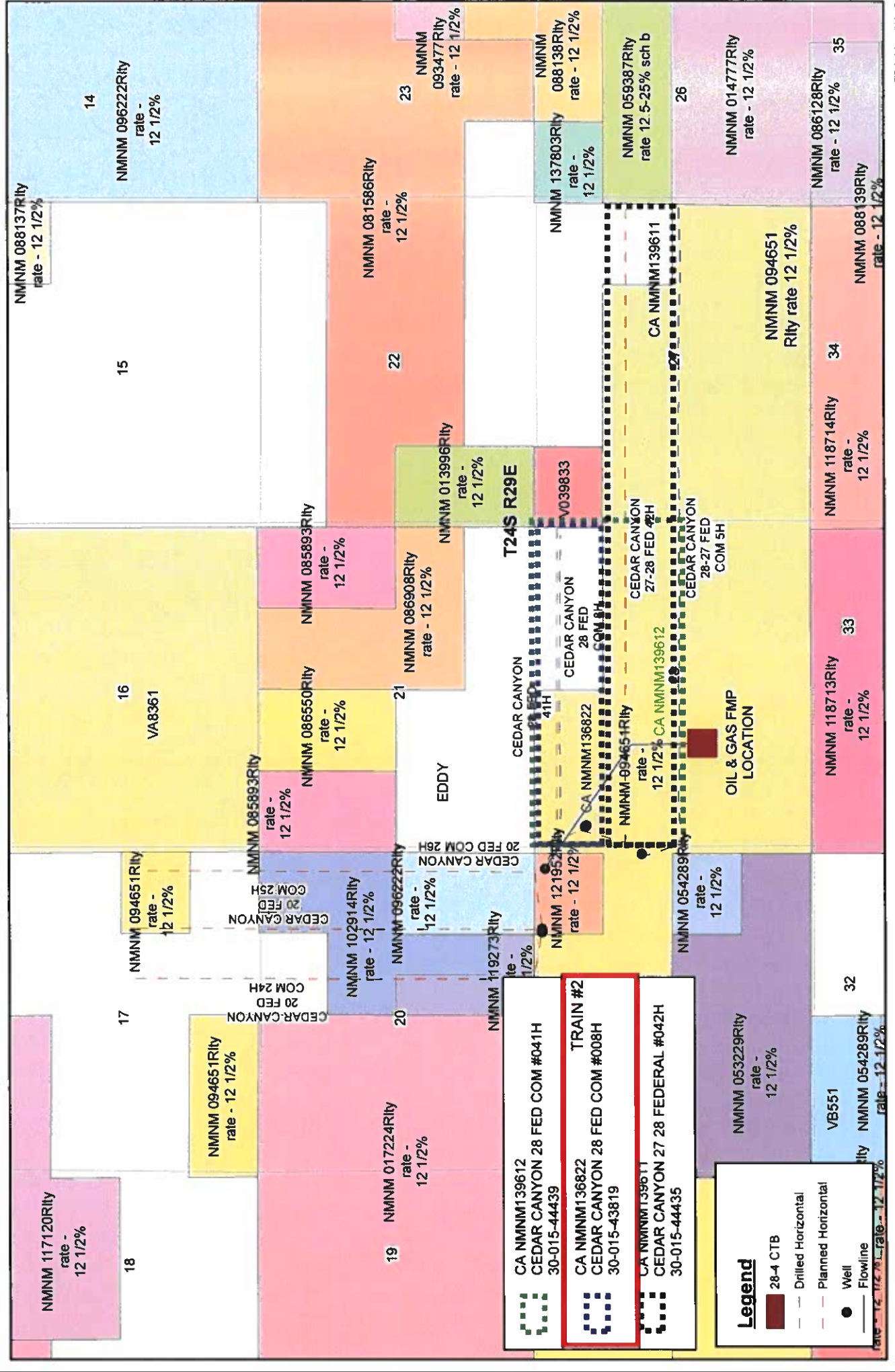
The meters will be proved and calibrated according to current API, BLM and NMOCD specifications.

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.

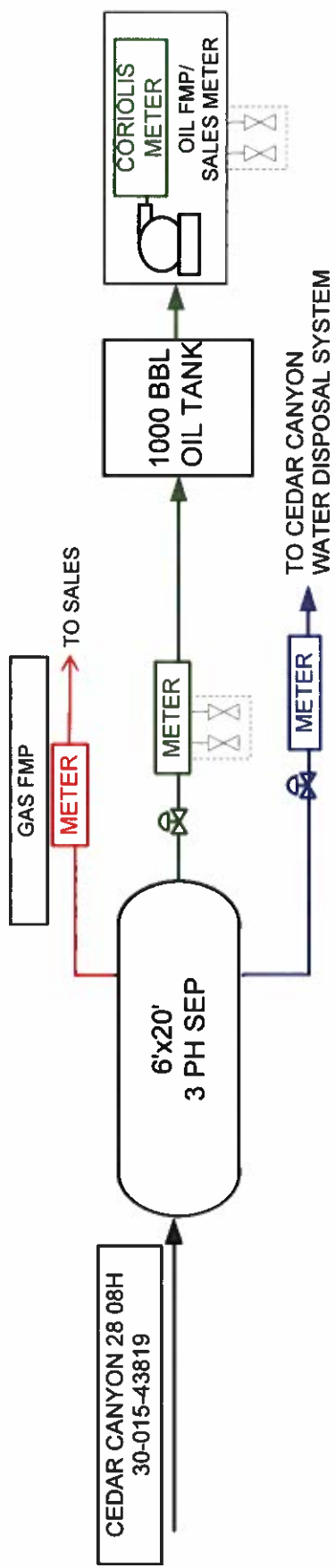
The off lease measurement application will be submitted separately for approval per NMOCD and BLM regulations.

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.

CEDAR CANYON 28-4 PHASE 1 CTB  
TRAIN #2 - CEDAR CANYON 28 FED COM #008H



CEDAR CANYON 28-4 PHASE 1 CTB  
TRAIN 2  
K 28 T24S R29E



PRODUCTION MIX OIL GAS WATER EQUIPMENT	REVISION BLOCK					PROCESS FLOW DIAGRAM CEDAR CANYON 28 08H
	NO.	DATE	DESCRIPTION	BY		
	0		PRELIMINARY DRAFT	KAO		
	1		REVISION	JC		
	2		OFF LEASE MEASUREMENT APPLICATION	TS		



**District I**  
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Phone: (575) 748-1283 Fax: (575) 748-9720

**District III**  
1000 Rio Grande Road, Aztec, NM 87410  
Phone: (505) 334-6170 Fax: (505) 334-6170

**District IV**  
1220 S. St. Francis Dr., Santa Fe, NM 87505  
Phone: (505) 476-3460 Fax: (505) 476-3463

State of New Mexico  
Oil, Gas, and Natural Resources Department  
OIL CONSERVATION DIVISION  
1220 South St. Francis Dr.  
Santa Fe, NM 87505

Form C-102  
Revised August 1, 2011  
Submit one copy to appropriate  
District Office

MAR 03 2017

☒ AMENDED REPORT  
(As-Drilled)

RECEIVED  
WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number <b>30-015-43819</b>	Pool Code <b>96473</b>	Pool Name <b>Pierce Crossing Bone Spring, East</b>
Property Code <b>39711</b>	Property Name <b>CEDAR CANYON "28" FEDERAL COM</b>	Well Number <b>8H</b>
OGRID No. <b>16696</b>	Operator Name <b>OXY USA INC.</b>	Elevation <b>2949.3'</b>

## Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
A	29	24 SOUTH	29 EAST, N.M.P.M.		170'	NORTH	319'	EAST	EDDY

## Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
A	28	24 SOUTH	29 EAST, N.M.P.M.		158'	NORTH	199'	EAST	EDDY
Dedicated Acres <b>160</b>	Joint or Infill <b>Y</b>	Consolidation Code	Order No. <b>BP- 445 FNL 357 FEL</b> <b>TP- 449 FNL 393 FNL</b>						

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>SURFACE LOCATION</b> NEW MEXICO EAST NAD 1927 Y=434854.56 US FT X=603541.22 US FT LAT.: N 32.1950893° LONG.: W 103.9986138°</p> <p>GRID AZ = 128°48'10" 490.39'</p>		<p><b>TOP PERF.</b> NEW MEXICO EAST NAD 1927 Y=434854.75 US FT X=603541.23 US FT LAT.: N 32.1943361° LONG.: W 103.9984843°</p>		<p><b>BOTTOM PERF.</b> NEW MEXICO EAST NAD 1927 Y=434582.13 US FT X=606835.82 US FT LAT.: N 32.1942939° LONG.: W 103.9815011°</p>		<p><b>OPERATOR CERTIFICATION</b> I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that the organization either owns a working interest or undivided mineral interest in the land including the proposed bottom hole location or has a right to drill the well at this location pursuant to a contract with the owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order. Signature: <i>[Signature]</i> 1/9/17 Name: <b>Jana Mendiola</b> Phone: <b>jana-mendiola@oxy.com</b> E-mail Address:</p>	
<p><b>KICK OFF POINT</b> NEW MEXICO EAST NAD 1927 Y=434583.82 US FT X=603980.83 US FT LAT.: N 32.1943414° LONG.: W 103.9972601°</p>		<p><b>BOTTOM HOLE LOCATION</b> NEW MEXICO EAST NAD 1927 Y=434582.07 US FT X=606815.82 US FT LAT.: N 32.1942921° LONG.: W 103.9809192°</p>		<p><b>SURVEYOR CERTIFICATION</b> I hereby certify that the location shown on this plat was placed on the basis of actual surveys made by me or under my supervision and that the same are true and correct to the best of my belief. Date of Survey: <b>OCTOBER 27, 2015</b> Signature: <i>[Signature]</i> Professional Seal: <b>15079</b> Certificate Number: <b>15079</b></p>			

W01 151027WL--S-XY (N)



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

March 8, 2021

Re: **Off Lease Measurement Application for Wells at Cedar Canyon 28-4 CTB**

**Sections 27 and 28, T24S R29E, Eddy County**

**Cedar Canyon 28 Federal Com #041H : 30-015-44439**

**Cedar Canyon 28 Federal Com #008H : 30-015-43819**

**Cedar Canyon 27 28 Federal #042H : 30-015-44435**

To Whom It May Concern:

OXY USA INC., as Operator, will be filing an application with the New Mexico Oil Conservation Division for approval of an Off Lease Measurement permit for the wells listed above. This letter serves to notice you that OXY USA INC is the only Working Interest Owner for these wells.

Best Regards,

OXY USA INC.

Peter Van Liew  
Senior Land Negotiator

**From:** AFMSS <blm-afmss-notifications@blm.gov>  
**Sent:** Tuesday, March 9, 2021 6:03 AM  
**To:** Hoffman, Kim <Kim\_Hoffman@oxy.com>  
**Subject:** [EXTERNAL] Well Name: CEDAR CANYON 28 FEDERAL COM, Well Number: 8H, Notification of Sundry Received

**WARNING - This message is from an EXTERNAL SENDER - be CAUTIOUS, particularly with links and attachments.**

## The Bureau of Land Management

### Notice Of Intent Receipt

- Operator Name: OXY USA INCORPORATED
- Well Name: CEDAR CANYON 28 FEDERAL COM
- Well Number: 8H
- US Well Number: 300154381900S1
- Sundry ID: 1517588

The BLM received your Notice Of Intent, Commingling (Surface) and Off-Lease Measurement sundry on 03/09/2021. This is to notify you that we are processing your sundry.

You may contact the field office if you have any questions.

*(Working with BLM to correct submittal to OLM only)*

If we need more information we will contact you. Thank you.



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

Run Date/Time: 3/11/2021 14:28 PM

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

Case Type 318310: O&amp;G COMMUNITIZATION AGRMT

Commodity 459: OIL &amp; GAS

Case Disposition: AUTHORIZED

Total Acres:

160.000

Serial Number

NMNM 136822

Case File Juris: CARLSBAD FIELD OFFICE

						Serial Number: NMNM-- - 136822	
Name & Address						Int Rel	% Interest
BLM CARLSBAD FO	620 E GREENE ST	CARLSBAD	NM	88220	OFFICE OF RECORD		0.000000000
OXY USA INC	PO BOX 4294	HOUSTON	TX	772104294	OPERATOR		100.000000000

										Serial Number: NMNM-- - 136822	
Mer	Twp	Rng	Sec	S	Type	Nr	Suff	Subdivision	District/ Field Office	County	Mgmt Agency
23	0240S	0290E	028		ALIQ			N2N2;	CARLSBAD FIELD OFFICE	EDDY	BUREAU OF LAND MGMT

## Relinquished/Withdrawn Lands

Serial Number: NMNM-- - 136822

				Serial Number: NMNM-- - 136822	
Act Date	Act Code	Action Txt	Action Remarks	Pending Off	
09/07/2016	387	CASE ESTABLISHED			
09/07/2016	516	FORMATION	BONE SPRING		
09/07/2016	525	ACRES-NONFEDERAL	80;50%		
09/07/2016	526	ACRES-FED INT 100%	80;50%		
09/07/2016	868	EFFECTIVE DATE	/A/		
01/05/2017	654	AGRMT PRODUCING	/1/		
01/05/2017	658	MEMO OF 1ST PROD-ACTUAL	/1/30-015-43819		
03/07/2017	334	AGRMT APPROVED			
03/07/2017	643	PRODUCTION DETERMINATION	/1/		

		Serial Number: NMNM-- - 136822		
Line Number	Remark Text			
0001	/A/ RECAPITULATION EFFECTIVE 09/07/2016			
0002	TR# LEASE SERIAL NO AC COMMITTED % INTEREST			
0003	1 NMNM 94651 80.00 50.00			
0004	2 FEE 80.00 50.00			
0005	TOTAL 160.00 100.00			

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  
CASE RECORDATION  
(MASS) Serial Register Page

**Run Date/Time:** 3/11/2021 14:28 PM

Page 2 Of 2

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

**From:** [Engineer, OCD, EMNRD](#)  
**To:** [Musallam, Sandra C](#)  
**Cc:** [McClure, Dean, EMNRD](#); [Bratcher, Mike, EMNRD](#); [Powell, Brandon, EMNRD](#); [lisa@rwbyram.com](mailto:lisa@rwbyram.com); [Glover, James; kparadis@blm.gov](#); [Walls, Christopher](#)  
**Subject:** Approved Administrative Order OLM-238  
**Date:** Wednesday, March 31, 2021 3:20:01 PM  
**Attachments:** [OLM238 Order.pdf](#)

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NMOCD has issued Administrative Order OLM-238 which authorizes Oxy USA, Inc. (16696) to surface commingle or off-lease measure, as applicable, the following wells:

Well API	Well Name	Location (NMPM)	Pool Code
30-015-43819	Cedar Canyon 28 Fed Com #8H	A-29-24S-29E	96473

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  
OIL CONSERVATION DIVISION**

**APPLICATION FOR OFF-LEASE MEASUREMENT  
SUBMITTED BY OXY USA, INC.**

**ORDER NO. OLM-238**

**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 off-lease measure the oil and gas production ("Application") from the wells, pool, and lease identified in Exhibit A.
2. Applicant provided notice of the Application to all persons owning a working interest in the oil and gas production to be off-lease measured in accordance with 19.15.23.9(A)(5) NMAC, and those persons either submitted a written waiver or did not file an objection to the Application.
3. Applicant provided notice of the Application to the Bureau of Land Management or New Mexico State Land Office, as applicable.

**CONCLUSIONS OF LAW**

4. 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, and 19.15.23 NMAC.
5. Applicant satisfied the notice requirements for the Application in accordance with 19.15.23.9(A)(5) NMAC.
6. 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 off-lease measure oil and gas production from the wells, pool, and lease identified in Exhibit A.
2. The oil and gas production from the wells identified in Exhibit A shall be physically separated from the oil and gas production from other wells and no commingling of production from different leases shall occur in accordance with 19.15.23.9(A)(3) NMAC and 19.15.23.9(A)(4) NMAC.
3. 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.

4. Applicant shall measure the commingled gas at a central delivery point described in Exhibit A in accordance with 19.15.19.9 NMAC, provided however that if the gas is flared, 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.
5. Applicant shall calibrate the meters used to measure or allocate oil and gas production in accordance with 19.15.12.10(C)(2) NMAC.
6. OCD retains jurisdiction and reserves the right to modify or revoke this Order if it is deemed 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:** 3/31/2021



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

## Exhibit A

Order: **OLM-238**

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

### Central Tank Battery: Cedar Canyon 28 4 Phase 1 Central Tank Battery

**Central Tank Battery Location (NMPM): Unit K, Section 28, Township 24 South, Range 29 East**

**Gas Custody Transfer Meter Location (NMPM):** Unit K, Section 28, Township 24 South, Range 29 East

## Pools

### Pool Name

### Pool Code

## PIERCE CROSSING; BONE SPRING, EAST

96473

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

## Lease

**Location (NMPM)**

CA BS NMNM 136822

$N/2 \quad N/2$

**Sec 28-T24S-R29E**

## Wells

## Well API

Well Name

**Location (NMPM)****Pool Code**

## Train

**30-015-43819**

## Cedar Canyon 28 Fed Com #8H

**A-29-24S-29E**

96473

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Phone:(505) 334-6178 Fax:(505) 334-6170  
**District IV**  
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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 20212

CONDITIONS OF APPROVAL

Operator:			OGRID:	Action Number:	Action Type:
OXY USA INC P.O. Box 4294 Houston, TX772104294			16696	20212	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.				