District I

1625 N. French Drive, Hobbs, NM 88240

District II

811 S. First St., Artesia, NM 88210

District III

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

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.

Form C-107-B

APPLICATIO:	N FOR SURFACE	COMMINGLING	(DIVERSE	OWNERSHIP)					
OPERATOR NAME: OXY	USA INC.								
OPERATOR ADDRESS: PO B	OX 4294, HOUSTON, T	X, 77210							
APPLICATION TYPE:									
☐ Pool Commingling ☐ Lease Comming	gling Pool and Lease Co	mmingling	Storage and Measur	rement (Only if not Surface	e Commingled)				
LEASE TYPE:	State	eral							
Is this an Amendment to existing Or			the appropriate C	Order No.					
Have the Bureau of Land Manageme ☐ Yes ☐ No					ingling				
		OL COMMINGLIN ts with the following in							
(1) Pool Names and Codes	Gravities / BTU of Non-Commingled Production	Calculated Gravities / BTU of Commingled Production		Calculated Value of Commingled Production	Volumes				
(2) Are any wells producing at top allowables? ☐ Yes ☐ No (3) Has all interest owners been notified by certified mail of the proposed commingling? ☐ Yes ☐ No. (4) Measurement type: ☐ Metering ☐ Other (Specify) (5) Will commingling decrease the value of production? ☐ Yes ☐ No If "yes", describe why commingling should be approved									
(B) LEASE COMMINGLING Please attach sheets with the following information									
(1) Pool Name and Code. (2) Is all production from same source of supply? Yes No (3) Has all interest owners been notified by certified mail of the proposed commingling? Yes No (4) Measurement type: Metering Other (Specify)									
(1) Complete Sections A and E.		LEASE COMMIN							
(1) Complete Sections 74 and E.									
	(D) OFF-LEASE ST	TORAGE and MEA ets with the following							
(1) Is all production from same source									
(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	re is true and complete to the	e best of my knowledge an	d belief.						
SIGNATURE: Wouldn't Son Q	T	ITLE:_REGULATORY E	ENGINEER	DATE:06/0	09/2022				
TYPE OR PRINT NAME_BETH SCH	ENKEL	T	ELEPHONE NO.:	713-497-2055					
E-MAII ADDRESS: BETH SCHEN	KFL @OXY COM								

RECEIVED:	REVIEWER:	TYPE:	APP NO:	
	- Geologia	above this table for occid to OIL CONSERVA cal & Engineering ancis Drive, Santo	ATION DIVISION g Bureau –	STEP SEED OF SEED SEED SEED SEED SEED SEED SEED SEE
	ADMINISTR	ATIVE APPLICATION	ON CHECKLIST	
THIS	CHECKLIST IS MANDATORY FOR AL REGULATIONS WHICH RE	l administrative applica Quire processing at the		
Applicant: OXY US	SA INC.			Number: <u>16696</u>
	OS CC 9 4 FEDERAL COM 33H &	MULTIPLE		015-47193 & MULTIPLE
Pool: PURPLE SAGE;	WOLFCAMP (GAS)		Pool C	ode: <u>98220</u>
SUBMIT ACCUR	RATE AND COMPLETE INF	ORMATION REQUI	RED TO PROCESS T	HE TYPE OF APPLICATION
		INDICATED BELC)W	
A. Location	.ICATION: Check those in — Spacing Unit — Simult NSL NSP(FR	aneous Dedicatio	n	D
[nmingling – Storage – M DHC	_C □PC □C ire Increase – Enha	anced Oil Recover	FOR OCD ONLY
A. Offse B. Roya C. Appl D. Notifi E. Surfa	N REQUIRED TO: Check toperators or lease hole alty, overriding royalty over ication requires published cation and/or concurred cation and/or concurred ce owner above, proof or the above.	ders wners, revenue ow ed notice ent approval by SL ent approval by BL	ners WIO ONLY O M	Notice Complete Application Content Complete
3) CERTIFICATIO administrative understand the	otice required N: I hereby certify that a paperoval is accurate a hat no action will be taked are submitted to the Div	and complete to t ken on this applice	he best of my kno	wledge. I also
	Note: Statement must be comple		managerial and/or supe	ervisory capacity.
•				
			06/09/2022	
BETH SCHENKEL, RE	GULATORY ENGINEER		Date	
Print or Type Name			713-497-2055 Phone Number	
Gd . Illalle	5 0			
Signature	m		BETH_SCHENKER e-mail Address	L@OXY.COM

APPLICATION FOR OFF-LEASE MEASUREMENT, STORAGE AND SALES Oil Commingling proposal for the Heads Wells at Whomping Willow Battery Train #3

OXY USA INC requests approval of off-lease measurement, storage and sales for oil production from the wells listed below at the Whomping Willow Battery Train #3 (F 15 T24S R29E).

This OLM request also includes future wells within the same pools and leases/CAs of wells listed below.

Pool: Purple Sage; Wolfcamp (98220)

CA Pending Approval

68.7% NMNM 099034 (BLM 12.5%), 6.25% NMNM 119754 (BLM 12.5%), 25% Fee

WELL	API	SURFACE LOCATION	POOL CODE	POOL	EST DATE ONLINE	EST OIL (BOPD)	EST GRAVITY API	EST GAS (MCFPD)	EST BTU/CF	EST WATER (BWPD)
HEADS CC 9 4 FEDERAL COM 31H	30-015-47189	M-9-24S-29E	98220	PURPLE SAGE; WOLFCAMP (GAS)	Jul-2022	2016	44.4	5572	1310	6008
HEADS CC 9 4 FEDERAL COM 32H	30-015-47229	M-9-24S-29E	98220	PURPLE SAGE; WOLFCAMP (GAS)	Jul-2022	2016	44.4	5572	1310	6008
HEADS CC 9 4 FEDERAL COM 33H	30-015-47193	M-9-24S-29E	96473	PURPLE SAGE; WOLFCAMP (GAS)	Jul-2022	1074	44	2166	1290	2153
HEADS CC 9 4 FEDERAL COM 36H	30-015-47231	B-16-24S-29E	98220	PURPLE SAGE; WOLFCAMP (GAS)	Jul-2022	2016	44.4	5572	1310	6008
HEADS CC 9 4 FEDERAL COM 38H	30-015-47587	B-16-24S-29E	98220	PURPLE SAGE; WOLFCAMP (GAS)	Jul-2022	2016	44.4	5572	1310	6008
HEADS CC 9 4 FEDERAL COM 312H	30-015-47340	B-16-24S-29E	96473	PURPLE SAGE; WOLFCAMP (GAS)	Jul-2022	1074	44	2166	1290	2153

Production estimates are average of first 6-month volumes

Process Description:

Production flows to one of two 8' x 20' three-phase production separators. Oil flows through a heat exchanger followed by a three phase stabilizer. It is then pumped through a LACT, which is the sales meter for royalty payment.

Oil and gas production will be allocated back to each well based on well test. For testing purposes, there are two permanent 6' x 20' three-phase test separators. Each test vessel will be equipped with oil turbine meters, gas orifice meters and water turbine meters.

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 flows through an orifice meter off the three-phase separators. The meters are sales quality and continuously measure volumes. These meters serve as the final royalty allocation point for gas. A separate gas commingle will be filed for these wells per PLC 750C.

All water will be sent to the Cedar Canyon Water Disposal System.

Meters will be proved and calibrated according to current API, NMOCD and BLM standards.

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.

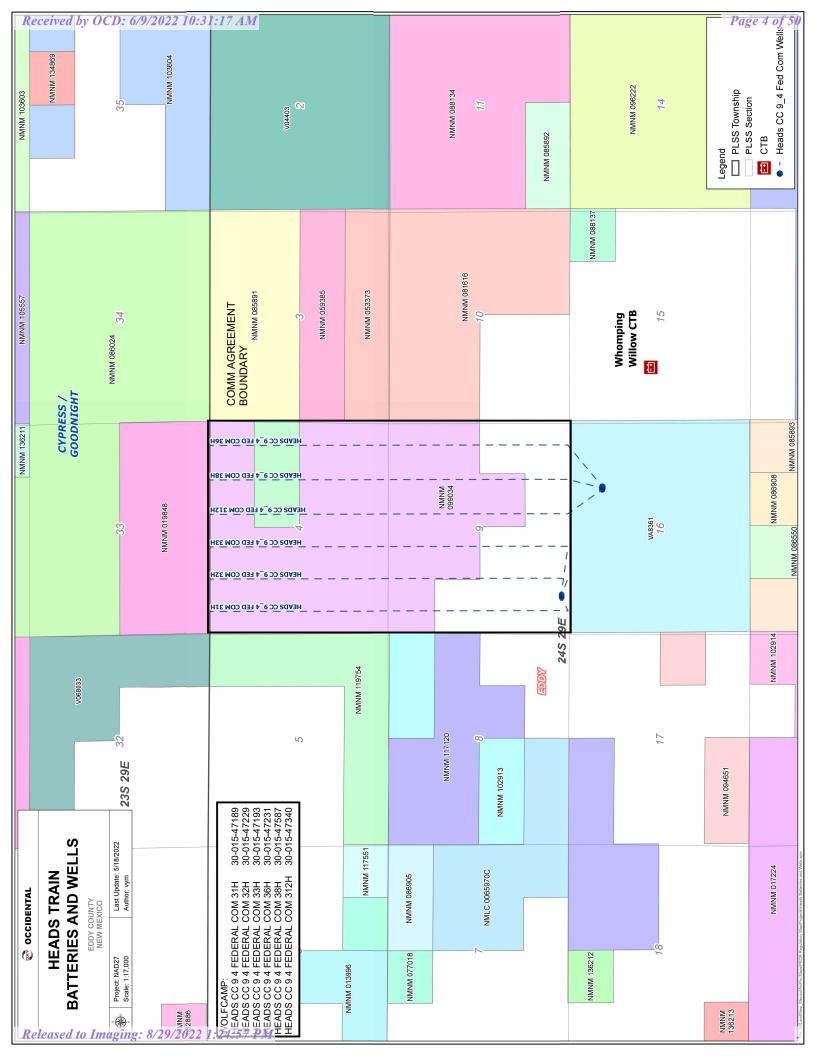
The oil meters will be calibrated on a regular basis per API, NMOCD and BLM specifications.

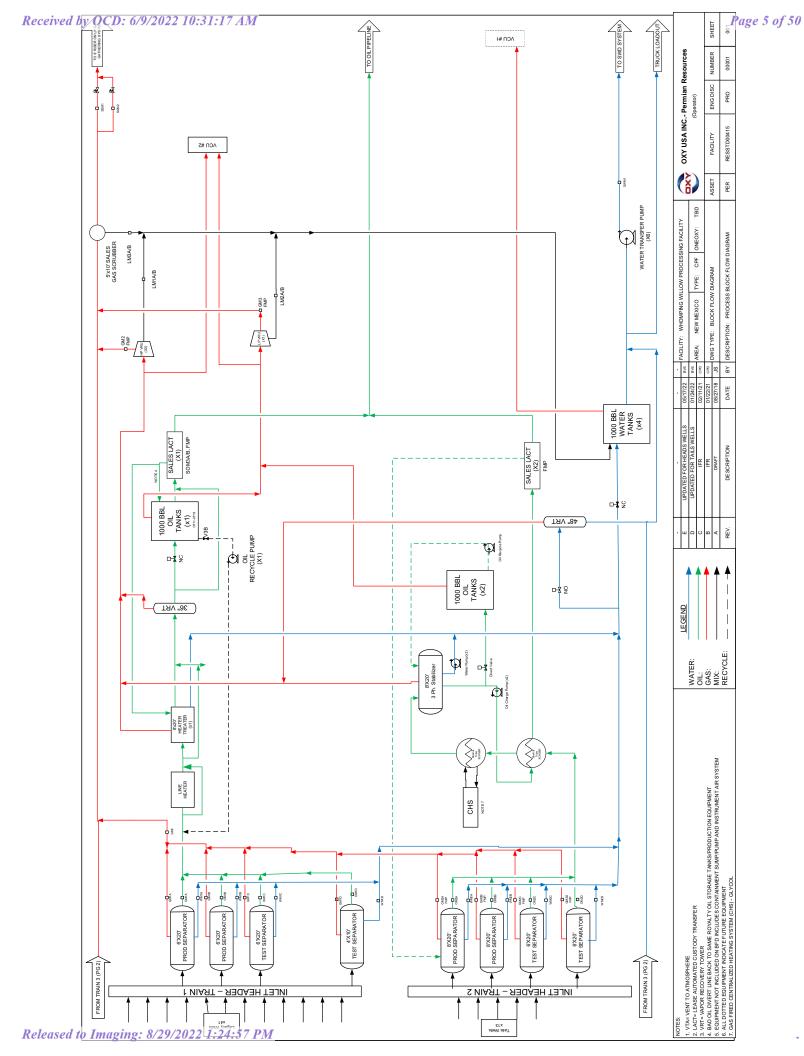
Pursuant to Statewide rule 19.15.12.10(C)(4)(g) OXY USA INC requests the option to include additional pools or leases within the defined parameters set forth in the Order for future additions.

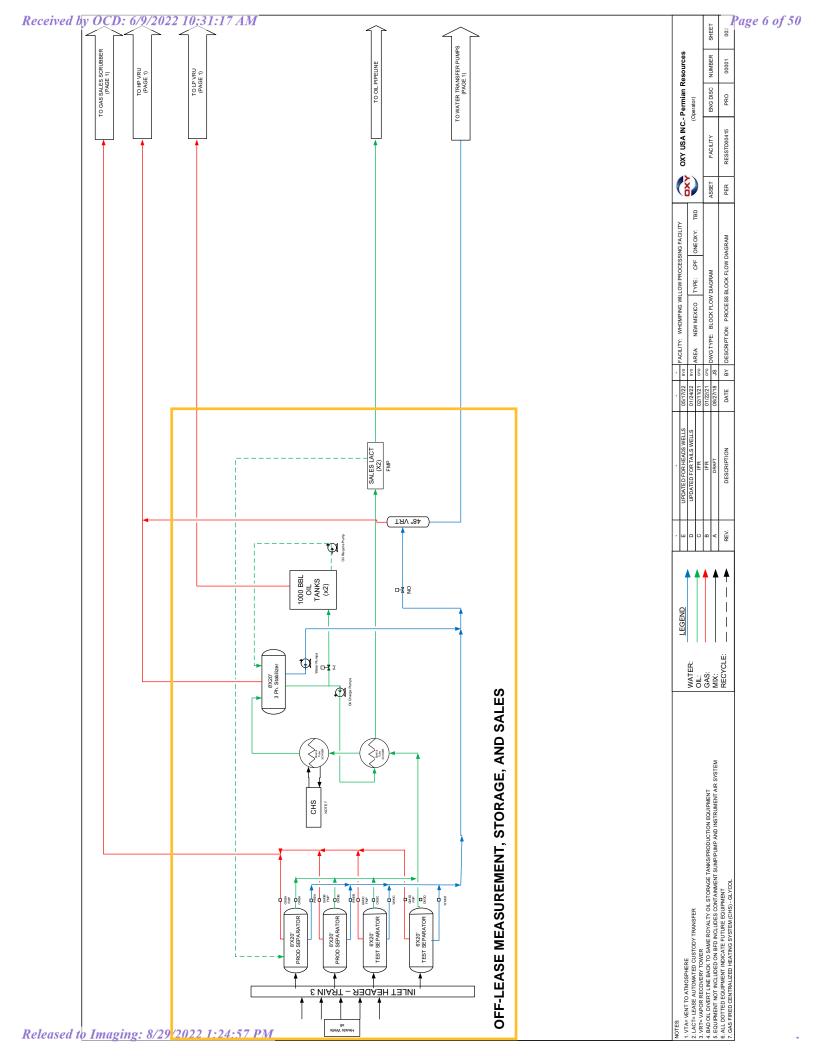
Commingling will not reduce the individual wells' production value or otherwise adversely affect the interest owners. It is the most effective means of producing the reserves.

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







State of New Mexico
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

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) 476-3460 Fax: (505) 476-3462

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number	Pool Code	PURPLE SAGE WOLFCAMP		
30-015-47189				
Property Code	Prop	Well Number		
328290	HEADS CC 9_	4 FEDERAL COM	31H	
OGRID No.	Oper	ator Name	Elevation	
16696	OXY	USA INC.	2926.8'	

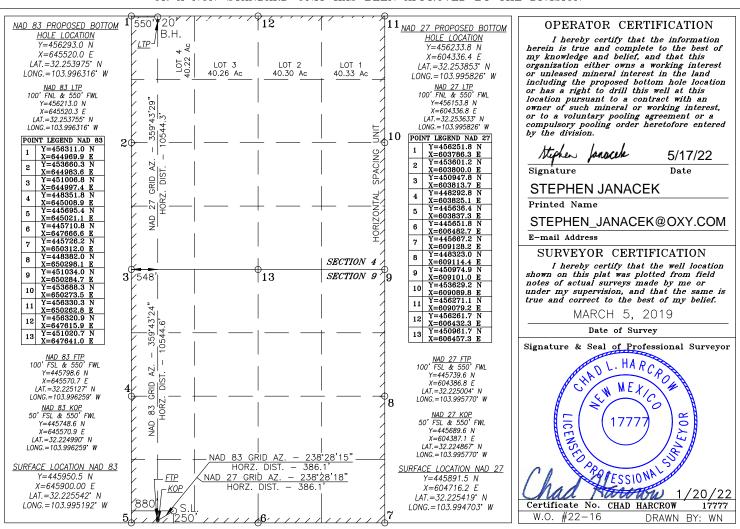
Surface Location

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
M	9	24-S	29-E		250	SOUTH	880	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
4	4	24-S	29-E		20	NORTH	550	WEST	EDDY
Dedicated Acres Joint or Infill		Consolidation (Code Or	der No.					
1280	Y								

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



State of New Mexico
Energy, Minerals & Natural Resources Department
OIL CONSERVATION DIVISION

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

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

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number	Pool Code	Pool Name			
30-015-47229	98220	PURPLE SAGE WOLFCAMP (GAS)			
Property Code	Pro	perty Name	Well Number		
328290	HEADS CC 9	_4 FEDERAL COM	32H		
OGRID No.	0pe	rator Name	Elevation		
16696	OXY	USA INC.	2926.8'		

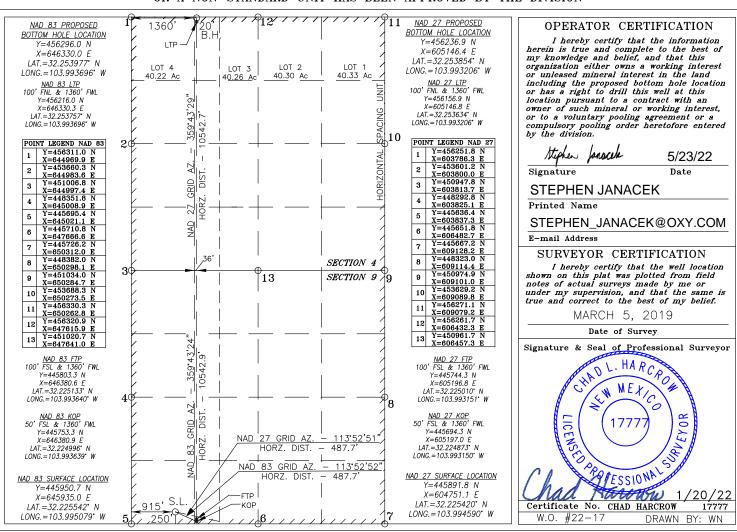
Surface Location

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
М	9	24-S	29-E		250	SOUTH	915	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
3	4	24-S	29-E		20	NORTH	1360	WEST	EDDY
Dedicated Acres Joint or Infill		r Infill	Consolidation	Code Or	der No.				
1280	Y								

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State of New Mexico
Energy, Minerals & Natural Resources Department
OIL CONSERVATION DIVISION

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

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Revised August 1, 2011
Submit one copy to appropriate
District Office

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) 476-3460 Fax: (505) 476-3462

|--|

30-015-47193	98220	PURPLE SAGE WOLFCAMP (GAS)			
Property Code	Prop	Well Number			
328290	HEADS CC 9_	33H			
OGRID No.	0per	ator Name	Elevation		
16696	OXY	USA INC.	2926.9'		

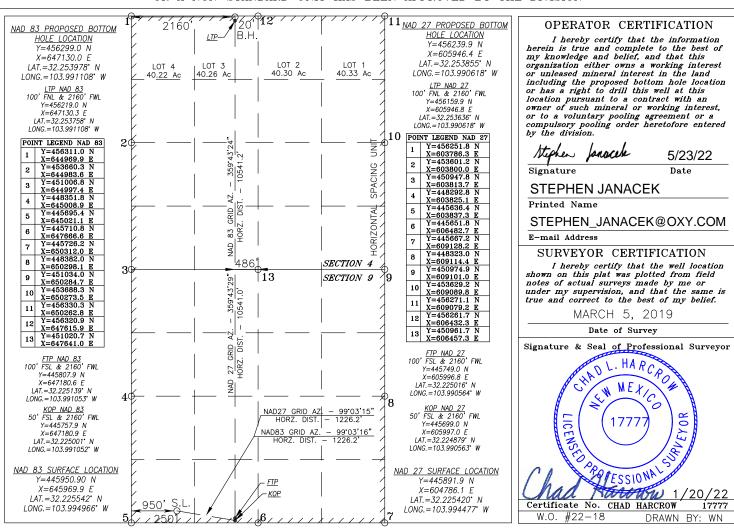
Surface Location

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
M	9	24-S	29-E		250	SOUTH	950	WEST	EDDY

Bottom Hole Location If Different From Surface

UL or lot No.	Section	Township	hip Range Lot		Feet from the	North/South line	Feet from the	East/West line	County
3	4	24-S	29-E		20	NORTH	2160	WEST	EDDY
Dedicated Acres	Joint o	r Infill C	onsolidation (Code Or	der No.				
1280	Y								

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



DISTRICT I 1625 N. FRENCH DR., HOBBS, NM 88240 Phone: (575) 393-6161 Fax: (575) 393-0720

State of New Mexico Energy, Minerals & Natural Resources Department CONSERVATION DIVISION

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

DISTRICT II 811 S. FIRST ST., ARTESIA, NM 88210 Phone: (575) 748-1283 Fax: (575) 748-9720

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

District Office

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

□ AMENDED REPORT

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

WELL LOCATION AND ACREAGE DEDICATION PLAT

30-015-47231	98220 Pool Code	PURPLE SAGE WOLFCAMP (GAS)			
Property Code	Prop	erty Name	Well Number		
328290	HEADS CC 9_	4 FEDERAL COM	36H		
OGRID No.	0per	ator Name	Elevation		
16696	OXY 1	USA INC.	2926.8'		

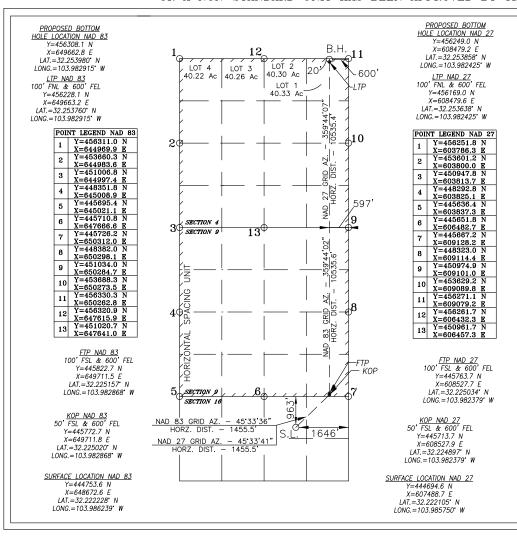
Surface Location

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
В	16	24-S	29-E		963	NORTH	1646	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
1	4	24-S	29-E		20	NORTH	600	EAST	EDDY
Dedicated Acres	Joint o	r Infill C	onsolidation	Code Or	der No.				
1280	Y								

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.

Stephen Janacek

5/23/22 Date

Signature

STEPHEN JANACEK

Printed Name

STEPHEN_JANACEK@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.

JANUARY 2, 2020

Date of Survey

Signature & Seal of Professional Surveyor CHAD L. HARCRO MEX/C ≥E.W 0R !ICENSED

(ESSIONA) <u>1/20/22</u> Certificate No. CHAD HARCROW 17777

W.O. #22-25

DRAWN BY: AH

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

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State of New Mexico Energy, Minerals & Natural Resources Department 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

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number	Pool Code	Pool Name			
30-015-47587	98220	PURPLE SAGE WOLFCAMP (GAS)			
Property Code	Prop	operty Name Well Number			
328290	HEADS CC 9_	4 FEDERAL COM	38H		
OGRID No.	Oper	ator Name	Elevation		
16696	OXY	USA INC.	2926.8'		

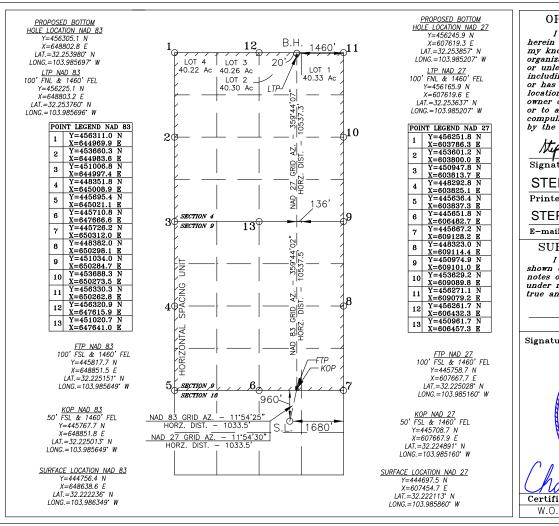
Surface Location

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
В	16	24-S	29-E		960	NORTH	1680	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
2	4	24-S	29-E		20	NORTH	1460	EAST	EDDY
Dedicated Acres	Joint o	r Infill C	onsolidation	Code Or	der No.		•		
1280	Y								

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.

Janacek Stephen Signature

5/23/22 Date

STEPHEN JANACEK

Printed Name

STEPHEN_JANACEK@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.

JANUARY 2, 2020

Date of Survey

Signature & Seal of Professional Surveyor CHAD L. HARCRO MEX/C ₹W 0R

!ICENSED (ESSIONA) <u>1/20/22</u> 17777

Certificate No. CHAD HARCROW #22-24

DRAWN BY: AH

State of New Mexico Energy, Minerals & Natural Resources Department 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

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☑ AMENDED REPORT

	WELL LOCATION AND	ACREAGE DEDICATION PLAT				
API Number	Pool Code	Pool Name				
30-015-47340	98220	PURPLE SAGE WOLFCAMP (GAS)				
Property Code	Prop	erty Name	Well Number			
328290	HEADS CC 9_	_4 FEDERAL COM	312H			
OGRID No.	Oper	ator Name	Elevation			
16696	OXY	USA INC.	2926.8'			

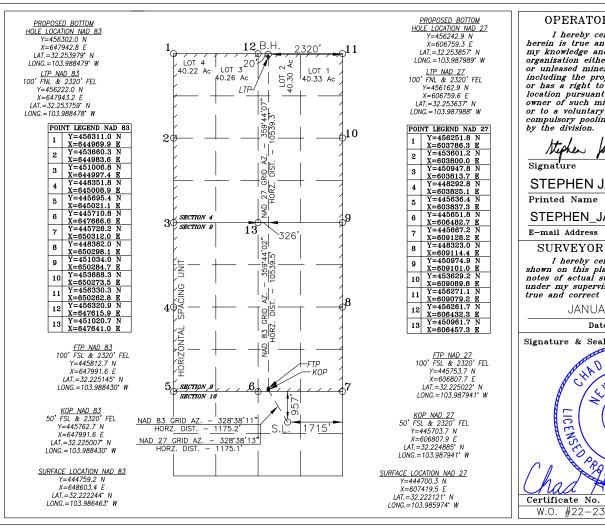
Surface Location

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
В	16	24-S	29-E		957	NORTH	1715	EAST	EDDY

Bottom Hole Location If Different From Surface

UL or lot No.	Section	Township	p	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
2	4	24-9	S	29-E		20	NORTH	2320	EAST	EDDY
Dedicated Acres	Joint o	r Infill	Cor	nsolidation (Code 0	rder No.				
1280	Y									

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OPERATOR CERTIFICATION

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Janacele

5/23/22 Date

STEPHEN JANACEK

STEPHEN_JANACEK@OXY.COM

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.

JANUARY 2, 2020

Date of Survey

Signature & Seal of Professional Surveyor CHAD L. HARCRO MEX/C ≥EW 0R

(ESSIONA) <u>1/20/22</u>

Certificate No. CHAD HARCROW

DRAWN BY: AH

17777

5 Greenway Plaza, Suite 110, Houston, Texas 77046 P.O. Box 4294, Houston, Texas 77210-4294 Direct: 713.497.2055 Beth Schenkel@oxy.com

June 9, 2022

<u>CERTIFIED MAIL</u> RETURN RECEIPT REQUESTED

Re: Application for Off-Lease Measurement, Sales, & Storage for Wells at the Whomping Willow Battery Train 3 in Eddy County, New Mexico.

Dear Working Interest Owner:

This is to advise you that OXY USA INC is filing to surface commingle the wells in Train 3 at the Whomping Willow CTB. A copy of the application submitted to the Division is attached. This OLM request also includes future wells within the same pools and leases/CAs of wells listed in the application.

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 Beth Schenkel at (713) 497-2055.

Respectfully,

OXY USA INC
Beth Schenkel
Regulatory Engineer

april th V Sml

Beth_Schenkel@oxy.com

HEADS WELLS WIO

HEADS WELLS WIO		MAILED 06/09/2022			
To Name	To Address Line 1	To City	To State	To ZIP	Tracking Number
Avalanche Royalty Partners LLC	100 St Paul Street Suite 305	Denver	CO	80206	_9414811898765877823480

Carlsbad Current Argus.

Affidavit of Publication Ad # 0005265159 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:

05/20/2022

Notice of Application for Surface Commingling **OXY USA INC located at 5** Greenway Plaza, Suite 110 Houston TX 77046 is applying to the NMOCD for a surring to the NMOCD for a sufface commingle permit for oil production. The facility is located in Eddy County in Section 9 in T24S R29E. Wells going to this battery are located in Sections 4, 9 and 16 in T24S R29E. Product duction is from the Purple Sage; Wolfcamp Gas and Pierce Crossing; Bone Spring, East. Pursuant to Statewide Rule 19.15.12.10, interested parties must file objections or requests for hearing in writ-ing with the division's Santa Fe office within 20 days af-ter publication, or the NMOCD may approve the application. For questions pertaining to the application, please con-tact Sandra Musallam at

(713) 366-5106.

May 20,2022

#5265159, Current Argus,

y gegal Olerk

Subscribed and sworn before me this May 20, 2022:

State of WI, County of Brown

My commission expires

VICKY FELTY Notary Public State of Wisconsin

Ad # 0005265159 PO #: # of Affidavits1

This is not an invoice

U.S. Department of the Interior BUREAU OF LAND MANAGEMENT



Well Name	Well Number	US Well Number	Lease Number	Case Number	Operator
HEADS CC 9-4	33H	300154719300X1		-	OXY USA
HEADS CC 9-4	312H	300154734000X1	-	-	OXY USA
HEADS CC 9-4	32H	300154722900X1		-	OXY USA
HEADS CC 9-4	38H	300154758700X1	-	-	OXY USA
HEADS CC 9-4	31H	300154718900X1		-	OXY USA
HEADS CC 9-4	36Y	300154723100X1	-	-	OXY USA

Notice of Intent

Sundry ID: 2680247

Type of Submission: Notice of Intent

Type of Action: Off-lease Measurement/Storage

Date Sundry Submitted: 07/01/2022 Time Sundry Submitted: 06:45

Date proposed operation will begin: 08/01/2022

Procedure Description: OXY requests approval according to 43 CFR 3173.22 for off lease storage, measurement and sales for wells at the Whomping Willow Battery Train #3 (F 15 T24S R29E). Justification is attached.

Surface Disturbance

Is any additional surface disturbance proposed?: No

NOI Attachments

Procedure Description

HEADS_OLM_BLM_SUBMITTAL_20220701184501.pdf

Operator

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

Operator Electronic Signature: SANDRA MUSALLAM Signed on: JUL 01, 2022 06:45 PM

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

Street Address:

City: State: Zip

Phone:

Email address:

Received by OCD: 6/9/2022 10:31:17 AM

Federal Communitization Agreement

Contract No.	

THIS AGREEMENT entered into as of the 1st day of October, 2020, 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 24 South, Range 29 East, NMPM

Section 4: Lots 1 - 4, S/2N/2 & S/2

Section 9: All

Eddy County, New Mexico

Containing **1,278.94** 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, Suite 110, Houston, Texas 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 October 1, 2020, 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.

DATE: 6-28-2020

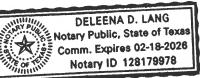
BY:

James Laning

Attorney-in-Fact

Released to Imaging: 8/29/2022 1:24:57 PM

STATE OF TEXAS) COUNTY OF HARRIS)	
This instrument was acknowledged bef 20 3, by JAMES LANING, ATTORNEY-IN-F behalf of said corporation.	ore me on this the, day of, FACT of OXY USA INC. , a Delaware corporation, on
DELEENA D. LANG Notary Public, State of Texas Comm. Expires 02-18-2026 Notary ID 128179978	Notary Public in and for the State of Texas
OPERATING RIGHTS OWNER OF RECORD	O FOR LEASES NMNM 099034, NMNM 119754, &
	OXY USA INC.
DATE: 6-28-2024	James Laning Attorney-in-Fact
DATE: 6-28-2021 STATE OF TEXAS COUNTY OF HARRIS	
STATE OF TEXAS) COUNTY OF HARRIS) This instrument was acknowledged before	



Notary Public in and for the State of Texas

Received by OCD: 6/9/2022 10:31:17 AM

LESSEE OF RECORD AND OPERATING RIGHTS OWNER FOR LEASE NMNM 099034 **OPERATING RIGHTS OWNER FOR LEASE NMNM 119754**

OXY Y-1 COMPANY

DATE: 6-28-2022

BY: James Laning Attorney-in-Fact

STATE OF TEXAS

COUNTY OF HARRIS

corporation, on behalf of said corporation.

DELEENA D. LANG Notary Public, State of Texas Comm. Expires 02-18-2026 Notary ID 128179978

Notary Public in and for the State of

OPERATING RIGHTS OWNER FOR LEASE NMNM 119754

OXY USA WTP LIMITED PARTNERSHIP

BY: James Laning

Attorney-in-Fact

STATE OF TEXAS

COUNTY OF HARRIS

This instrument was acknowledged before me on this the ______day of _______ 20 3, by JAMES LANING, ATTORNEY-IN-FACT of OXY USA WTP LIMITED PARTNERSHIP, a Delaware limited partnership, on behalf of said limited partnership.

DELEENA D. LANG Notary Public, State of Texas Comm. Expires 02-18-2026 Notary ID 128179978

Notary Public in and for the State of Texas

DATE 4/28 /21

STATE OF KXAS

RESOURCES, INC..,

COUNTY OF Midland

corporation, on behalf of said corporation.

Notary Public in a d for the State of Texas

	I:24:57 PM
	aging: 8/29/2022
	Released to Im

OPERATING RIGHTS & LESSEE OF RECORD OWNER FOR LEASE NMNM 099034

BY:

This instrument was acknowledged befare me on ____

TRACY JORDAN

Notary Public, State of Texas Comm. Expires 10-17-2023

Notary ID 132215654

EOG RESOURCES INC.

NAME: Matthew

Notary's name Printed:

Notary's commission expires:

Received by OCD: 6/9/2022 10:31:17 AM

LESSEE OF RECORD OWNER FOR LEASE NMNM 119754

CHEVRON U.S.A INC.

NAME:

Attorney-In-Fact TITLE: __

STATE OF TEXAS

COUNTY OF Hamis

This instrument was acknowledged before me on July 20 6

Kelly coppins ____, as Attomay - in - Fact of CHEVRON

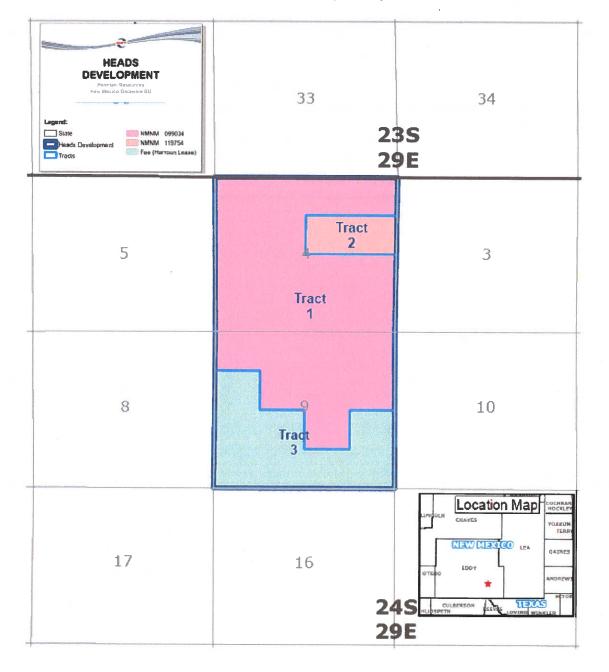
U.S.A. INC., a Pennsyl Van I Georporation, on behalf of said corporation.



Notary Public in and for the State of Texas Notary's name Printed: Shill Many Notary's commission expires: 2 - 22 -

EXHIBIT "A"

Plat of communitized area covering **1,278.94** acres in Township 24 South, Range 29 East, Section 4 & 9, N.M.P.M., Eddy County, New Mexico.



Received by OCD: 6/9/2022 10:31:17 AM

EXHIBIT "B"

To Communitization Agreement dated April 1, 2021 embracing the following described land in Section 4 & Section 9, Township 24 South, Range 29 East, N.M.P.M., Eddy County, New Mexico.

Operator of Communitized Area: OXY USA Inc.

DESCRIPTION OF LEASES COMMITTED

Tract No. 1

Lease Serial Number:

NMNM 099034

Description of Land Committed:

Township 24 South, Range 29 East,

Section 4: Lots 1-4, S/2NW/4, S/2

Section 9: N/2NW/4, SE/4NW/4, NE/4, NW/4SE/4

Number of Acres:

878.94 acres

Current Lessee of Record:

EOG Resources Inc.

OXY Y-1 Company

Name of Operating Rights Owners: OXY Y-1 Company. – 20.00%

OXY USA Inc. - 80.00%

Tract No. 2

Lease Serial Number:

NMNM 119754

Description of Land Committed:

Township 24 South, Range 29 East,

Section 4: S/2NE/4

Number of Gross Acres:

80 acres

Current Lessee of Record:

Chevron U.S.A. Inc.

Name of Working Interest Owners: OXY USA Inc. – 32.3115042%

OXY Y-1 Company - 66.179258% OXY USA WTP LP - 1.5092378% Released to Imaging: 8/29/2022 1:24:57 PM

Received by OCD: 6/9/2022 10:31:17 AM

Tract No. 3

Lease Serial No.:

Fee

Description of Land Committed:

Township 24 South, Range 29 East

Section 9: SW/4, NW/4SW/4, S/2SE/4 & NE/4SE/4

Number of Gross Acres:

320 acres

Authority for Pooling:

Lease contains pooling clause

Name and Percent of WI Owners:

OXY USA Inc. – 100%

Lease No. 1

Lessor:

D.S. Harroun, et al

Lease Owner:

OXY USA Inc.

OXY Lease No.:

63021514 2/2/1972

Date of Lease: Authority for Pooling:

Lease contains pooling clause

Received by OCD: 6/9/2022 10:31:17 AM

RECAPITULATION

Tract No.	No. of Acres Committed	Percentage of Interest in Communitized Area
1	878.94	68.7241%
2	80.00	6.2552%
<u>3</u>	<u>320.00</u>	<u>25.0207%</u>
Total	1,278.94	100.0000%

Federal Communitization Agreement

THIS AGREEMENT entered into as of the 1st day of October, 2020, 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 24 South, Range 29 East, NMPM Section 4: Lots 1 – 4, S/2N/2 & S/2 Section 9: All

Eddy County, New Mexico

Containing 1,278.94 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, Suite 110, Houston, Texas 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 October 1, 2020, 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.

51 210 (1 51 (i	
	OXY USA INC.
DATE:	BY:
	James Laning Attornev-in-Fact

OPERATOR:

Heads CC 9-4 WC CA

STATE OF TEXAS)	
COUNTY OF HARRIS)	
This instrument was acknowledge 20, by <u>JAMES LANING</u> , <u>ATTORNE</u> behalf of said corporation.	ed before me on this the day of, Y-IN-FACT of OXY USA INC. , a Delaware corporation, on
	Notary Public in and for the State of Texas
OPERATING RIGHTS OWNER OF REFEE LEASE	CORD FOR LEASES NMNM 099034, NMNM 119754, &
	OXY USA INC.
DATE:	_ BY: James Laning
	Attorney-in-Fact
STATE OF TEXAS)	
COUNTY OF HARRIS)	
This instrument was acknowledge 20, by <u>JAMES LANING</u> , <u>ATTORNE</u> behalf of said corporation.	ed before me on this the day of, Y-IN-FACT of OXY USA INC. , a Delaware corporation, on
	Notary Public in and for the State of Texas

Heads CC 9-4 WC CA

<u>LESSEE OF RECORD AND OPERATING RIGHTS OWNER FOR LEASE NMNM 099034</u> <u>OPERATING RIGHTS OWNER FOR LEASE NMNM 119754</u>

OXY Y-1 COMPANY

DATE:	BY: James Laning Attorney-in-Fact
STATE OF TEXAS)
COUNTY OF HARRIS))
	owledged before me on this the day of, ORNEY-IN-FACT of OXY Y-1 COMPANY ., a New Mexico rporation.
	Notary Public in and for the State of Texas

Heads CC 9-4 WC CA

OPERATING RIGHTS OWNER FOR LEASE NMNM 119754

DATE:	BY: James Laning Attorney-in-Fact
STATE OF TEXAS)
COUNTY OF HARRIS)
20, by <u>JAMES LANING</u> , <u>AT</u>	nowledged before me on this the day of, TORNEY-IN-FACT of OXY USA WTP LIMITED PARTNERSHIP, on behalf of said limited partnership.
	Notary Public in and for the State of Texas

OXY USA WTP LIMITED PARTNERSHIP

OPERATING RIGHTS & LESSEE OF RECORD OWNER FOR LEASE NMNM 099034

EOG RESOURCES INC.

Heads CC 9-4 WC CA

LESSEE OF RECORD OWNER FOR LEASE NMNM 119754

CHEVRON USA INC.

EXHIBIT "A"

Plat of communitized area covering **1,278.94** acres in Township 24 South, Range 29 East, Section 4 & 9, N.M.P.M., Eddy County, New Mexico.

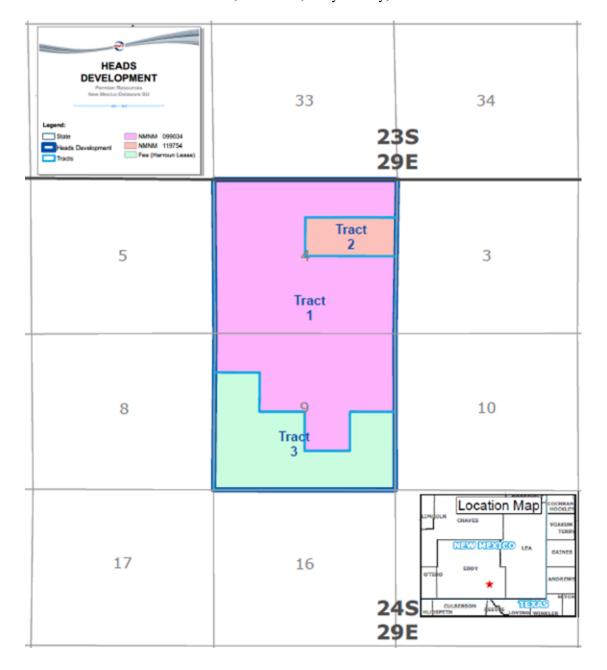


EXHIBIT "B"

To Communitization Agreement dated April 1, 2021 embracing the following described land in Section 4 & Section 9, Township 24 South, Range 29 East, N.M.P.M., Eddy County, New Mexico.

Operator of Communitized Area: OXY USA Inc.

DESCRIPTION OF LEASES COMMITTED

Tract No. 1

Lease Serial Number: NMNM 099034

Description of Land Committed: Township 24 South, Range 29 East,

Section 4: Lots 1 - 4, S/2NW/4, S/2

Section 9: N/2NW/4, SE/4NW/4, NE/4, NW/4SE/4

Number of Acres: 878.94 acres

Current Lessee of Record: EOG Resources Inc.

OXY Y-1 Company

Name of Operating Rights Owners: OXY Y-1 Company. – 20.00%

OXY USA Inc. – 80.00%

Tract No. 2

Lease Serial Number: NMNM 119754

Description of Land Committed: Township 24 South, Range 29 East,

Section 4: S/2NE/4

Number of Gross Acres: 80 acres

Current Lessee of Record: Chevron USA Inc.

Name of Working Interest Owners: OXY USA Inc. – 32.3115042%

OXY Y-1 Company – 66.179258% OXY USA WTP LP – 1.5092378% Tract No. 3

Lease Serial No.: Fee

Description of Land Committed: Township 24 South, Range 29 East

Section 9: SW/4, NW/4SW/4, S/2SE/4 & NE/4SE/4

Number of Gross Acres: 320 acres

Authority for Pooling: Lease contains pooling clause

Name and Percent of WI Owners: OXY USA Inc. – 100%

Lease No. 1

Lessor: D.S. Harroun, et al Lease Owner: OXY USA Inc. OXY Lease No.: 63021514 Date of Lease: 2/2/1972

Authority for Pooling: Lease contains pooling clause

Heads CC 9-4 WC CA

RECAPITULATION

Tract No.	No. of Acres Committed	Percentage of Interest in Communitized Area
1	878.94	68.7241%
2	80.00	6.2552%
<u>3</u>	<u>320.00</u>	<u>25.0207%</u>
Total	1,278.94	100.0000%

From: Engineer, OCD, EMNRD

To: Schenkel, Beth V; Musallam, Sandra C

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

Walls, Christopher

Subject: Approved Administrative Order OLM-259

Date: Approved Administrative Order OLM-259

Monday, August 29, 2022 12:53:26 PM

Attachments: OLM259 Order.pdf

NMOCD has issued Administrative Order OLM-259 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 47340	30-015-47340 Heads CC 9 4 Federal Com #312H	All	4-24S-29E	98220
30-013-47340	Heads CC 94 Federal Com #31211	All	9-24S-29E	70220
30-015-47189	Heads CC 9 4 Federal Com #31H	All	4-24S-29E	98220
30-013-4/109	5-4/189 Heads CC 9 4 Federal Com #31H	All	9-24S-29E	90220
20 015 47220	015-47229 Heads CC 9 4 Federal Com #32H	All	4-24S-29E	98220
30-013-47229		All	9-24S-29E	90220
30-015-47193	Heads CC 9 4 Federal Com #33H	All	4-24S-29E	98220
30-013-4/193		All	9-24S-29E	90220
30-015-49683	Heads CC 9 4 Federal Com #36H	All	4-24S-29E	98220
50-015-49085 Heads CC 9 4 Federal Com #50ff	All	9-24S-29E	90220	
30-015-47587	Heads CC 9 4 Federal Com #38H	All	4-24S-29E	98220
		All	9-24S-29E	7044 0

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: Schenkel, Beth V

To: McClure, Dean, EMNRD; Musallam, Sandra C

Subject: [EXTERNAL] Re: Off lease measurement application OLM-259

Date: Wednesday, August 17, 2022 3:00:33 PM

Attachments: <u>HEADS CC 9-4 FED WC.pdf</u>

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

Hi Dean,

Please see attached CA. It has been executed by all WIOs and is just pending BLM approval.

Yes, the Heads CC 9 4 Federal Com #36H is a replacement well for the Heads CC 9 4 Federal Com #36Y.

Thanks,

Beth Schenkel | Staff Senior Facilities Engineer | Regulatory Compliance

O: 713.497.2055 | C: 713.557.4141

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

Sent: Wednesday, August 17, 2022 10:01 AM

To: Musallam, Sandra C <Sandra_Musallam@oxy.com>; Schenkel, Beth V

<Beth_Schenkel@oxy.com>

Subject: [EXTERNAL] Off lease measurement application OLM-259

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

Ms. Schenkel,

Please provide an executed copy of the CA for the following tract of land:

UL or Q/Q	S-T-R	Pool
All	4-24S-29E	98220
All	9-24S-29E	90220

Additionally, please confirm that the following well should be included in the permit in lieu of the Heads CC 9 4 Federal Com #36Y:

20.015.40602	Heads CC 9 4 Federal Com	All	4-24S-29E	00220
30-015-49683	#36H	All	9-24S-29E	98220

Dean McClure

Petroleum Engineer, Oil Conservation Division

New Mexico Energy, Minerals and Natural Resources Department (505) 469-8211

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

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

ORDER NO. OLM-259

ORDER

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

FINDINGS OF FACT

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

CONCLUSIONS OF LAW

- 5. OCD has jurisdiction to issue this Order pursuant to the Oil and Gas Act, NMSA 1978, §§ 70-2-6, 70-2-11, 70-2-12, and 19.15.23 NMAC.
- 6. Applicant satisfied the notice requirements for the Application in accordance with 19.15.23.9(A)(5) NMAC.
- 7. 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 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 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.

Order No. OLM-259 Page 1 of 2

- 2. The oil production from the wells identified in Exhibit A shall be physically separated from the oil production from other wells and no commingling of production from different leases shall occur in accordance with 19.15.23.9(A)(3) NMAC and 19.15.23.9(A)(4) NMAC, except as otherwise provided in order(s) issued by OCD.
- 3. 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.
- 4. Applicant shall calibrate the meters used to measure or allocate oil production in accordance with 19.15.12.10(C)(2) NMAC.
- 5. 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 oil or gas production from it. The Form C-103 shall reference this Order and identify the well.
- 6. 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

ame	DATE: 8/29/2022	
ADRIENNE E. SANDOVAL		
DIRECTOR		

Order No. OLM-259 Page 2 of 2

State of New Mexico Energy, Minerals and Natural Resources Department

Exhibit A

Order: OLM-259

Operator: Oxy USA, Inc. (16696)

Central Tank Battery: Whomping Willow Battery Train #3

Central Tank Battery Location: UL F, Section 15, Township 24 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

Lease UL or Q/Q S-T-R

CA Wolfcamp BLM

All 4-24S-29E

All 9-24S-29E

Wells				
Well API	Well Name	UL or Q/Q	S-T-R	Pool
30-015-47340	Heads CC 9 4 Federal Com #312H	All	4-24S-29E	98220
30-013-47340	50-015-4/540 Heads CC 9 4 Federal Com #312H	All	9-24S-29E	90220
30-015-47189	Heads CC 9 4 Federal Com #31H	All	4-24S-29E	98220
30-013-4/109	30-015-4/189 Heads CC 9 4 Federal Com #31H	All	9-24S-29E	90220
20 015 47220	30-015-47229 Heads CC 9 4 Federal Com #32H	All	4-24S-29E	98220
30-013-47229		All	9-24S-29E	90220
30-015-47193	Heads CC 9 4 Federal Com #33H	All	4-24S-29E	98220
30-015-4/193		All	9-24S-29E	90220
20 015 40692	Heads CC 0.4 Federal Com #26H	All	4-24S-29E	98220
30-015-49683 Heads CC 9 4 Federal Com #36H	All	9-24S-29E	98220	
20 015 47507	20.045.45505 H. L.CC.0.45 L. L.C. (2011	All	4-24S-29E	00220
30-015-47587 Heads CC 9 4 Federal Com #38H	All	9-24S-29E	98220	

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 115400

CONDITIONS

Operator:	OGRID:	
OXY USA INC	16696	
P.O. Box 4294	Action Number:	
Houston, TX 772104294	115400	
	Action Type:	
	[C-107] Surface Commingle or Off-Lease (C-107B)	

CONDITIONS

Created By		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.	8/29/2022