<u>District I</u> 1625 N. French Drive, Hobbs, NM 88240 <u>District II</u> 811 S. First St., Artesia, NM 88210

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 1	FOR SURFACE (	COMMINGLING	(DIVERSE	OWNERSHIP)						
OPERATOR NAME: OXY US	A INC.									
OPERATOR ADDRESS: PO BOX	4294, HOUSTON, TX	Κ, 77210								
APPLICATION TYPE:										
☐ Pool Commingling ☐ Lease Commingling	g Pool and Lease Cor	mmingling Off-Lease	Storage and Measur	rement (Only if not Surface	e Commingled)					
	State									
Is this an Amendment to existing Order Have the Bureau of Land Management  ☐ Yes ☐ No					ingling					
(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 allowa	bles? TYes TNo									
(4) Measurement type:  Metering	(4) Measurement type:									
		SE COMMINGLIN s with the following in								
(1) Pool Name and Code. PURPLE SAGI (2) Is all production from same source of (3) Has all interest owners been notified by (4) Measurement type: ☐ Metering ☑	supply? Yes No certified mail of the prop	oosed commingling?	⊠Yes □N	0						
	(C) POOL and	LEASE COMMIN	GLING							
	Please attach sheet	s with the following in	nformation							
(1) Complete Sections A and E.										
(1	,	ORAGE and MEA								
(1) Is all production from same source of		ets with the following	information							
(2) Include proof of notice to all interest of	· · · · — —									
(E) Al		RMATION (for all swith the following in		vpes)						
(1) A schematic diagram of facility, inclu		s with the following II	มงา เมลเเบม							
(2) A plat with lease boundaries showing (3) Lease Names, Lease and Well Numbe	all well and facility locati	ons. Include lease number	ers if Federal or Sta	ate lands are involved.						
I hereby certify that the information above is	s true and complete to the	best of my knowledge an	d belief.							
Sun 4	•	TLE:_REGULATORY E		DATE:03/0	07/2022					
TYPE OR PRINT NAME_SANDRA MUS	SALLAM		TELEPHONE 1	NO.:713-366-5106						
E-MAIL ADDRESS:SANDRA_MUSA	LLAM@OXY.COM									

RECEIVED:	REVIEWER:	TYPE:	APP NO:	
	- Geologia	ABOVE THIS TABLE FOR OCD DI CO OIL CONSERVA Cal & Engineering ancis Drive, Santo	<b>ATION DIVISION</b> g Bureau –	TO NEW TOPO
	ADMINISTR	ATIVE APPLICATION	ON CHECKLIST	
THIS	CHECKLIST IS MANDATORY FOR AL REGULATIONS WHICH RE	L ADMINISTRATIVE APPLICA QUIRE PROCESSING AT THE		
Applicant: OXY U	SA INC			D Number: <u>16696</u>
Vell Name: <u>CORI</u> Pool: PURPLE SAGE;	RAL GORGE 12 13 FEDERAL CON	M #035H & MULTIPLE		0-015-47205 & MULTIPLE
TORTE SAGE,	WOLI CAWI, GAS		POOL	Code: 98220
SUBMIT ACCUR	RATE AND COMPLETE INF	_		HE TYPE OF APPLICATION
		INDICATED BELC	)W	
A. Location	LICATION: Check those in – Spacing Unit – Simult NSL NSP REPRESENTED NOT [1] or [1]		n	SD
	nmingling – Storage – M DHC ■CTB □PI ction – Disposal – Pressu WFX □PMX □SY	LC □PC □C ure Increase – Enho	anced Oil Recove	ry FOR OCD ONLY
A. Offse B. Royc C. Appl D. Notifi E. Notifi F. Surfa G. For a	N REQUIRED TO: Check to perators or lease hold ty, overriding royalty ovication requires published ication and/or concurrence owner. Il of the above, proof or otice required.	ders wners, revenue ow ed notice ent approval by SL ent approval by BL	O BLM & SLO are only other owners	Notice Complete  Application Content Complete
administrative understand t	N: I hereby certify that a approval is accurate a hat no action will be tall are submitted to the Div	and <b>complete</b> to the ken on this applica	he best of my kno	wledge. I also
h	Note: Statement must be comple	ted by an individual with	managerial and/or supe	ervisory capacity.
			03/07/2022 Date	
SANDRA MUSALLAM			Dale	
Print or Type Name			713-366-5106	
			Phone Number	
SMUSL			SANDRA MUSAI	LLAM@OXY.COM
Signature			e-mail Address	

# APPLICATION FOR LEASE COMMINGLE AND OFF-LEASE STORAGE, MEASUREMENT AND SALES Commingling Proposal for Oil Production at the Corral Gorge 12-13 Battery

OXY USA INC requests to commingle oil production at the Corral Gorge 12-13 Battery (G 02 T25S R29E). This commingle request includes the current and future wells in the pools and leases/CAs listed below.

### **COM AGREEMENT PENDING**

50% NMNM015303 (BLM 12.5% NRI) & 50% SLO VB-1105-0001

POOL: PURPLE SAGE; WOLFCAMP GAS (98220)

WELL NAME	АРІ	SURFACE LOCATION	DATE ONLINE	EST. OIL (BOPD)	EST. GRAVITY API	EST. GAS (MSCFD)	EST. BTU/CF	EST. WATER (BWPD)
CORRAL GORGE 12 13 FEDERAL COM #035H	30-015-47205	O-01-25S-29E	EST JUL 2022	1391	45	3730	1293	4526
CORRAL GORGE 12 13 FEDERAL COM #036H	30-015-47206	O-01-25S-29E	EST JUL 2022	1391	45	3730	1293	4526
CORRAL GORGE 12 13 FEDERAL COM #037H	30-015-47207	A-12-25S-29E	EST JUL 2022	1391	45	3730	1293	4526
CORRAL GORGE 12 13 FEDERAL COM #038H	30-015-47208	A-12-25S-29E	EST JUL 2022	1391	45	3730	1293	4526

### **COM AGREEMENT PENDING**

50% NMNM015303 (BLM 12.5% NRI) & 25% SLO VC-0601 & 25% SLO V0-3633-0004

POOL: PURPLE SAGE; WOLFCAMP GAS (98220)

WELL NAME	АРІ	SURFACE LOCATION	DATE ONLINE	EST. OIL (BOPD)	EST. GRAVITY API	EST. GAS (MSCFD)	EST. BTU/CF	EST. WATER (BWPD)
CORRAL GORGE 12 13 FEDERAL COM #031H	30-015-47212	D-12-25S-29E	EST JUL 2022	1391	45	3730	1293	4526
CORRAL GORGE 12 13 FEDERAL COM #032H	30-015-47214	D-12-25S-29E	EST JUL 2022	1391	45	3730	1293	4526
CORRAL GORGE 12 13 FEDERAL COM #034H	30-015-47201	N-01-25S-29E	EST JUL 2022	1391	45	3730	1293	4526
CORRAL GORGE 12 13 FEDERAL COM #311H	30-015-47215	D-12-25S-29E	EST JUL 2022	1391	45	3730	1293	4526

Production estimates are average of first 6-month volumes.

### **Process Description:**

Production will be sent through a 10' X 40' three-phase production separator. After separation, the oil stream will flow through a line-heater, to two heater-treaters, to vertical vapor recovery towers, then to LACT units. The aforementioned LACT units will serve as the point of royalty payment. The existing tanks will remain onsite and will be incorporated into the design as emergency backup storage in the event of system upsets and power outages.

Oil production will be allocated back to each well based on well test. For testing purposes, the facility is equipped with four permanent 6' x 20' three-phase test separators. Each test vessel is equipped with oil turbine meters, gas orifice meters and water turbine meters. In addition, the facility is equipped to add up to four portable 6' X 20' three-phase test separators. Any portable test separator will be equipped with an oil turbine meter, gas orifice meter and water turbine meter.

All wells will be tested daily prior to Range 1 of decline and will be tested at least three times per month during Range 1 of decline. When Range 2 decline is started, the wells will be tested at least twice per month. Wells will be tested at least once per month when Range 3 of decline is started, as specified in Hearing Order R-14299.

Gas production from all wells will be combined after the production and test separators. It will then flow through a gas scrubber then measured through an orifice meter, which will serve as the gas FMP for the purpose of BLM royalty payment. Gas production will then be sent to sales. Gas production will be allocated back to each well based on the aforementioned well tests. Gas commingling will be handled through PLC 784B.

All water from the Corral Gorge 12-13 Battery will be sent to the Corral Fly 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 boundaries, well and battery locations.

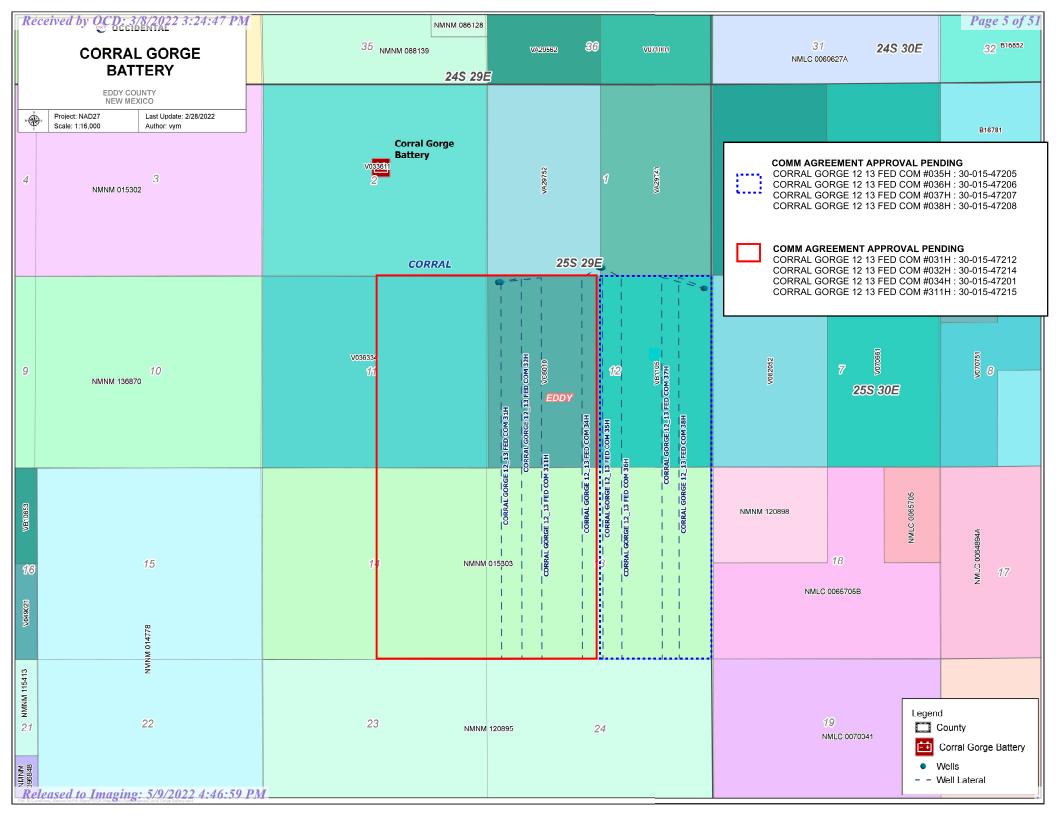
The oil and gas meters will be calibrated on a regular basis per API, NMOCD and BLM specifications.

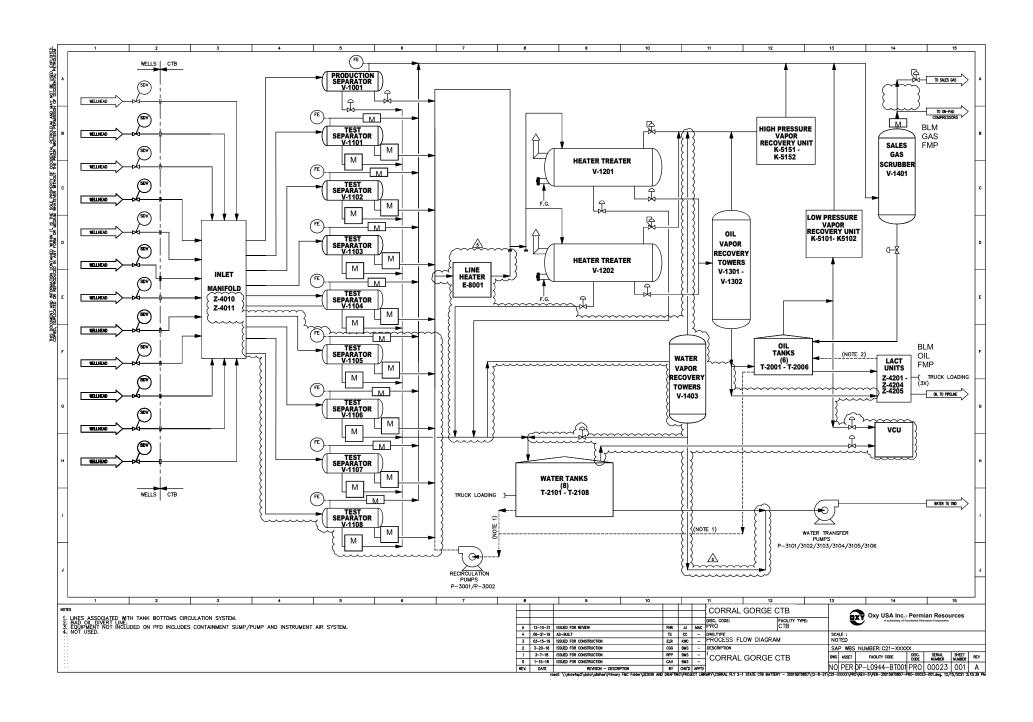
Pursuant to Statewide rule 19.15.12.10(C)(4)(g) OXY USA INC requests the option to include additional pools or leases within the defined parameters set forth in the Order for future additions.

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.

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





by OCD: 3/8/2022 3:24:47 eceived

State of New Mexico DISTRICT I 1825 N. FRENCE DR., HOBBS, NM 88240 Energy, Minerals & Natural Resources Department DISTRICT II 811 S. FIRST ST., ARTESIA, NM 88210 Phone: (575) 746-1203 Fax: (575) 746-9720 OIL CONSERVATION DIVISION

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

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

M AMENDED REPORT

DISTRICT III 1000 RIO BRAZOS RD., AZTEC, NM 87410 Phone: (505) 334-8178 Fax: (505) 334-8170

DISTRICT IV 1220 S. ST. FRANCIS DR., SANTA FE. NM 87505 Phone: (505) 478-3460 Fax: (505) 476-3462

		AND ACREAGE DEDICATION PLAT					
30-015-47205	98220 Pool Code	,					
Property Code 328295	CORRAL GOR	Property Name GE 12_13 FEDERAL COM	Well Number 35H				
16696	0	Operator Name XY USA INC.	Elevation 3109.8				

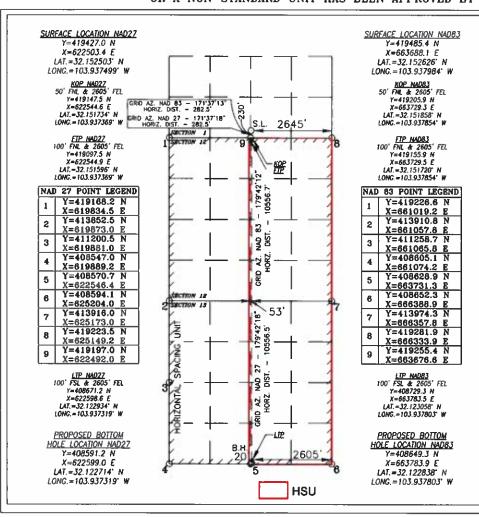
### Surface Location

UL or lot No.	Section	Township	Range	Lot idn	Feet from the	North/South line	Feet from the	East/West line	County
0	1	25-S	29-E		230	SOUTH	2645	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
0	13	25-S	29-E		20	SOUTH	2605	EAST	EDDY
Dedicated Acres	s Joint o	r Infill Co	nsolidation (	Code Ore	ler 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 that the information 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. Leslie T. Reeves 11/16/2021 Signature Date **LESLIE REEVES** Printed Name LESLIE\_REEVES@OXY.COM E-mail Address 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 8, 2019 Date of Survey Signature & Seal of Professional Surveyor CHAOL HARCRO MEXIC NEW. 0 TOENSE DESSIONAL TO HARV 98 7/20/21 Certificate No. CHAD HARCROW 17777

DRAWN BY: DS

W.O. # 21-663

State of New Mexico DISTRICT I 1686 N. FRENCH DR., HOBBS, NW 88240 Energy, Minerals & Natural Resources Department DISTRICT II 811 S. FIRST ST., ARTESIA, NM 88210 Phone: (\$75) 748-1283 Fax: (\$75) 748-9720 OIL CONSERVATION DIVISION

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

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

DISTRICT III 1000 RIO BRAZOS RD., AZTEC, NM 87410 Phone: (605) 334-8178 Fax: (605) 334-8170

DISTRICT IV 1220 S. ST. FRANCIS DR., SANTA FR. NM 87506 Phone: (505) 476-3460 Fax: (505) 476-3462

M AMENDED REPORT

Released to Imaging: 5/9/2022 4:46:59 PM

WELL	LOCATION	AND	ACREAGE	DEDICATION	PLAT
------	----------	-----	---------	------------	------

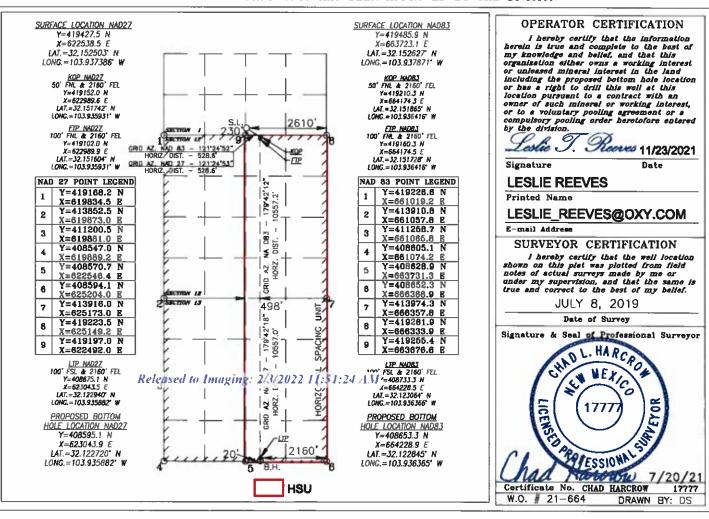
30-015-47206	98220 Pool Code	98220 PURPLE SAGE WOLFCAMP (GAS)					
Property Code	_	Property Name					
328295	CORRAL GORGE 1	2_13 FEDERAL COM	36H				
OGRID No.	-	ator Name	Elevation				
16696	OXY 1	USA INC.	3109.7				

### 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	1	25-S	29-E		230	SOUTH	2610	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
0	13	25-S	29-E		20	SOUTH	2160	EAST	EDDY
Dedicated Acres	Joint o	r Infill C	noliabiloano	Code Or	der No.			<u> </u>	
640									



DISTRICT I

State of New Mexico 1685 N. FRENCH DR., HOBBS, NW 86240 Energy, Minerals & Natural Resources Department OIL CONSERVATION DIVISION

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

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

W AMENDED REPORT

Released to Imaging: 5/9/2022 4:46:59 PM

DISTRICT II 811 S. FIRST ST., ARTESIA, NM 88210 Phone: (578) 748-1263 Fux: (578) 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 87606 Phone: (505) 476-3460 Fax: (505) 476-3462

WELL LOCATION AND ACREAGE DEDICATION PLAT

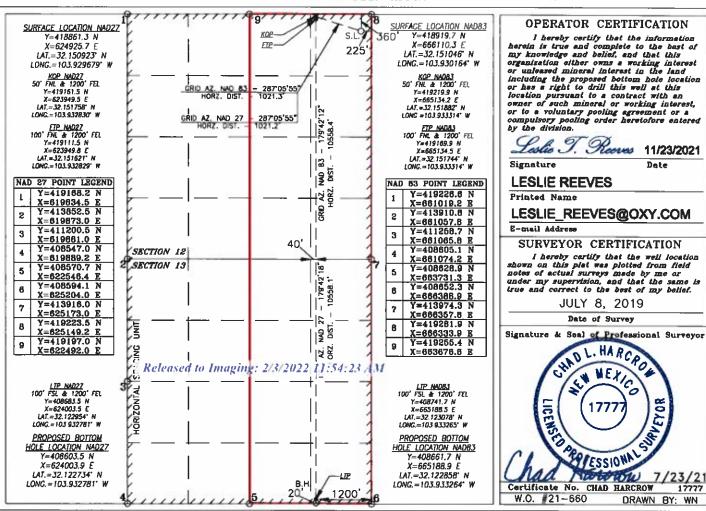
30-015-47207	98220 Pool Code						
Property Code 328295	-	erty Name 12_13 FEDERAL COM	Well Number 37H				
0GRID No. 16696	·	usa INC.	Elevation 3163.6				

### Surface Location

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
Α	12	25-S	29-E		360	NORTH	225	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
P	13	25-S	29-E		20	SOUTH	1200	EAST	EDDY
Dedicated Acre	s Joint o	r Infill Co	nsolidation (	Code Ore	der No.				



Released to Imaging: 5/9/2022 4:46:59 PM

DISTRICT I DISTRICT II 811 S. FIRST ST., ARTESIA, NM 88210 Phane: (575) 748-1285 Fax: (575) 748-9720

State of New Mexico 1626 N. FERNCH DR. 8038S, NM 88240 Energy, Minerals & Natural Resources Department OIL CONSERVATION DIVISION

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

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

■ AMENDED REPORT

DISTRICT III 1000 Rto BRAZOS RD., AZTEC, NM 87410 Phone: (505) 334-6178 Fax: (505) 334-6170 DISTRICT IV 1220 S. ST. FRANCIS DR. SANTA FE, NM 87806 Phone: (505) 478-3460 FRE: (506) 478-3482

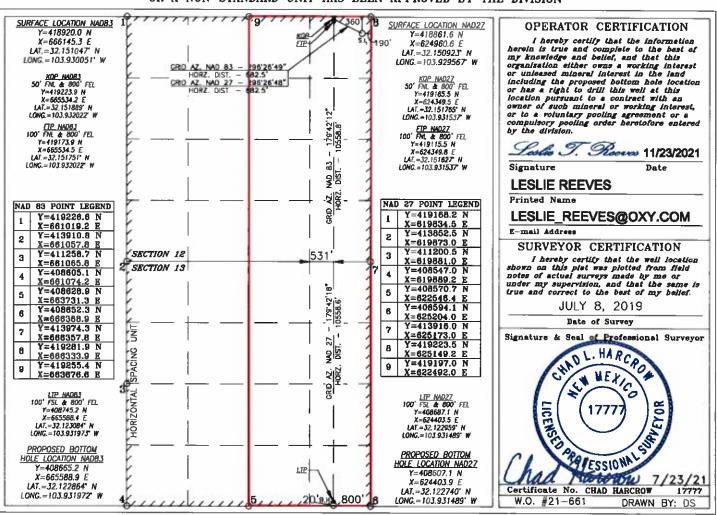
73020. (000) 770-0200 FRE (000) 770-0402	WELL LOCATION AND	ACREAGE DEDICATION PLAT	
30-015-47208	Pool Code 98220	PURPLE SAGE WOLFCAMP	(GAS)
Property Code 328295	Proj	perty Name 12_13 FEDERAL COM	Well Number
16696	-	rator Name USA INC.	Elevation 3164.0'

### Surface Location

UL or lot No.	Section	Township	Ronge	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
Α	12	25-S	29-E		360	NORTH	190	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
P	13	25-S	29-E		20	SOUTH	800	EAST	EDDY
Dedicated Acres   Joint or Infill		r Infill Co	onsolidation	Code Or	der No.			h	
640									4



3.24.47 Received by OCD: 3/8/2022. DISTRICT I

State of New Mexico 1025 N. FERNCE DR. HODRS, NM 88240 Energy, Minerals & Natural Resources Department OIL CONSERVATION DIVISION

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

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

M AMENDED REPORT

Released to Imaging: 5/9/2022 4:46:59 PM

DISTRICT II 811 S. FIRST ST., ARTESIA, NM 88210 Phone: (575) 748-1285 Far: (575) 748-9720

DISTRICT III 1000 RIO BRAZOS RD., AZTEC, NM 87410 Phone: (505) 334-6178 Fax: (506) 334-6170

DISTRICT IV 1220 S. ST. FRANCIS DR., SANTA FE, NM 67605 Phone: (505) 476-3460 Fax: (505) 476-3462

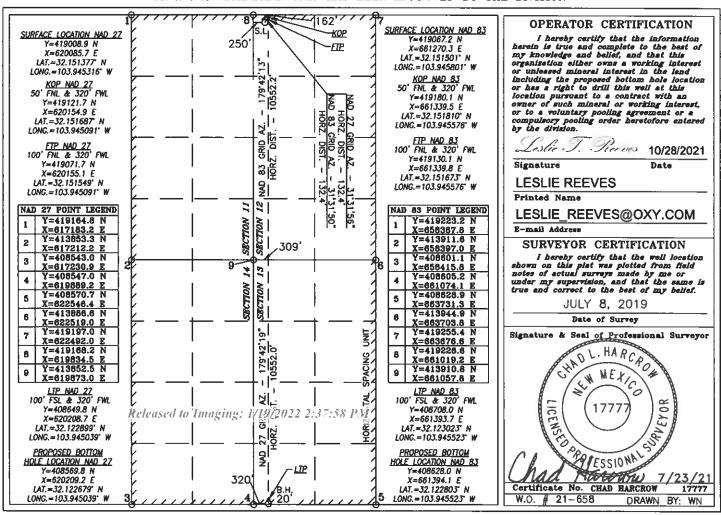
	WELL LOCATION AND	ACREAGE DEDICATION PLAT	
API Number	Pool Code	Pool Name	
30-015-47212	98220	PURPLE SAGE WOLFCAM	IP (GAS)
Property Code	Prop	erty Name	Well Number
328295	CORRAL GORGE 1	2_13 FEDERAL COM	31H
OGRID No.	Oper	ator Name	Elevation
16696	OXY	USA INC.	3074.5

### Surface Location

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
D	12	25-S	29-E		162	NORTH	250	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
М	13	25-S	29-E		20	SOUTH	320	WEST	EDDY
Dedicated Acre			nsolidation (	Code Or	der No.				



State of New Mexico

1825 N. PRENCH DR., HOBBS, NM 88240 Energy, Minerals & Natural Resources Department OIL CONSERVATION DIVISION

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

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

M AMENDED REPORT

Released to Imaging: 5/9/2022 4:46:59 PM

DISTRICT II 811 S. FIRST ST., ARTESIA, NM 88210 Phone: (878) 748-1283 Fax: (878) 748-9720

DISTRICT I

DISTRICT III 1000 RIO BRAZOS RD., AZTEC, NM 87410 Phone: (505) 334-5178 Fax: (505) 334-6170

DISTRICT IV 1220 S. ST. FRANCIS DR., SANTA FE, NM 87605 Phone: (505) 476-3460 Fax: (505) 476-3462

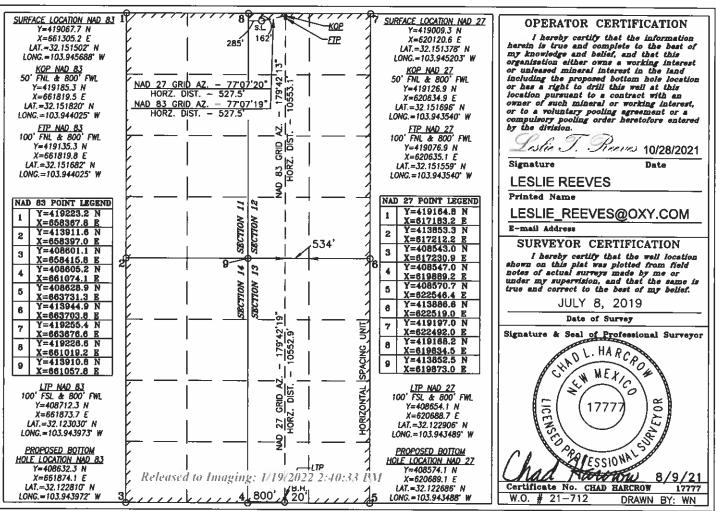
WELL LOCATION AND ACREAGE DEDICATION PLAT API Number Pool Code Pool Name 30-015-47214 98220 PURPLE SAGE WOLFCAMP (GAS) Property Code Property Name Well Number 328295 CORRAL GORGE 12\_13 FEDERAL COM 32H Operator Name OGRID No. Elevation OXY USA INC. 16696 3075.8

### Surface Location

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
D	12	25-S	29-E		162	NORTH	285	WEST	EDDY

### Bottom Hole Location If Different From Surface

UL or lot No.	Section	Townshi	p Range	Lot ldn	Feet from the	North/South line	Feet from the	East/West line	County
M	13	25-	S 29-E		20	SOUTH	800	WEST	EDDY
Dedicated Acres	Joint of	r Infill	Consolidation	Code Or	der No.	·			
1280		-							



DISTRICT I

DISTRICT II 611 S. FIRST ST., ARTESIA, NM 88210 Phone: (676) 748-1283 Faz: (575) 748-9720

State of New Mexico 1825 N. FERNCH DR., HOBBS, NW 86240 Energy, Minerals & Natural Resources Department OIL CONSERVATION DIVISION

1220 SOUTH ST. FRANCIS DR.

WELL LOCATION AND ACDEACE DEDICATION DIAT

Santa Fe, New Mexico 87505

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

M AMENDED REPORT

Released to Imaging: 5/9/2022 4:46:59 PM

08

8/9/21

17777

DISTRICT III 1000 RIO BRAZOS RD., AZTEC, NM 87410 Phone: (505) 334-8178 Fax: (505) 334-6170

DISTRICT IV 1220 S. ST. FRANCIS DR., SANTA FR. NM 87606 Phone: (505) 476-3460 Fax: (505) 476-3462

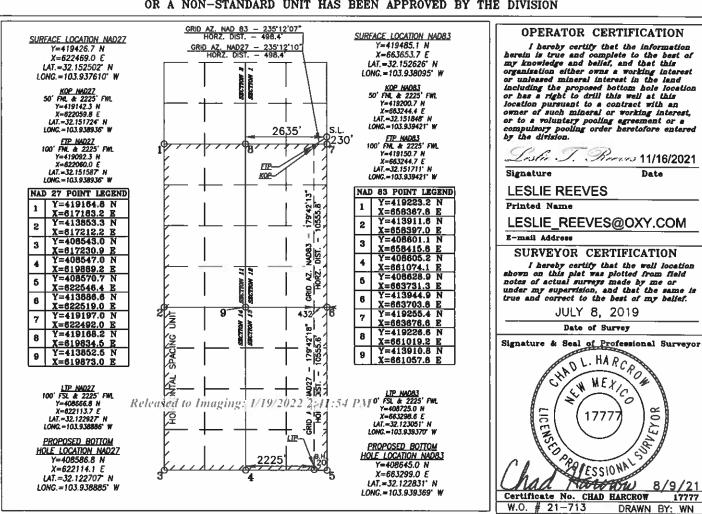
	WELL LOCATION AND	ACREAGE DEDICATION PLAT	
API Number	Pool Code	Pool Name	
30-015-47201	98220	PURPLE SAGE WOLFCAM	MP (GAS)
Property Code	Prop	erty Name	Well Number
328295	CORRAL GORGE 1	2_13 FEDERAL COM	34H
OGRID No.	Oper	ator Name	Elevation
16696	OXY	USA INC.	3110.6'

### Surface Location

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
N	1	25-S	29-E	!	230	SOUTH	2635	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
N	13	25-S	29-E		20	SOUTH	2225	WEST	EDDY
Dedicated Acre	s Joint o	r Infili Co	nsolidation (	Code Or	der No.				
1280				Ì					



DISTRICT I

1925 N. FRENCE DR., HOBBS, NM 88240
FRANCE: (878) 393-4101 Fax: (878) 393-4720

Energy, Minerals & Natural Resources Department

DISTRICT II

OIL CONSERVATION DIVISION

811 S. FIRST ST., ARTESIA, NM 88210
FROM: (578) 748-1283 Fax: (578) 748-9720

1220 SOUTH ST. FRANCIS DR.

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

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

■ AMENDED REPORT

DISTRICT III 1000 RIO BRAZOS RD., AZTEC, NM 87410 Phone: (605) 334-6178 Pax: (606) 334-6170 DISTRICT IV

DISTRICT IV 1200 S. ST. FRANCIS DR., SANTA FR. NM 67506 Phone: (505) 475-3480 Fax: (506) 475-3462

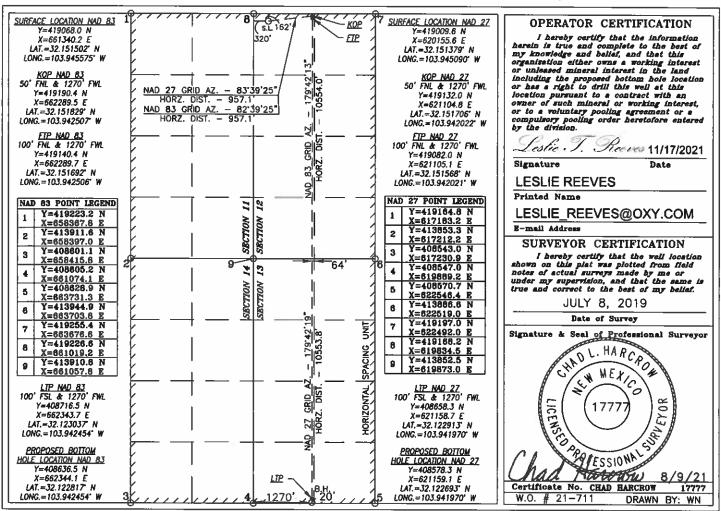
30-015-47215	Pool Code	PURPLE SAGE WOLFCA	
Property Code 328295	•	erty Name 12_13 FEDERAL COM	Well Number 311H
0GRID No. 16696	<u>-</u>	ator Name USA INC.	81evation 3076.1'

### Surface Location

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
D	12	25-S	29-E		162	NORTH	320	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
М	13	25-S	29-E		20	SOUTH	1270	WEST	EDDY
Dedicated Acre	s Joint o	r Infili Co	nsolidation (	Code Or	der No.				







Well Name	Well Number	US Well Number	Lease Number	Case Number	Operator
CORRAL GORGE	34H	300154720100X1		-	OXY USA
CORRAL GORGE	36H	300154720600X1	-	-	OXY USA
CORRAL GORGE	311H	300154721500X1		-	OXY USA
CORRAL GORGE	38H	300154720800X1	-	-	OXY USA
CORRAL GORGE	37H	300154720700X1		-	OXY USA
CORRAL GORGE	31H	300154721200X1	-	-	OXY USA
CORRAL GORGE	32H	300154721400X1		-	OXY USA
CORRAL GORGE	35H	300154720500X1	-	-	OXY USA

### **Notice of Intent**

**Sundry ID: 2660796** 

Type of Submission: Notice of Intent

**Date Sundry Submitted:** 03/08/2022

Date proposed operation will begin: 06/15/2022

Type of Action: Commingling (Surface) and Off-Lease

Measurement

Time Sundry Submitted: 11:43

**Procedure Description:** OXY requests approval according to 43 CFR 3173.14 (a)(1)(iii) to commingle production at the Corral Gorge 12-13 Battery. Commingling will not reduce the individual wells' production value or otherwise negatively affect the royalty revenue of the Federal Government. It is the most effective means of producing the reserves. Justification, lease map and other pertinent information are attached.

# **Surface Disturbance**

Is any additional surface disturbance proposed?: No

# **NOI Attachments**

**Procedure Description** 

CORRAL\_GORGE\_BLM\_SUBMITTAL\_20220308114335.pdf

# **Operator Certification**

I certify that the foregoing is true and correct. Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction. Electronic submission of Sundry Notices through this system satisfies regulations requiring a submission of Form 3160-5 or a Sundry Notice.

Operator Electronic Signature: SANDRA MUSALLAM Signed on: MAR 08, 2022 11:43 AM

Name: OXY USA INCORPORATED

Title: Regulatory Engineer

Street Address: 5 GREENWAY PLAZA, SUITE 110

City: HOUSTON State: TX

Phone: (713) 366-5106

Email address: SANDRA\_MUSALLAM@OXY.COM

# **Field Representative**

**Street Address:** 

City: State: Zip

Phone:

**Email address:** 

### Musallam, Sandra C

From: AFMSS <blm-afmss-notifications@blm.gov>
Sent: Tuesday, March 8, 2022 12:44 PM

To: Musallam, Sandra C

Subject: [EXTERNAL] Well Name: Batch Sundry, Sundry Id: 2660796, Notification of Batch 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: Batch Sundry
 Well Number: Batch Sundry
 US Well Number: Batch Sundry

Sundry ID: 2660796

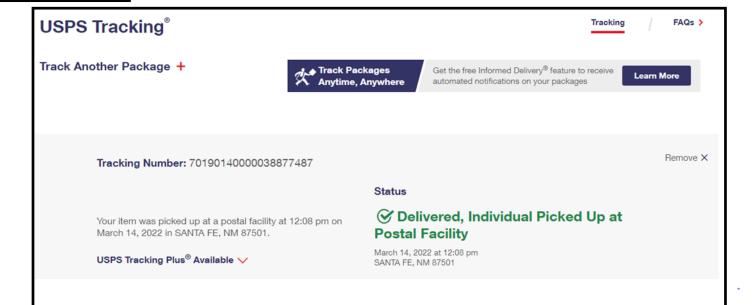
The BLM received your Notice Of Intent, Commingling (Surface) and Off-Lease Measurement sundry on 03/08/2022. This is to notify you that we are processing your sundry.

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

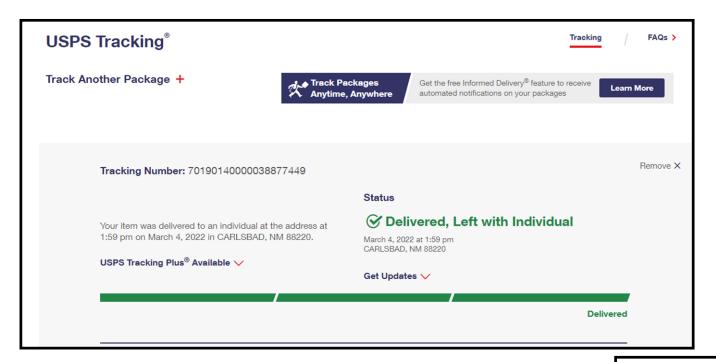
If we need more information we will contact you. Thank you.

This notification is automatically generated. Please do not reply to this message as this account is not monitored.

# CORRAL GORGE Oil Commingle BLM Notification

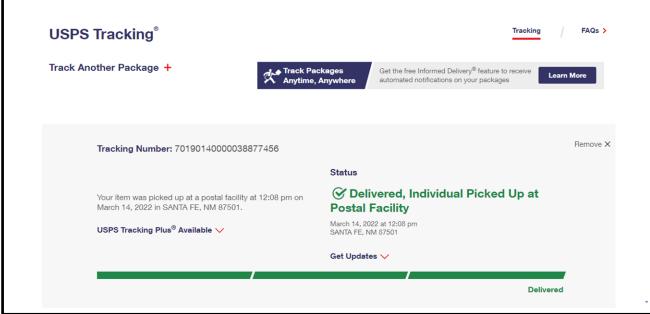


# CORRAL GORGE Oil Commingle SLO Notification



CORRAL GORGE Gas Commingle BLM Notification

CORRAL GORGE Gas Commingle SLO Notification



# Federal Communitization Agreement

Contract N	No.	

THIS AGREEMENT entered into as of the 1st day of November, 2021, by and between the parties subscribing, ratifying, or consenting hereto, such parties being hereinafter referred to as "parties hereto."

### WITNESSETH:

WHEREAS, the Act of February 25, 1920 (41 Stat. 437), as amended and supplemented, authorizes communitization or drilling agreements communitizing or pooling a Federal oil and gas lease, or any portion thereof, with other lands, whether or not owned by the United States, when separate tracts under such Federal lease cannot be independently developed and operated in conformity with an established well-spacing program for the field or area and such communitization or pooling is determined to be in the public interest; and

WHEREAS, the parties hereto own working, royalty or other leasehold interests, or operating rights under the oil and gas leases and lands subject to this agreement which cannot be independently developed and operated in conformity with the well-spacing program established for the field or area in which said lands are located; and

WHEREAS, the parties hereto desire to communitize and pool their respective mineral interests in lands subject to this agreement for the purpose of developing and producing communitized substances in accordance with the terms and conditions of this agreement:

NOW, THEREFORE, in consideration of the premises and the mutual advantages to the parties hereto, it is mutually covenanted and agreed by and between the parties hereto as follows:

The lands covered by this agreement (hereinafter referred to as "communitized 1. area") are described as follows:

### Township 25 South, Range 29 East, N.M.P.M.

Section 11: E/2

Section 12: W/2

Section 13: W/2

Section 14: E/2

**Eddy County, New Mexico** 

Containing 1280.00 acres, and this agreement shall include only the Wolfcamp Formation underlying said lands and the natural gas and associated liquid

- hydrocarbons hereafter referred to as "communitized substances," producible from such formation.
- 2. Attached hereto, and made a part of this agreement for all purposes is Exhibit "A", a plat designating the communitized area and, Exhibit "B", designating the operator of the communitized area and showing the acreage, percentage and ownership of oil and gas interests in all lands within the communitized area, and the authorization, if any, for communitizing or pooling any patented or fee lands within the communitized area.
- 3. The Operator of the communitized area shall be OXY USA INC., 5 Greenway Plaza, Ste. 110, Houston, TX, 77046. All matters of operations shall be governed by the operator under and pursuant to the terms and provisions of this agreement. A successor operator may be designated by the owners of the working interest in the communitized area and four (4) executed copies of a designation of successor operator shall be filed with the Authorized Officer.
- 4. Operator shall furnish the Secretary of the Interior, or his authorized representative, with a log and history of any well drilled on the communitized area, monthly reports of operations, statements of oil and gas sales and royalties and such other reports as are deemed necessary to compute monthly the royalty due the United States, as specified in the applicable oil and gas operating regulations.
- 5. The communitized area shall be developed and operated as an entirety, with the understanding and agreement between the parties hereto that all communitized substances produced there from shall be allocated among the leaseholds comprising said area in the proportion that the acreage interest of each leasehold bears to the entire acreage interest committed to this agreement.
  - All proceeds, 8/8ths, attributed to unleased Federal or Indian lands included within the CA area are to be paid into the appropriate Unleased Lands Account or Indian Trust Account by the designated operator until the land is leased or ownership is established.
- 6. The royalties payable on communitized substances allocated to the individual leases comprising the communitized area and the rentals provided for in said leases shall be determined and paid on the basis prescribed in each of the individual leases. Payments of rentals under the terms of leases subject to this agreement shall not be affected by this agreement except as provided for under the terms and provisions of said leases or as may herein be otherwise provided. Except as herein modified and changed, the oil and gas leases subject to this agreement shall remain in full force and effect as originally made and issued. It is agreed that for any Federal lease bearing a sliding- or step-scale rate of royalty, such rate shall be determined separately as to production from each communitization agreement to which such lease may be committed, and separately as to any noncommunitized lease production, provided, however, as to leases where the rate of royalty for gas is based

on total lease production per day, such rate shall be determined by the sum of all communitized production allocated to such a lease plus any noncommunitized lease production.

- 7. There shall be no obligation on the lessees to offset any well or wells completed in the same formation as covered by this agreement on separate component tracts into which the communitized area is now or may hereafter be divided, nor shall any lessee be required to measure separately communitized substances by reason of the diverse ownership thereof, but the lessees hereto shall not be released from their obligation to protect said communitized area from drainage of communitized substances by a well or wells which may be drilled offsetting said area.
- 8. The commencement, completion, continued operation, or production of a well or wells for communitized substances on the communitized area shall be construed and considered as the commencement, completion, continued operation, or production on each and all of the lands within and comprising said communitized area, and operations or production pursuant to this agreement shall be deemed to be operations or production as to each lease committed hereto.
- 9. Production of communitized substances and disposal thereof shall be in conformity with allocation, allotments, and quotas made or fixed by any duly authorized person or regulatory body under applicable Federal or State statutes. This agreement shall be subject to all applicable Federal and State laws or executive orders, rules and regulations, and no party hereto shall suffer a forfeiture or be liable in damages for failure to comply with any of the provisions of this agreement if such compliance is prevented by, or if such failure results from, compliance with any such laws, orders, rules or regulations.
- 10. The date of this agreement is November 1, 2021, and it shall become effective as of this date or from the onset of production of communitized substances, whichever is earlier upon execution by the necessary parties, notwithstanding the date of execution, and upon approval by the Secretary of the Interior or by his duly authorized representative, and shall remain in force and effect for a period of 2 years and for as long as communitized substances are, or can be, produced from the communitized area in paying quantities: Provided, that prior to production in paying quantities from the communitized area and upon fulfillment of all requirements of the Secretary of the Interior, or his duly authorized representative. with respect to any dry hole or abandoned well, this agreement may be terminated at any time by mutual agreement of the parties hereto. This agreement shall not terminate upon cessation of production if, within 60 days thereafter, reworking or drilling operations on the communitized area are commenced and are thereafter conducted with reasonable diligence during the period of nonproduction. The 2year term of this agreement will not in itself serve to extend the term of any Federal lease which would otherwise expire during said period.

- 11. The covenants herein shall be construed to be covenants running with the land with respect to the communitized interests of the parties hereto and their successors in interests until this agreement terminates and any grant, transfer, or conveyance of any such land or interest subject hereto, whether voluntary or not, shall be and hereby is conditioned upon the assumption of all obligations hereunder by the grantee, transferee, or other successor in interest, and as to Federal land shall be subject to approval by the Secretary of the Interior, or his duly authorized representative.
- 12. It is agreed between the parties hereto that the Secretary of the Interior, or his duly authorized representative, shall have the right of supervision over all Fee and State mineral operations within the communitized area to the extent necessary to monitor production and measurement, and assure that no avoidable loss of hydrocarbons occur in which the United States has an interest pursuant to applicable oil and gas regulations of the Department of the Interior relating to such production and measurement.
- 13. This agreement shall be binding upon the parties hereto and shall extend to and be binding upon their respective heirs, executors, administrators, successors, and assigns.
- This agreement may be executed in any number of counterparts, no one of which 14. needs to be executed by all parties, or may be ratified or consented to by separate instrument, in writing, specifically referring hereto, and shall be binding upon all parties who have executed such a counterpart, ratification or consent hereto with the same force and effect as if all parties had signed the same document.
- 15. Nondiscrimination. In connection with the performance of work under this agreement, the operator agrees to comply with all the provisions of Section 202(1) to (7) inclusive, of Executive Order 11246 (30F.R. 12319), as amended, which are hereby incorporated by reference in this agreement.

IN WITNESS WHEREOF, the parties hereto have executed this agreement as of the day and year first above written and have set opposite their respective names the date of execution.

**OPERATOR:** 

**OXY USA INC.** 

(Record Title and Working Interest

Owner)

DATE: /-21-2022

Attorneyin

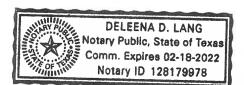
# **ACKNOWLEDGMENT**

STATE OF <u>TEXAS</u>

S

COUNTY OF <u>HARRIS</u>

Notary Public in and for the State of My commission expires 218 22



# **WORKING INTEREST OWNERS** AND/OR LESSEES OF RECORD

	EOG RESOURCES, INC. (Record Title Only)
DATE: 12/2/21	BY:  NAME: Matthew W Smith  TITLE: Agent & Attorney-in: Fact
ACK	KNOWLEDGMENT
STATE OF lexas COUNTY OF Midland	) ) ss)
The foregoing instrument was day of <b>Multhry</b> 2021, by of EOG RESOURCES, INC., a	as acknowledged before me on this the work in Fact elawars forwarthen, on
behalf of said Comporation	- An O I
TRACY JORDAN Notary Public, State of Texas Comm. Expires 10-17-2023 Notary ID 132215654	Notary Public in and for the State of

# WORKING INTEREST OWNERS

AND/OR LESSEES OF RECORD

XTO HOLDINGS, LLC

(Record Title & Working Interest Owner)

DATE: <u>/-/7-2022</u>

BY:
NAME: Angie Repka – Land Manager – Permian

E: Angie Repka – Land Manager – Pe Delaware Basin

TITLE: Attorney-in-Fact

# **ACKNOWLEDGEMENT**

STATE OF TEXAS)

) ss.

**COUNTY OF HARRIS)** 

The foregoing instrument was acknowledged before me on this the \_\_\_\_\_day of <del>December</del>, 2022, by Angie Repka, as Attorney-in-Fact of XTO Holdings, LLC, a Delaware limited liability company, on behalf of said company.



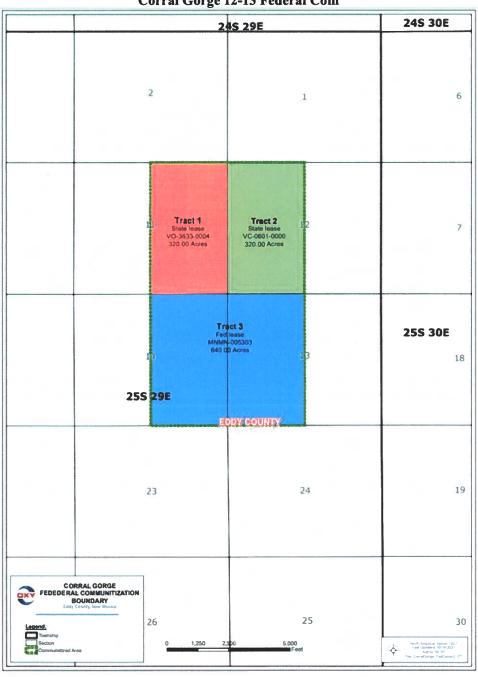
Notary Public, State of Texas

# **EXHIBIT "A"**

Attached to and made a part of that Communitization Agreement dated November 1, 2021.

Plat of communitized area covering 1280.00 acres in Township 25 South, Range 29 East, E/2 of Sections 11 & 14 and W/2 of Sections 12 & 13, N.M.P.M., Eddy County, New Mexico

# Corral Gorge 12-13 Federal Com



### **EXHIBIT "B"**

To Communitization Agreement Dated November 1, 2021 embracing the following described land in Township 25 South, Range 29 East, E/2 of Sections 11 & 14 and W/2 of Sections 12 & 13, N.M.P.M., Eddy County, New Mexico

Operator of Communitized Area: OXY USA INC.

# DESCRIPTION OF LEASES COMMITTED

### Tract No. 1

Lease Serial No.:

VO-3633-0004

**Description of Land Committed:** 

Township 25 South, Range 29 East,

N.M.P.M., Section 11: E/2

Number of Acres:

320.00

Lease Owner:

XTO HOLDINGS, LLC

Name and Percent of WI Owners:

XTO HOLDINGS, LLC......80.000000% OXY USA INC.....<u>20.000000%</u>

100.000000%

## Tract No. 2

Lease Serial Number:

VC-0601-0000

Description of Land Committed:

Township 25 South, Range 29 East,

N.M.P.M., Section 12: W/2

Number of Acres:

320.00

Current Lessee of Record:

OXY USA INC.

Name and Percent of WI Owners:

OXY USA INC.....<u>100.000000%</u>

100.000000%

### Tract No. 3

Lease Serial Number:

NMNM-015303

**Description of Land Committed:** 

Township 25 South, Range 29 East,

N.M.P.M., Section 13: W/2 and Section 14:

E/2

Number of Acres:

640.00

2.5
0
* V
- 1
-
-
5.4
-
∞
90
3
S
3
. 3
0:
D: 3
0:
0:
CD:
v OCD:
y OCD:
y OCD:
y OCD:
by OCD:
by OCD:
by OCD:
1 by OCD:
by OCD:
by OCD:
by OCD:
by OCD:
ved by OCD:
ved by OCD:
ved by OCD:
ved by OCD:
ceived by OCD:
ved by OCD:

Current Lessee of Record:	EOG RESOURCES, INC.
Name and Percent of WI Owners:	XTO HOLDINGS, LLC80.000000% OXY USA INC20.000000% 100.000000%

# **RECAPITULATION**

Tract No.	No. of Acres Committed	Percentage of Interest in Communitized Area
1 .	320.00	25.000%
2	320.00	25.000%
3	<u>640.00</u>	<u>50.000%</u>
Total	1280.00	100.0000%

# Federal Communitization Agreement

Contract No.	
--------------	--

THIS AGREEMENT entered into as of the 1st day of November, 2021, by and between the parties subscribing, ratifying, or consenting hereto, such parties being hereinafter referred to as "parties hereto."

### WITNESSETH:

WHEREAS, the Act of February 25, 1920 (41 Stat. 437), as amended and supplemented, authorizes communitization or drilling agreements communitizing or pooling a Federal oil and gas lease, or any portion thereof, with other lands, whether or not owned by the United States, when separate tracts under such Federal lease cannot be independently developed and operated in conformity with an established well-spacing program for the field or area and such communitization or pooling is determined to be in the public interest; and

WHEREAS, the parties hereto own working, royalty or other leasehold interests. or operating rights under the oil and gas leases and lands subject to this agreement which cannot be independently developed and operated in conformity with the well-spacing program established for the field or area in which said lands are located; and

WHEREAS, the parties hereto desire to communitize and pool their respective mineral interests in lands subject to this agreement for the purpose of developing and producing communitized substances in accordance with the terms and conditions of this agreement:

NOW, THEREFORE, in consideration of the premises and the mutual advantages to the parties hereto, it is mutually covenanted and agreed by and between the parties hereto as follows:

1. The lands covered by this agreement (hereinafter referred to as "communitized area") are described as follows:

### Township 25 South, Range 29 East, N.M.P.M.

Section 12: E/2 Section 13: E/2

**Eddy County, New Mexico** 

Containing 640.00 acres, and this agreement shall include only the Wolfcamp Formation underlying said lands and the natural gas and associated liquid hydrocarbons hereafter hereafter referred to as "communitized substances." producible from such formation.

- 2. Attached hereto, and made a part of this agreement for all purposes is Exhibit "A", a plat designating the communitized area and, Exhibit "B", designating the operator of the communitized area and showing the acreage, percentage and ownership of oil and gas interests in all lands within the communitized area, and the authorization, if any, for communitizing or pooling any patented or fee lands within the communitized area.
- 3. The Operator of the communitized area shall be OXY USA INC., 5 Greenway Plaza, Ste. 110, Houston, TX, 77046. All matters of operations shall be governed by the operator under and pursuant to the terms and provisions of this agreement. A successor operator may be designated by the owners of the working interest in the communitized area and four (4) executed copies of a designation of successor operator shall be filed with the Authorized Officer.
- 4. Operator shall furnish the Secretary of the Interior, or his authorized representative, with a log and history of any well drilled on the communitized area, monthly reports of operations, statements of oil and gas sales and royalties and such other reports as are deemed necessary to compute monthly the royalty due the United States, as specified in the applicable oil and gas operating regulations.
- 5. The communitized area shall be developed and operated as an entirety, with the understanding and agreement between the parties hereto that all communitized substances produced there from shall be allocated among the leaseholds comprising said area in the proportion that the acreage interest of each leasehold bears to the entire acreage interest committed to this agreement.
  - All proceeds, 8/8ths, attributed to unleased Federal or Indian lands included within the CA area are to be paid into the appropriate Unleased Lands Account or Indian Trust Account by the designated operator until the land is leased or ownership is established.
- 6. The royalties payable on communitized substances allocated to the individual leases comprising the communitized area and the rentals provided for in said leases shall be determined and paid on the basis prescribed in each of the individual leases. Payments of rentals under the terms of leases subject to this agreement shall not be affected by this agreement except as provided for under the terms and provisions of said leases or as may herein be otherwise provided. Except as herein modified and changed, the oil and gas leases subject to this agreement shall remain in full force and effect as originally made and issued. It is agreed that for any Federal lease bearing a sliding- or step-scale rate of royalty, such rate shall be determined separately as to production from each communitization agreement to which such lease may be committed, and separately as to any noncommunitized lease production, provided, however, as to leases where the rate of royalty for gas is based on total lease production per day, such rate shall be determined by the sum of all communitized production allocated to such a lease plus any noncommunitized lease production.

- 7. There shall be no obligation on the lessees to offset any well or wells completed in the same formation as covered by this agreement on separate component tracts into which the communitized area is now or may hereafter be divided, nor shall any lessee be required to measure separately communitized substances by reason of the diverse ownership thereof, but the lessees hereto shall not be released from their obligation to protect said communitized area from drainage of communitized substances by a well or wells which may be drilled offsetting said area.
- 8. The commencement, completion, continued operation, or production of a well or wells for communitized substances on the communitized area shall be construed and considered as the commencement, completion, continued operation, or production on each and all of the lands within and comprising said communitized area, and operations or production pursuant to this agreement shall be deemed to be operations or production as to each lease committed hereto.
- 9. Production of communitized substances and disposal thereof shall be in conformity with allocation, allotments, and quotas made or fixed by any duly authorized person or regulatory body under applicable Federal or State statutes. This agreement shall be subject to all applicable Federal and State laws or executive orders, rules and regulations, and no party hereto shall suffer a forfeiture or be liable in damages for failure to comply with any of the provisions of this agreement if such compliance is prevented by, or if such failure results from, compliance with any such laws, orders, rules or regulations.
- 10. The date of this agreement is November 1, 2021, and it shall become effective as of this date or from the onset of production of communitized substances, whichever is earlier upon execution by the necessary parties, notwithstanding the date of execution, and upon approval by the Secretary of the Interior or by his duly authorized representative, and shall remain in force and effect for a period of 2 years and for as long as communitized substances are, or can be, produced from the communitized area in paying quantities: Provided, that prior to production in paying quantities from the communitized area and upon fulfillment of all requirements of the Secretary of the Interior, or his duly authorized representative, with respect to any dry hole or abandoned well, this agreement may be terminated at any time by mutual agreement of the parties hereto. This agreement shall not terminate upon cessation of production if, within 60 days thereafter, reworking or drilling operations on the communitized area are commenced and are thereafter conducted with reasonable diligence during the period of nonproduction. The 2year term of this agreement will not in itself serve to extend the term of any Federal lease which would otherwise expire during said period.
- 11. The covenants herein shall be construed to be covenants running with the land with respect to the communitized interests of the parties hereto and their successors in interests until this agreement terminates and any grant, transfer, or conveyance of any such land or interest subject hereto, whether voluntary or not, shall be and

hereby is conditioned upon the assumption of all obligations hereunder by the grantee, transferee, or other successor in interest, and as to Federal land shall be subject to approval by the Secretary of the Interior, or his duly authorized representative.

- 12. It is agreed between the parties hereto that the Secretary of the Interior, or his duly authorized representative, shall have the right of supervision over all Fee and State mineral operations within the communitized area to the extent necessary to monitor production and measurement, and assure that no avoidable loss of hydrocarbons occur in which the United States has an interest pursuant to applicable oil and gas regulations of the Department of the Interior relating to such production and measurement.
- 13. This agreement shall be binding upon the parties hereto and shall extend to and be binding upon their respective heirs, executors, administrators, successors, and assigns.
- 14. This agreement may be executed in any number of counterparts, no one of which needs to be executed by all parties, or may be ratified or consented to by separate instrument, in writing, specifically referring hereto, and shall be binding upon all parties who have executed such a counterpart, ratification or consent hereto with the same force and effect as if all parties had signed the same document.
- 15. <u>Nondiscrimination.</u> In connection with the performance of work under this agreement, the operator agrees to comply with all the provisions of Section 202(1) to (7) inclusive, of Executive Order 11246 (30F.R. 12319), as amended, which are hereby incorporated by reference in this agreement.

IN WITNESS WHEREOF, the parties hereto have executed this agreement as of the day and year first above written and have set opposite their respective names the date of execution.

### **OPERATOR:**

OXY USA INC. (Record Title and Working Interest Owner)

DATE: 1-20-2022

Y: James Laning

TITLE: Attorney-In-Fact

# ACKNOWLEDGMENT

STATE OF TEXAS §	
COUNTY OF HARRIS §	
Darray 19099	as acknowledged before me on this the
,	, ,
USA INC., a Delaware corporation,	on behalf of said corporation.
	2 Juliu 7 Od
	Notary Public in and for the State of Texas
	My commission expires 02/18/2022

# WORKING INTEREST OWNERS AND/OR LESSEES OF RECORD

	EOG RESOURCES, INC. (Record Title Only)
DATE: 2/2/2	BY:  NAME: Matthew W Suith  TITLE: Agent Attorney in - Fact
ACK	NOWLEDGMENT
STATE OF <u>lexas</u> COUNTY OF <u>Mulland</u> The foresping instrument we	_) ) ss) 2nd
day of learner, 2021, by Matthew of EOG RESOURCES, INC., a	
behalf of said London  TRACY JORDAN  Notary Public, State of Texas	May Dordan
Comm. Expires 10-17-2023 Notary ID 132215654	Notary Public in and for the State of 1000 My commission expires 17-2023

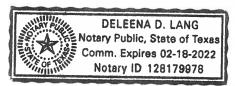
# **WORKING INTEREST OWNERS** AND/OR LESSEES OF RECORD

# **OXY USA WTP LIMITED PARTNERSHIP** (Working Interest Owner)

DATE: 1-20-2022	BY:	
	NAME: James Laning	
	TITE D. Attorney-In-Fact	

# **ACKNOWLEDGMENT**

STATE OF TEXAS §
COUNTY OF HARRIS §
The foregoing instrument was acknowledged before me on this the
day of December 2021, byJAMES LANING, Attorney-in-fact of OXY USA
WTP LIMITED PARTNERSHIP, a Delaware limited partnership.



Notary Public in and for the State of Texas My commission expires 02/18/2022

### WORKING INTEREST OWNERS AND/OR LESSEES OF RECORD

OXY Y-1 COMPANY (Working Interest Owner)

DATE: -20-20	BY:	
	NAME:James Laning /	
	TITLE: Attorney-In-Fact	_
	ACKNOWLEDGMENT	
STATE OF TEXAS	§	

DELEENA D. LANG
Notary Public, State of Texas
Comm. Expires 02-18-2022
Notary ID 128179978

**COUNTY OF HARRIS** 

Notary Public in and for the State of Texas My commission expires 02/18/2022

Released to Imaging: 5/9/2022 4:46:59 PM

### WORKING INTEREST OWNERS

AND/OR LESSEES OF RECORD

XTO HOLDINGS, LLC (Working Interest Owner)

DATE: /-/7-2022

BY:

NAME: Angie Repka – Land Manager – Permian

Delaware Basin

TITLE: Attorney-in-Fact

### **ACKNOWLEDGEMENT**

STATE OF TEXAS)

) ss.

**COUNTY OF HARRIS)** 

The foregoing instrument was acknowledged before me on this the \_\_\_\_\_day of January, 2022, by Angie Repka, as Attorney-in-Fact of XTO Holdings, LLC, a Delaware limited liability company, on behalf of said company.



Notary Public, State of Texas

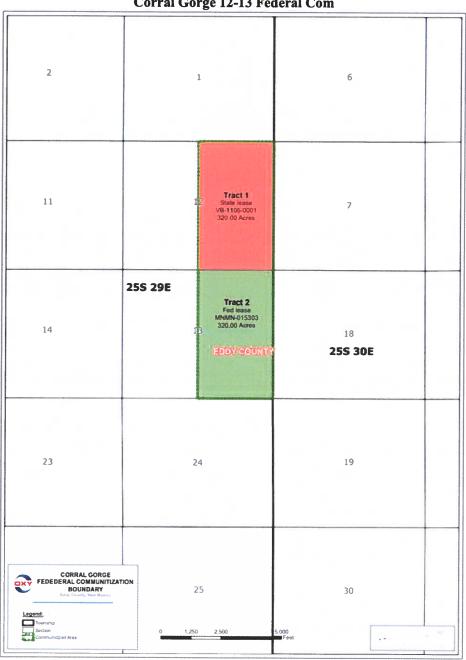
Released to Imaging: 5/9/2022 4:46:59 PM

### **EXHIBIT "A"**

Attached to and made a part of that Communitization Agreement dated November 1, 2021.

Plat of communitized area covering 640.00 acres in Township 25 South, Range 29 East, E/2 of Sections 12 & 13, N.M.P.M., Eddy County, New Mexico

**Corral Gorge 12-13 Federal Com** 



### **EXHIBIT "B"**

To Communitization Agreement Dated November 1, 2021 embracing the following described land in Township 25 South, Range 29 East, E/2 of Sections 12 & 13, N.M.P.M., Eddy County, New Mexico

Operator of Communitized Area: OXY USA INC.

### **DESCRIPTION OF LEASES COMMITTED**

### Tract No. 1

Lease Serial No.:

VB-1105-0001

Description of Land Committed:

Township 25 South, Range 29 East,

N.M.P.M., Section 12: E/2

Number of Acres:

320.00

Lease Owner:

OXY USA INC.

Name and Percent of WI Owners:

OXY Y-1 COMPANY......66.179258% OXY USA INC......32.3115042% OXY USA WTP LP.....<u>1.5092378%</u>

100.000000%

### Tract No. 2

Lease Serial Number:

NMNM-015303

Description of Land Committed:

Township 25 South, Range 29 East,

N.M.P.M., Section 13: E/2

Number of Acres:

320.00

Current Lessee of Record:

EOG RESOURCES, INC.

Name and Percent of WI Owners:

OXY USA INC.....82.000000% OXY Y-1 COMPNAY......18.000000%

100.000000%

Released to Imaging: 5/9/2022 4:46:59 PM

## RECAPITULATION

Tract No.	No. of Acres Committed	Percentage of Interest in Communitized Area
1	320.00	50.000%
2	<u>320.00</u>	<u>50.000%</u>
Total	640.00	100.0000%

From: Engineer, OCD, EMNRD

To: <u>Musallam, Sandra C</u>; <u>Schenkel, Beth V</u>

Cc: McClure, Dean, EMNRD; Wrinkle, Justin, EMNRD; Powell, Brandon, EMNRD; lisa@rwbyram.com; Glover, James; Paradis,

Kyle O; Walls, Christopher; Dawson, Scott

Subject:Approved Administrative Order CTB-1038Date:Monday, May 9, 2022 4:24:37 PM

Attachments: CTB1038 Order.pdf

NMOCD has issued Administrative Order CTB-1038 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
30-015-47205	Corral Gorge 12 13 Federal Com	E/2	12-25S-29E	00220
30-015-4/205	#35H	<b>E/2</b>	13-25S-29E	98220
20.015.47206	Corral Gorge 12 13 Federal Com	E/2	12-25S-29E	00220
30-015-47206	#36H	<b>E/2</b>	13-25S-29E	98220
30-015-47207	Corral Gorge 12 13 Federal Com	E/2	12-25S-29E	98220
30-015-4/20/	#37H	<b>E/2</b>	13-25S-29E	90220
30-015-47208	Corral Gorge 12 13 Federal Com	E/2	12-25S-29E	98220
30-013-4/206	#38H	<b>E/2</b>	13-25S-29E	90220
		E/2	11-25S-29E	
30-015-47212	Corral Gorge 12 13 Federal Com	W/2	12-25S-29E	98220
30-015-4/212	#31H	W/2	13-25S-29E	96220
		<b>E/2</b>	14-25S-29E	
		E/2	11-25S-29E	
30-015-47214	Corral Gorge 12 13 Federal Com	W/2	12-25S-29E	98220
30-015-4/214	#32H	W/2	13-25S-29E	96220
		<b>E/2</b>	14-25S-29E	
		E/2	11-25S-29E	
30-015-47201	Corral Gorge 12 13 Federal Com	W/2	12-25S-29E	98220
30-015-4/201	#34H	W/2	13-25S-29E	90220
		<b>E/2</b>	14-25S-29E	
		E/2	11-25S-29E	
30-015-47215	Corral Gorge 12 13 Federal Com	W/2	12-25S-29E	98220
30-013-4/213	#311H	W/2	13-25S-29E	70220
		<b>E/2</b>	14-25S-29E	

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

From: <u>Musallam, Sandra C</u>
To: <u>McClure, Dean, EMNRD</u>

**Subject:** [EXTERNAL] RE: surface commingling application CTB-1038

**Date:** Thursday, April 28, 2022 12:51:57 PM

Attachments: BLM & SLO Notification.pdf

CAUTION: This email originated outside of our organization. Exercise caution prior to clicking on links or opening attachments.

Hello Mr. McClure,

The only other owners in the Corral Gorge wells are BLM and SLO. Attached is confirmation of USPS delivery of the oil commingle permit.

Thank you,

Sandra Musallam Regulatory Engineer – Compliance Lead 713-366-5106 (office) 713-504-8577 (cell)

From: McClure, Dean, EMNRD < Dean. McClure@state.nm.us>

Sent: Thursday, April 28, 2022 12:36 PM

**To:** Musallam, Sandra C <Sandra\_Musallam@oxy.com>

**Subject:** [EXTERNAL] surface commingling application CTB-1038

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

Ms. Musallam,

I am reviewing surface commingling application CTB-1038 which involves a commingling project that includes the Corral Gorge 12 13 Battery and is operated by Oxy USA, Inc. (16696).

Please provide a list of persons noticed of this application including the certified tracking numbers.

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-1038

### **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 oil production from the pools, leases, and wells identified in Exhibit A ("Application").
- 2. Applicant proposed a method to allocate the oil 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 oil 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, oil production from wells which have not yet been approved to be drilled, but will produce from a pool and lease identified in Exhibit A.
- 8. Applicant submitted or intends to submit one or more proposed communitization agreement(s) ("Proposed Agreement(s)") to the BLM or NMSLO, as applicable, identifying the acreage of each lease to be consolidated into a single pooled area ("Pooled Area"), as described in Exhibit B.

Order No. CTB-1038 Page 1 of 5

### **CONCLUSIONS OF LAW**

- 9. 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.
- 10. 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.
- 11. 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.
- 12. 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.
- 13. Commingling of oil 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.
- 14. 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.
- 15. 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 oil production from the pools, leases, and wells identified in Exhibit A.

Applicant is authorized to store and measure oil 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 oil 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 oil 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. For each Pooled Area described in Exhibit B, Applicant shall submit a Proposed Agreement to the BLM or NMSLO, as applicable, prior to commencing oil production. If Applicant fails to submit the Proposed Agreement, this Order shall terminate on the following day.

No later than sixty (60) days after the BLM or NMSLO approves or denies a Proposed Agreement, Applicant shall submit a Form C-103 to OCD with a copy of the decision and a description of the approved lands, as applicable. If Applicant withdraws or the BLM or

Order No. CTB-1038 Page 2 of 5

NMSLO denies a Proposed Agreement, this Order shall terminate on the date of such action, and Applicant shall cease commingling the production from the Pooled Area. If the BLM or NMSLO approves but modifies the Proposed Agreement(s), Applicant shall comply with the approved Agreement(s), and no later than sixty (60) days after such decision, Applicant shall submit a new surface commingling application to OCD to conform this Order with the approved Agreement(s). If Applicant fails to submit the new surface commingling application or OCD denies the new surface commingling application, this Order shall terminate on the date of such action.

Applicant shall allocate the oil production to each lease within a Pooled Area in proportion to the acreage that each lease bears to the entire acreage of the Pooled Area described in Exhibit B until the Proposed Agreement which includes the Pooled Area is approved. After the Proposed Agreement is approved, the oil production from the Pooled Area shall be allocated as required by the BLM's or NMSLO's, as applicable, approval of the Agreement, including any production that had been allocated previously in accordance with this Order.

- 3. The allocation of oil 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 oil 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.
- 4. The allocation of oil production shall be based on the production life of each well as measured for three periods: (a) the initial production period shall be measured from the first production until the earlier of either the peak production rate or thirty (30) days after the first production; (b) the plateau period shall be measured from the end of the initial production period to the peak decline rate; and (c) the decline period shall be measured from the end of the plateau period until the well is plugged and abandoned.

During the initial production period, the oil production for each well identified in Exhibit A shall be allocated using a production curve calculated from a minimum of ten (10) well tests per month, except that any day in which a well test cannot achieve an accurate result due to a temporary change in oil production shall not be included in the computation of time determining the well test schedule. The production curve shall be calculated by interpolating daily production for each day using the known daily production obtained by well tests and shall use a method of interpolation that is at minimum as accurate as maintaining a constant rate of change for each day's production between the known daily production values.

During the plateau period, the oil production for each well identified in Exhibit A shall be allocated using a minimum of three (3) well tests per month.

During the decline period, the oil production for each well identified in Exhibit A shall be allocated as follows: (a) a minimum of three (3) well tests per month when the decline rate is greater than twenty-two percent (22%) per month; (b) a minimum of two (2) well tests per

Order No. CTB-1038 Page 3 of 5

month when the decline rate is between twenty-two percent (22%) and ten percent (10%) per month; and (c) a minimum of one (1) well test per month when the decline rate is less than ten percent (10%) per month.

Upon OCD's request, Applicant shall submit a Form C-103 to the OCD Engineering Bureau that contains the decline rate curve and other relevant information demonstrating the production life of a well.

Applicant shall conduct a well test by separating and metering the oil production from that well for either (a) a minimum of twenty-four (24) consecutive hours; or (b) a combination of nonconsecutive periods that meet the following conditions: (i) each period shall be a minimum of six (6) hours; and (ii) the total duration of the nonconsecutive periods shall be a minimum of eighteen (18) hours.

The well test requirements of this Order shall be suspended for any well shut-in for a period that continues for more than fifteen (15) days until the well commences production.

- 5. Applicant shall measure and market the commingled oil at a central tank battery described in Exhibit A in accordance with this Order and 19.15.18.15. NMAC or 19.15.23.8. NMAC.
- 6. Applicant shall calibrate the meters used to measure or allocate oil production in accordance with 19.15.12.10.C.(2) NMAC.
- 7. If the commingling of oil production from any pool, lease, or well reduces the value of the commingled oil 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 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, provided the pools, leases, and subsequently drilled wells are within the identified parameters included in the Application.
- 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, proposed method to determine the allocation of oil production to it, and the location(s) that commingling of its production will occur.
- 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.

Order No. CTB-1038 Page 4 of 5

- 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.

**DATE:** <u>5/09/2022</u>

STATE OF NEW MEXICO OIL CONSERVATION DIVISION

ADRIENNE E. SANDOVAL DIRECTOR

Order No. CTB-1038 Page 5 of 5

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

### Exhibit A

Order: CTB-1038

Operator: Oxy USA, Inc. (16696)

Central Tank Battery: Corral Gorge 12 13 Battery

Central Tank Battery Location: UL G, Section 2, Township 25 South, Range 29 East

**Gas Title Transfer Meter Location:** 

### **Pools**

Pool Name Pool Code
PURPLE SAGE; WOLFCAMP (GAS) 98220

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

Leases as defined in 17.13.12.7(C) 1.11111C		
Lease	UL or Q/Q	S-T-R
VB 11050002	<b>E/2</b>	12-25S-29E
VC 06010001	W/2	12-25S-29E
VO 36330004	<b>E/2</b>	11-25S-29E
NMNM 015303	All	13-25S-29E
NIVINIVI 013303	<b>E/2</b>	14-25S-29E

### Wells

Well API	Well Name	UL or Q/Q	S-T-R	Pool
30-015-47205	Corral Gorge 12 13 Federal Com #35H	E/2	12-25S-29E	98220
30-013-47203	Corrar Gorge 12 13 rederar Com #3311	<b>E/2</b>	13-25S-29E	90220
30-015-47206	Corral Gorge 12 13 Federal Com #36H	<b>E/2</b>	12-25S-29E	98220
30-013-47200	Corrai Gorge 12 13 Federal Com #3011	<b>E/2</b>	13-25S-29E	90220
30-015-47207	Corral Gorge 12 13 Federal Com #37H	<b>E/2</b>	12-25S-29E	98220
30-013-47207	Corrar Gorge 12 13 rederar Com #3711	<b>E/2</b>	13-25S-29E	90220
30-015-47208	Corral Gorge 12 13 Federal Com #38H	<b>E/2</b>	12-25S-29E	98220
30-013-47200	Corrai Gorge 12 13 Federal Com #3811	<b>E/2</b>	13-25S-29E	90220
		<b>E/2</b>	11-25S-29E	
30-015-47212	Corral Gorge 12 13 Federal Com #31H	W/2	12-25S-29E	98220
30-013-47212		W/2	13-25S-29E	90220
		<b>E/2</b>	14-25S-29E	
		<b>E/2</b>	11-25S-29E	
30-015-47214	Corral Gorge 12 13 Federal Com #32H	W/2	12-25S-29E	98220
30-013-4/214	Corrai Gorge 12 13 Federal Com #32H	W/2	13-25S-29E	90220
		<b>E/2</b>	14-25S-29E	
		<b>E/2</b>	11-25S-29E	
30-015-47201	Convol Congo 12 12 Endaval Com #24U	W/2	12-25S-29E	98220
30-013-4/201	Corral Gorge 12 13 Federal Com #34H	W/2	13-25S-29E	90220
		<b>E/2</b>	14-25S-29E	
		<b>E/2</b>	11-25S-29E	
30-015-47215	Corral Gorge 12 13 Federal Com #311H	W/2	12-25S-29E	98220
30-013-4/213		W/2	13-25S-29E	70440
		<b>E/2</b>	14-25S-29E	

**Pooled Area** 

**Pooled** 

Area ID

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

### Exhibit B

Order: CTB-1038

Operator: Oxy USA, Inc. (16696)

<b>Pooled Areas</b>		
UL or Q/Q	S-T-R	Acres
E/2	12-25S-29E	

CA Wolfcamp NMNM 144359 640  $\mathbf{A}$ E/213-25S-29E E/211-25S-29E W/212-25S-29E CA Wolfcamp NMNM 144358 1280 B W/213-25S-29E E/214-25S-29E

### **Leases Comprising Pooled Areas**

Lease	UL or Q/Q	S-T-R	Acres	Pooled Area ID
VB 11050002	E/2	12-25S-29E	320	A
NMNM 015303	E/2	13-25S-29E	320	A
VO 36330004	E/2	11-25S-29E	320	В
VC 06010001	W/2	12-25S-29E	320	В
NIMANINA 015202	W/2	13-25S-29E	(40	D
NMNM 015303	F/2	14-25S-20F	640	В

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

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 88364

### **CONDITIONS**

Operator:	OGRID:	
OXY USA INC	16696	
P.O. Box 4294	Action Number:	
Houston, TX 772104294	88364	
	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.	5/9/2022