

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 IV1220 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 DIVISION1220 S. St Francis Drive
Santa Fe, New Mexico 87505Submit 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 ☒ FederalIs 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
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)(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: Stephen Janacek TITLE: REGULATORY ENGINEER DATE: 12/16/2021TYPE OR PRINT NAME: STEPHEN JANACEK TELEPHONE NO.: 713-493-1986E-MAIL ADDRESS: STEPHEN_JANACEK@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: BRADLY 13 FEDERAL #001 AND MULTIPLE **API:** 30-015-29256 AND MULTIPLE
Pool: CORRAL CANYON; DELAWARE, WEST **Pool Code:** 13365

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.

STEPHEN JANACEK

Print or Type Name

Stephen Janacek
 Signature

12-16-2021

Date

713-493-1986

Phone Number

STEPHEN_JANACEK@OXY.COM

e-mail Address

APPLICATION FOR LEASE COMMINGLE & OFF LEASE MEASUREMENT, STORAGE, AND SALES

Commingling proposal for gas production at Brady 13 Federal CTB and Corral Canyon 12 State 1H CTB

OXY USA INC respectfully requests approval of a lease commingle & off lease measurement, storage and sales for gas production at the Brady 13 Federal CTB (Lat 32.131750, Long -103.940360, 13-T24S-R29E) and the Corral Canyon 12 State 1H CTB (Lat 32.13779, Long -103.93676, 12-T24S-R29E). *This commingle request includes the current and future wells in the pools and leases listed below.*

The gas sales meter is located at Lat 32.149806, Long -103.948989, 11-T24S-R29E. Each facility has a sales-quality orifice meter (BLM gas FMP or equivalent meter) that continuously measures gas volume before it leaves the facility.

Brady 13 Federal CTB

Well Name	API	Surface Location	Pool	POOL CODE	Gas (MSCFD)	BTU/cf
Brady 13 Fed 4Q	30-015-31704	B-13-25S-29E	Corral Canyon; Delaware, West	13365	18	1070
Brady 13 Fed 1	30-015-29256	F-13-25S-29E	Corral Canyon; Delaware, West	13365	5	1070

Corral Canyon 12 State 1H CTB (1 well CTB)

Well Name	API	Surface Location	Pool	POOL CODE	Gas (MSCFD)	BTU/cf
Corral Canyon 12 State 1H	30-015-35771	O-12-25S-29E	Corral Canyon; Delaware, West	13365	27	1070

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.

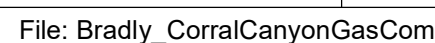
The oil and gas meters are calibrated on a regular basis per API, BLM and NMOCD specifications.

The surface commingle application will be submitted separately for approval per NMOCD, SLO, and BLM regulations.

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.



32

V066701

VB15033



BRADLY 13
FEDERAL 001

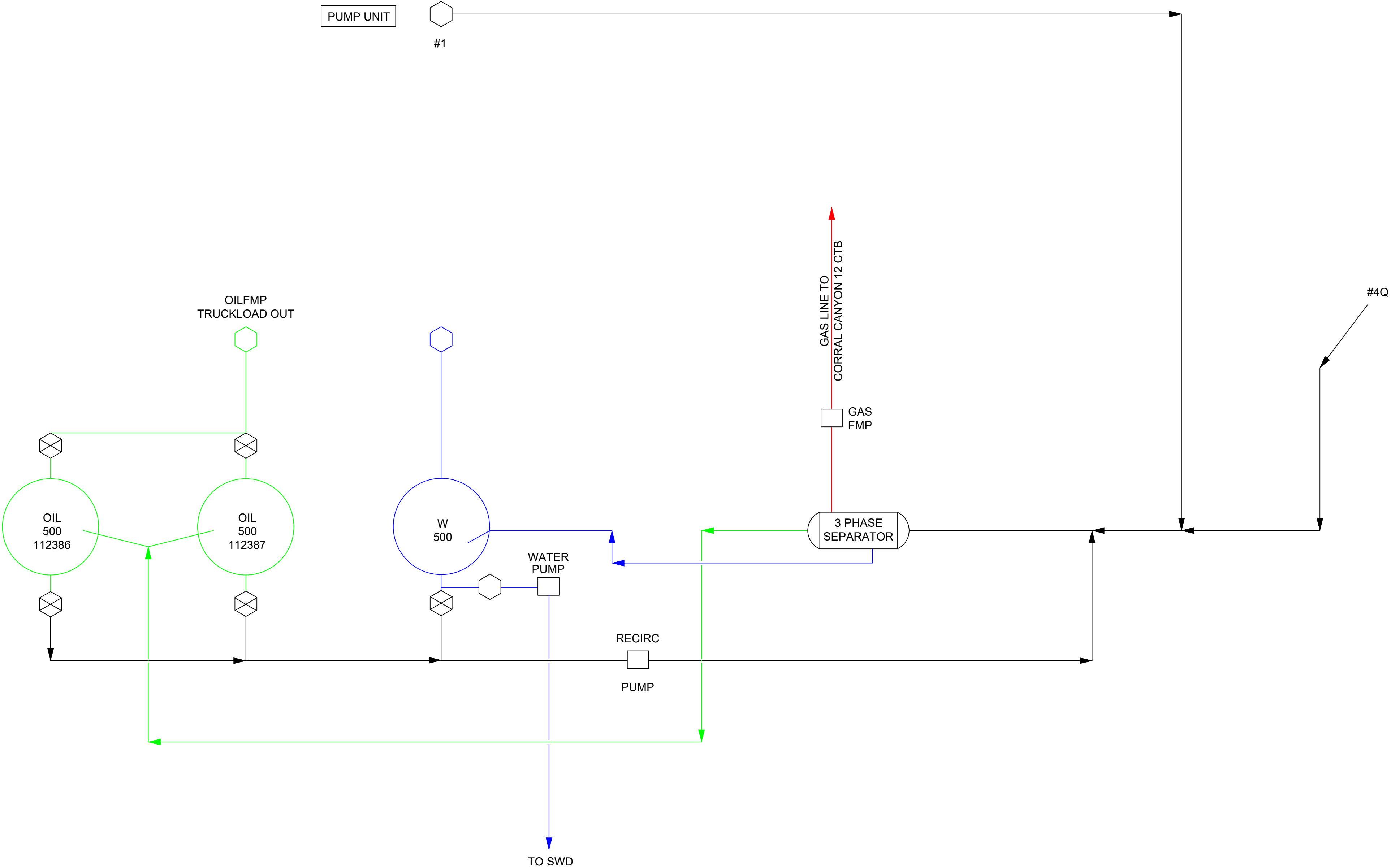
NMNM 096848

NMLC 0064894A

NMLC 0064894

--- Well Lateral

BRADLY 13 FEDERAL 1 CTB
SEC 13, T25S, R29E
EDDY COUNTY, NEW MEXICO
OXY USA INC
NMNM 15303




INLET WELLS:
BRADLEY 13 FEDERAL 1 30-015-29256
BRADLEY 13 FEDERAL 4Q 30-015-31704

LEASE: BRADLEY 13 FEDERAL 1 CTB
API:
LOCATED AT: SECTION 13 T25S R29E

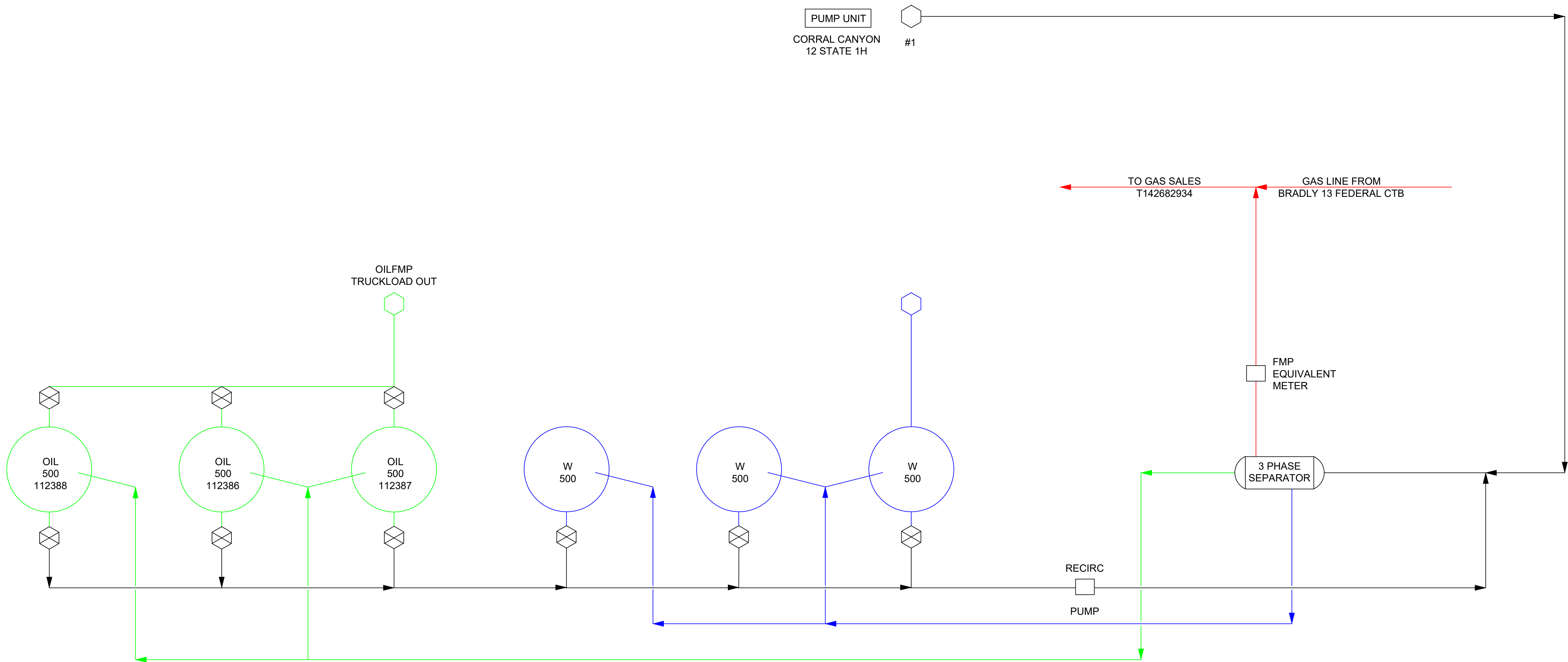
THIS LEASE IS SUBJECT TO THE SECURITY PLAN FOR THE CARLSBAD
OPERATION. THE PLAN IS LOCATED AT:
1502 W COMMERCE DR. CARLSBAD, NM 88220

NOTE:

S:\allsites\Primary F&C Folder\DESIGN AND DRAFTING\STD ENGINEERING INFORMATION\REGULATORY\TEMP FILE-STILLMAN\SEPARATED BY WEEK\week 1\BRADLY 13 FEDERAL 1 CTB.dwg20211214.121328

REFERENCE DRAWINGS		REVISIONS						ENGINEERING RECORD		<div> Oxy USA - WTP LP A subsidiary of Occidental Petroleum Corporation</div> <div>SITE FACILITY DIAGRAM BRADLY 13 FEDERAL 1 CTB EDDY COUNTY, NEW MEXICO</div>			
NO.	TITLE	NO.	DATE	DESCRIPTION	BY	CHK.	APP.	BY	DATE				
		0	12-13-21	ISSUED FOR CONSTRUCTION	NN	SCJ		DRN: <i>SHW</i>	11-29-18				
								DES:					
								CHK:					
								APP:					
								AFE No.					
								OXY ENGR.					
wg20211214.121328								PROJ. ENGR:	S. MUSALLA	PLOT SCALE	DWG. NO.	001	REV 0
								SCALE:	NONE	CAD NO.			

CORRAL CANYON 12 STATE 1 CTB




LEASE:
API:
LOCATED AT:

NOTE:

S:\allsites\Primary F&C Folder\DESIGN AND DRAFTING\STD ENGINEERING INFORMATION\REGULATORY\TEMP FILE-STILLMAN\SEPARATED BY WEEK\week 1\CORRAL CANYON 12 STATE 1 CTB.dwg20211214.122323

REFERENCE DRAWNGS		REVISIONS						ENGINEERING RECORD	
NO.	TITLE	NO.	DATE	DESCRIPTION	BY	CHK.	APP.	BY	DATE
		0	12-13-21	ISSUED FOR CONSTRUCTION	NN	SCJ		DRN: <i>SHW</i>	11-29-18
								DES:	
								CHK:	
								APP:	
								AFE No.	
								OXY ENGR.	
CTB.dwg 20211214.122323								PROJ. ENGR:	S. MUSALLA
								SCALE:	NONE

**Oxy USA - WTP LP**
A subsidiary of Occidental Petroleum Corporation

SITE FACILITY DIAGRAM
CORRAL CANYON 12 STATE 1 CTB
EDDY COUNTY, NEW MEXICO

DWG. NO.	001	REV	0
PLOT SCALE		CAD NO.	



OXY USA INC
A subsidiary of Occidental Petroleum Corporation

5 Greenway Plaza, Suite 110, Houston, Texas 77046
P.O. Box 4294, Houston, Texas 77210-4294
Direct: 713.493.1986
Stephen_Janacek@oxy.com

December 16, 2021

Re: Commingling proposal for gas production at Bradley 13 Federal CTB and Corral Canyon 12 State 1H CTB

Dear Interest Owner:

This is to advise you that OXY USA INC is filing for gas surface commingling at the Bradley 13 Federal CTB and the Corral Canyon 12 State 1H CTB. 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 Stephen Janacek at 713-493-1986.

Respectfully,

Stephen Janacek

OXY USA INC
Stephen Janacek
Regulatory Engineer
Stephen_Janacek@oxy.com

To Name	To Address	To City	To State	To ZIP	Tracking Number
MINERALS MANAGEMENT SERVICE	620 E GREENE STREET	CARLSBAD	NM	88220	_9414811898765845235253
EOG RESOURCES INC	P O BOX 2267	MIDLAND	TX	79702	_9414811898765845235260
JUSTIN NINE AND SARAH NINE	1900 LARKSPUR DR	GOLDEN	CO	80401	_9414811898765845235222
CHAD BARBE	PO BOX 2107	ROSWELL	NM	88202	_9414811898765845235208
MCMULLEN MINERALS LLC	PO BOX 470857	FORT WORTH	TX	76147	_9414811898765845235291
PEGASUS RESOURCES LLC	PO BOX 733980	DALLAS	TX	75373	_9414811898765845235246
SANTA ELENA MINERALS IV LP	PO BOX 470788	FORT WORTH	TX	76147	_9414811898765845235284
WING RESOURCES III LLC	2100 MCKINNEY AVE STE 1540	DALLAS	TX	75201	_9414811898765845235239
SANTA ELENA MINERALS V LP	PO BOX 732885	DALLAS	TX	75373	_9414811898765845235277
EXXON MOBIL CORPORATION	PO BOX 2024	HOUSTON	TX	77252	_9414811898765845235819
EXXON MOBIL CORPORATION	PO BOX 4358	HOUSTON	TX	77210	_9414811898765845235857
EXXONMOBIL CORPORATION	PO BOX 4610	HOUSTON	TX	77210	_9414811898765845235864
XTO HOLDINGS LLC	810 HOUSTON ST	MIDLAND	TX	76102	_9414811898765845235826
STATE OF NEW MEXICO	P O BOX 1148	SANTA FE	NM	87504	_9414811898765845235802

Carlsbad Current Argus.

PART OF THE USA TODAY NETWORK

Affidavit of Publication

Ad # 0005044555

This is not an invoice

OXY USA INC

5 GREENWAY PLAZA OFFICE 29.076

HOUSTON, TX 77046

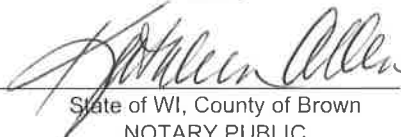
I, a legal clerk of the **Carlsbad Current Argus**, a newspaper published daily at the City of Carlsbad, in said county of Eddy, state of New Mexico and of general paid circulation in said county; that the same is a duly qualified newspaper under the laws of the State wherein legal notices and advertisements may be published; that the printed notice attached hereto was published in the regular and entire edition of said newspaper and not in supplement thereof in editions dated as follows:

12/15/2021



Legal Clerk

Subscribed and sworn before me this December 15, 2021:



State of WI, County of Brown
NOTARY PUBLIC



My commission expires

KATHLEEN ALLEN
Notary Public
State of Wisconsin

Notice of Application for Surface Commingling
OXY USA INC. located at 5 Greenway Plaza, Suite 110 Houston TX 77046 is applying to the NMOCD to commingle gas production from the Bradley 13 Federal CTB in Eddy County, Section 13, T24S-29E and the Corral Canyon 12 State CTB in Eddy County, Section 12, T24S-29E at the Gas Sales meter in Eddy County, Section 11, T24S-29E. Wells producing to the batteries are located in the same sections. Production will be from the Corral Canyon; Delaware West pool.

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 NMOCD may approve the application.

For questions pertaining to the application, please contact Stephen Janacek at 713-493-1986.

#5044555, Current Argus,
Dec. 15, 2021

Ad # 0005044555

PO #: 5044555

of Affidavits 1

This is not an invoice

DISTRICT I

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

State of New Mexico

Energy, Minerals and Natural Resources Department

C15K

Form C-102

Revised February 10, 1994

Submit to Appropriate District Office

State Lease - 4 Copies

Fee Lease - 3 Copies

DISTRICT II

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

DISTRICT III

1000 Rio Brazos Rd., Aztec, NM 87410

OIL CONSERVATION DIVISION

P.O. Box 2088

Santa Fe, New Mexico 87504-2088

DISTRICT IV

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

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number 30-015-31704	Pool Code 13365	Pool Name Corral Canyon Delaware
Property Code 19954	Property Name BRADLY "13" FEDERAL	Well Number 4
OGRID No. 017891	Operator Name POGO PRODUCING COMPANY	Elevation 3136

Surface Location

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
B	13	25 S	29 E		660	NORTH	1980	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

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

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. <u>Cathy Tomberlin</u> Signature Cathy Tomberlin Printed Name Sr. Operation Tech Title 12/18/01 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. NOVEMBER 28, 1997 Date Surveyed
	Signature & Seal of Professional Surveyor <u>Ronald J. Eidson</u> 12-02-97 W.O. Num. 97-11-1954
	Certificate No. RONALD J. EIDSON, 3239 GARY G. EIDSON, 12641 MACON McDONALD, 12185

DISTRICT I

P.O. Box 1930, Hobbs, NM 88241-1980

State of New Mexico

Energy, Minerals and Natural Resources Department

Form Page 11 of 19

Revised February 10, 1994

Submit to Appropriate District Office

State Lease - 4 Copies

Fee Lease - 3 Copies

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

OIL CONSERVATION DIVISION

P.O. Box 2088

Santa Fe, New Mexico 87504-2088

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number 30-015-29256	Pool Code 13365	Pool Name CORRAL CANYON LOTUSCH (DELAWARE)	Well Number 1
Property Code	Property Name BRADLY "13" FEDERAL		Elevation 3130
OGRID No. 017891	Operator Name POGO PRODUCING COMPANY		

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	13	25 S	29 E		1970	NORTH	1949	WEST	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

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>X=621832 Y=411902</p>	<p>OPERATOR CERTIFICATION</p> <p>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.</p> <p><i>James M.C. Ritchie Jr</i> Signature JAMES M.C. RITCHIE JR Printed Name AGENT Title OCTOBER 11, 1996 Date</p>
		<p>SURVEYOR CERTIFICATION</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>SEPTEMBER 17 & 18, 1996 Date Surveyed DMCC Signature of Surveyor Professional Surveyor NEW MEXICO 96-11-18 9-20-96 Certificate No. JOHN A. WEST 676 RONALD J. EIDSON 3239 JOHN EIDSON 12641</p>

EXHIBIT "C"

DISTRICT I

1625 N FRENCH DR., HOBBS, NM 88240

DISTRICT II

1301 W. GRAND AVENUE, ARTESIA, NM 88210

DISTRICT III

1000 Rio Brazos Rd., Aztec, NM 87410

DISTRICT IV

1220 S ST FRANCIS DR., SANTA FE, NM 87505

State of New Mexico

Energy, Minerals and Natural Resources Department

JAN 31 2008

OCD-ARTESIA

OIL CONSERVATION DIVISION

1220 SOUTH ST. FRANCIS DR.
Santa Fe, New Mexico 87505

Revised October 12, 2005

Submit to Appropriate District Office

State Lease - 4 Copies

Fee Lease - 3 Copies

Form C-100

WELL LOCATION AND ACREAGE DEDICATION PLAT

☐ AMENDED REPORT

API Number	Pool Code	Pool Name
30-015-35771	13365	CORRAL CANYON; DELAWARE, WEST
Property Code	Property Name	Well Number
36715	CORRAL CANYON 12 STATE	1H
OGRID No.	Operator Name	Elevation
147179	CHESAPEAKE OPERATING, INC.	3141'

Surface Location

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
0	12	25-S	29-E		383	SOUTH	2310	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
B	12	25-S	29-E		330	NORTH	2310	EAST	EDDY
Dedicated Acres	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>BOTTOM HOLE LOCATION</p> <p>Y=418870.5 N X=622841.6 E</p>		<p>OPERATOR CERTIFICATION</p> <p>I hereby certify that the information herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.</p> <p><i>[Signature]</i> 1/30/08 Signature Date Shay Stricklin Reg Tech. Printed Name</p>	
<p>GEODETIC COORDINATES NAD 27 NME SURFACE LOCATION</p> <p>Y=414273.3 N X=622862.3 E</p> <p>LAT.=32 138332" N LONG.=103.936401" W</p>		<p>SURVEYOR CERTIFICATION</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>SEPTEMBER 1, 2007 Date Surveyed AR Signature & Seal of Professional Surveyor</p> <p>07.13.1576</p> <p>Certificate No. GARY EIDSON 12641 RONALD J. EIDSON 3239</p>	

From: [Engineer, OCD, EMNRD](#)
To: [Musallam, Sandra C](#); [Janacek, Stephen C](#)
Cc: [McClure, Dean, EMNRD](#); [Hawkins, James , EMNRD](#); [Powell, Brandon, EMNRD](#); [lisa@rwbyram.com](#); [Glover, James](#); [Paradis, Kyle O](#); [Walls, Christopher](#); [Dawson, Scott](#)
Subject: Approved Administrative Order CTB-1029
Date: Wednesday, February 23, 2022 5:30:54 PM
Attachments: [CTB1029 Order.pdf](#)

NMOCD has issued Administrative Order CTB-1029 which authorizes Oxy USA, Inc. (16696) to surface commingle or off-lease measure, as applicable, the following wells:

Well API	Well Name	UL or Q/Q	S-T-R	Pool Code
30-015-31704	Bradly 13 Federal #4Q	B	13-25S-29E	13365
30-015-29256	Bradly 13 Federal #1	F	13-25S-29E	13365
30-015-35771	Corral Canyon 12 State #1H	W/2 E/2	12-25S-29E	13365

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. If you have any questions regarding this matter, please contact me.

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 SURFACE COMMINGLING
SUBMITTED BY OXY USA, INC.**

ORDER NO. CTB-1029

ORDER

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

FINDINGS OF FACT

1. Oxy USA, Inc. (“Applicant”) submitted a complete application to surface commingle the gas production from the pools, leases, and wells identified in Exhibit A (“Application”).
2. Applicant proposed a method to allocate the gas production to the pools, leases, and wells to be commingled.
3. 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.
4. To the extent that ownership is diverse, Applicant provided notice of the Application to all persons owning an interest in the gas production to be commingled, including the owners of royalty and overriding royalty interests, regardless of 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 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.
7. Applicant stated that it sought authorization to surface commingle and off-lease measure, as applicable, gas production from wells which have not yet been approved to be drilled, but will produce from a pool and lease identified in Exhibit A.

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, 19.15.12. NMAC, and 19.15.23. NMAC.
9. Applicant satisfied the notice requirements for the Application in accordance with 19.15.12.10.A.(2) NMAC, 19.15.12.10.C.(4)(c) NMAC, and 19.15.12.10.C.(4)(e) NMAC, as applicable.

10. Applicant satisfied the notice requirements for the Application in accordance with 19.15.23.9.A.(5) NMAC and 19.15.23.9.A.(6) NMAC, as applicable.
11. Applicant's proposed method of allocation, as modified herein, complies with 19.15.12.10.B.(1) NMAC or 19.15.12.10.C.(1) NMAC, as applicable.
12. Commingling of 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) NMAC and 19.15.12.10.C.(4)(h) NMAC.
13. 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.
14. 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 gas production from the pools, leases, and wells identified in Exhibit A.

Applicant is authorized to store and measure gas production off-lease from the pools, leases, and wells identified in Exhibit A at a central tank battery described in Exhibit A.

Applicant is authorized to surface commingle gas production from wells not included in Exhibit A but that produce from a pool and lease identified in Exhibit A.

Applicant is authorized to store and measure gas production off-lease from wells not included in Exhibit A but that produce from a pool and lease identified in Exhibit A at a central tank battery described in Exhibit A.

2. The allocation of gas production to wells not included in Exhibit A but that produce from a pool and lease identified in Exhibit A shall be determined in the same manner as to wells identified in Exhibit A that produce from that pool and lease, provided that if more than one allocation method is being used or if there are no wells identified in Exhibit A that produce from the pool and lease, then allocation of gas production to each well not included in Exhibit A shall be determined by OCD prior to commingling production from it with the production from another well.
3. The gas production for Bradley 13 Federal No. 4Q (30-015-31704) and Bradley 13 Federal No. 1 (30-015-29256) shall be allocated by conducting a minimum of one (1) well test per month each.

Applicant shall conduct a well test by separating and measuring the 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. The gas production for Corral Canyon 12 State No. 1H (30-015-35771) shall be separated and metered prior to commingling.
5. Applicant shall measure and market the commingled gas at a well pad, central delivery point, central tank battery, or gas title transfer meter described in Exhibit A in accordance with this Order and 19.15.19.9. NMAC, provided however that if the gas is vented or flared, and regardless of the reason or authorization pursuant to 19.15.28.8.B. NMAC for such venting or flaring, Applicant shall measure or estimate the gas in accordance with 19.15.28.8.E. NMAC.
6. Applicant shall calibrate the meters used to measure or allocate gas production in accordance with 19.15.12.10.C.(2) NMAC.
7. If the commingling of gas production from any pool, lease, or well reduces the value of the commingled 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 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 in accordance with 19.15.12.10.C.(4)(g) NMAC.
9. If a well is not included in Exhibit A but produces from a pool or lease identified in Exhibit A, then Applicant shall submit Forms C-102 and C-103 to the OCD Engineering Bureau after the well has been approved to be drilled and prior to off-lease measuring or commingling oil or gas production from it with the production from another well. The Form C-103 shall reference this Order and identify the well and proposed method to determine the allocation of gas production to it.
10. Applicant shall not commence commingling oil or gas production from state, federal, or tribal leases until approved by the BLM or NMSLO, as applicable.
11. If OCD determines that Applicant has failed to comply with any provision of this Order, OCD may take any action authorized by the Oil and Gas Act or the New Mexico Administrative Code (NMAC).
12. OCD retains jurisdiction of this matter and reserves the right to modify or revoke this Order as it deems necessary.

**STATE OF NEW MEXICO
OIL CONSERVATION DIVISION**



**ADRIENNE SANDOVAL
DIRECTOR**

DATE: 2/23/2022

State of New Mexico
Energy, Minerals and Natural Resources Department

Exhibit A

Order: **CTB-1029**

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

Central Tank Battery: **Bradly 13 Federal Central Tank Battery**

Central Tank Battery Location: **Unit F, Section 13, Township 24 South, Range 29 East**

Central Tank Battery: **Corral Canyon 12 State 1H Central Tank Battery**

Central Tank Battery Location: **Unit O, Section 12, Township 24 South, Range 29 East**

Gas Title Transfer Meter Location: **Unit A, Section 11, Township 24 South, Range 29 East**

Pools

Pool Name	Pool Code
CORRAL CANYON; DELAWARE, WEST	13365

Leases as defined in 19.15.12.7(C) NMAC

Lease	UL or Q/Q	S-T-R
VB 11050002	E/2	12-25S-29E
NMNM 015303	All	13-25S-29E
	All	14-25S-29E

Wells

Well API	Well Name	UL or Q/Q	S-T-R	Pool
30-015-31704	Bradly 13 Federal #4Q	B	13-25S-29E	13365
30-015-29256	Bradly 13 Federal #1	F	13-25S-29E	13365
30-015-35771	Corral Canyon 12 State #1H	W/2 E/2	12-25S-29E	13365

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 69314

CONDITIONS

Operator: OXY USA INC P.O. Box 4294 Houston, TX 772104294	OGRID: 16696
	Action Number: 69314
	Action Type: [C-107] Surface Commingle or Off-Lease (C-107B)

CONDITIONS

Created By	Condition	Condition Date
dmcclure	Please review the content of the order to ensure you are familiar with the authorities granted and any conditions of approval. If you have any questions regarding this matter, please contact me.	2/23/2022