

Revised March 23, 2017

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

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



### ADMINISTRATIVE APPLICATION CHECKLIST

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

**Applicant:** OXY USA INC. **OGRID Number:** 16696  
**Well Name:** SENILE FELINES 18-7 STATE COM #31H **API:** 30-025-48751  
**Pool:** WC-025 G-09 S223332A; UPR WOLFCAMP/ RED TANK; BONE SPRING, EAST **Pool Code:** 98177/51687

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

- 1) **TYPE OF APPLICATION:** Check those which apply for [A]
- A. Location – Spacing Unit – Simultaneous Dedication  
☐ NSL ☐ NSP (PROJECT AREA) ☐ NSP (PRORATION UNIT) ☐ SD
- B. Check one only for [ I ] or [ II ]
- [ I ] Commingling – Storage – Measurement  
☒ DHC ☐ CTB ☐ PLC ☐ PC ☐ OLS ☐ OLM
- [ II ] Injection – Disposal – Pressure Increase – Enhanced Oil Recovery  
☐ WFX ☐ PMX ☐ SWD ☐ IPI ☐ EOR ☐ PPR
- 2) **NOTIFICATION REQUIRED TO:** Check those which apply.
- A. ☐ Offset operators or lease holders  
 B. ☐ Royalty, overriding royalty owners, revenue owners  
 C. ☐ Application requires published notice  
 D. ☒ Notification and/or concurrent approval by SLO  
 E. ☐ Notification and/or concurrent approval by BLM  
 F. ☐ Surface owner  
 G. ☒ For all of the above, proof of notification or publication is attached, and/or,  
 H. ☐ No notice required

#### FOR OCD ONLY

- ☐ Notice Complete
- ☐ Application Content Complete

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

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

LESLIE REEVES

Print or Type Name

*Leslie T. Reeves*

Signature

9/14/2022

Date

713-497-2492

Phone Number

LESLIE\_REEVES@OXY.COM

e-mail Address

District I  
1625 N. French Drive, Hobbs, NM 88240

District II  
811 S. First St., Artesia, NM 88210

District III  
1000 Rio Brazos Road, Aztec, NM 87410

District IV  
1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico  
Energy, Minerals and Natural Resources Department

Oil Conservation Division  
1220 South St. Francis Dr.  
Santa Fe, New Mexico 87505

Form C-107A  
Revised August 1, 2011

APPLICATION TYPE  
☒ Single Well  
☐ Establish Pre-Approved Pools  
EXISTING WELLBORE  
☒ Yes ☐ No

APPLICATION FOR DOWNHOLE COMMINGLING

OXY USA INC.

5 GREENWAY PLAZA, SUITE 110, HOUSTON, TX

Operator

Address

SENILE FELINES 18-7 STATE COM 31H

N-18-22S-33E

LEA

Lease

Well No.

Unit Letter-Section-Township-Range

County

OGRID No. 16696 Property Code 330703 API No. 30-025-48751 Lease Type: ☐ Federal ☒ State ☐ Fee

DATA ELEMENT	UPPER ZONE	INTERMEDIATE ZONE	LOWER ZONE
Pool Name	RED TANK; BONE SPRING, EAST		WC-025 G-09 S223332A; UPR WOLFCAMP
Pool Code	51687		98177
Top and Bottom of Pay Section (Perforated or Open-Hole Interval)	19403'- 20350'		12403'-19379'; 20374'-22244'
Method of Production (Flowing or Artificial Lift)	FLOWING		FLOWING
Bottomhole Pressure (Note: Pressure data will not be required if the bottom perforation in the lower zone is within 150% of the depth of the top perforation in the upper zone)			
Oil Gravity or Gas BTU (Degree API or Gas BTU)			
Producing, Shut-In or New Zone	New Zone		New Zone
Date and Oil/Gas/Water Rates of Last Production. (Note: For new zones with no production history, applicant shall be required to attach production estimates and supporting data.)	Date:  Rates:	Date:  Rates:	Date:  Rates:
Fixed Allocation Percentage (Note: If allocation is based upon something other than current or past production, supporting data or explanation will be required.)	Oil 10 % Gas 10 %	Oil % Gas %	Oil 90 % Gas 90 %

ADDITIONAL DATA

Are all working, royalty and overriding royalty interests identical in all commingled zones?  
If not, have all working, royalty and overriding royalty interest owners been notified by certified mail?

Yes ☒ No ☐  
Yes ☐ No ☐

Are all produced fluids from all commingled zones compatible with each other?

Yes ☒ No ☐

Will commingling decrease the value of production?

Yes ☐ No ☒

If this well is on, or communitized with, state or federal lands, has either the Commissioner of Public Lands or the United States Bureau of Land Management been notified in writing of this application?

Yes ☒ No ☐

NMOCD Reference Case No. applicable to this well:

- Attachments:
- C-102 for each zone to be commingled showing its spacing unit and acreage dedication.
  - Production curve for each zone for at least one year. (If not available, attach explanation.)
  - For zones with no production history, estimated production rates and supporting data.
  - Data to support allocation method or formula.
  - Notification list of working, royalty and overriding royalty interests for uncommon interest cases.
  - Any additional statements, data or documents required to support commingling.

PRE-APPROVED POOLS

If application is to establish Pre-Approved Pools, the following additional information will be required:

- List of other orders approving downhole commingling within the proposed Pre-Approved Pools
- List of all operators within the proposed Pre-Approved Pools
- Proof that all operators within the proposed Pre-Approved Pools were provided notice of this application.
- Bottomhole pressure data.

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

SIGNATURE *Leslie T. Reeves*

TITLE REGULATORY MANAGER

DATE 9/14/2022

TYPE OR PRINT NAME LESLIE REEVES

TELEPHONE NO. (713 ) 497-2492

E-MAIL ADDRESS LESLIE\_REEVES@OXY.COM

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 Road, 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

State of New Mexico  
Energy, Minerals & Natural Resources Department  
OIL CONSERVATION DIVISION  
1220 South St. Francis Dr.  
Santa Fe, NM 87505

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

☒ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

<sup>1</sup> API Number 30-025-48751	<sup>2</sup> Pool Code 51687	<sup>3</sup> Pool Name RED TANK; BONE SPRING, EAST
<sup>4</sup> Property Code 330703	<sup>5</sup> Property Name SENILE FELINES 18_7 STATE COM	<sup>6</sup> Well Number 31H
<sup>7</sup> OGRID No. 16696	<sup>8</sup> Operator Name OXY USA INC.	<sup>9</sup> Elevation 3658'

<sup>10</sup> Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
N	18	22S	33E		355	SOUTH	1933	WEST	LEA

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

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
L 1	7	22S	33E		20	NORTH	440	WEST	LEA

<sup>12</sup> Dedicated Acres	<sup>13</sup> Joint or Infill	<sup>14</sup> Consolidation Code	<sup>15</sup> Order No.
611.84			

No allowable will be assigned to this completion until all interests have been consolidated or a non-standard unit has been approved by the division.

	<p><b>CORNER COORDINATES NAD 83, SPCS NM EAST</b></p> <p>A - X: 761577.70' / Y: 507026.11' B - X: 761558.98' / Y: 509666.12' C - X: 761540.13' / Y: 512305.42' D - X: 761521.50' / Y: 514945.69' E - X: 764039.94' / Y: 514959.26' F - X: 764061.60' / Y: 512319.63' G - X: 764083.27' / Y: 509679.03' H - X: 764104.63' / Y: 507039.42' I - X: 764125.98' / Y: 504400.66' J - X: 761597.23' / Y: 504386.86'</p>	<p><b>CORNER COORDINATES NAD 27, SPCS NM EAST</b></p> <p>A - X: 720395.20' / Y: 506965.57' B - X: 720376.55' / Y: 509605.50' C - X: 720357.77' / Y: 512244.72' D - X: 720339.20' / Y: 514884.92' E - X: 722857.63' / Y: 514898.49' F - X: 722879.22' / Y: 512258.94' G - X: 722900.82' / Y: 509618.41' H - X: 722922.12' / Y: 506978.87' I - X: 722943.40' / Y: 504340.19' J - X: 720414.67' / Y: 504326.39'</p>	<p><b>17 OPERATOR CERTIFICATION</b></p> <p>I hereby certify that the information contained 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 a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.</p> <p><i>Leslie T. Reeves</i> 9/14/2022</p> <p>Signature _____ Date _____</p> <p><b>LESLIE REEVES</b></p> <p>Printed Name _____</p> <p><b>LESLIE_REEVES@OXY.COM</b></p> <p>E-mail Address _____</p>	
	<p><b>BOTTOM HOLE LOCATION</b></p> <p>20' FNL 440' FWL, SECTION 7 NAD 83, SPCS NM EAST X: 761961.64' / Y: 514928.06' LAT: 32.41357604N / LON: 103.61839533W NAD 27, SPCS NM EAST X: 720779.34' / Y: 514867.29' LAT: 32.41345292N / LON: 103.61790882W</p>	<p><b>LAST TAKE POINT</b></p> <p>100' FNL 440' FWL, SECTION 7 NAD 83, SPCS NM EAST X: 761962.20' / Y: 514848.06' LAT: 32.41335614N / LON: 103.61839523W NAD 27, SPCS NM EAST X: 720779.90' / Y: 514787.29' LAT: 32.41323302N / LON: 103.61790873W</p>		<p><b>18 SURVEYOR CERTIFICATION</b></p> <p>I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.</p> <p>DECEMBER 29, 2020</p> <p>Date of Survey _____</p> <p>Signature and Seal of Professional Surveyor: _____</p> <p><b>DAVID W. MYERS</b> PROFESSIONAL SURVEYOR 11403</p>
	<p><b>FIRST TAKE POINT</b></p> <p>100' FSL 440' FWL, SECTION 18 NAD 83, SPCS NM EAST X: 762036.48' / Y: 504489.26' LAT: 32.38488240N / LON: 103.61837897W NAD 27, SPCS NM EAST X: 720853.92' / Y: 504428.79' LAT: 32.38475919N / LON: 103.61789345W</p>	<p><b>KICK OFF POINT</b></p> <p>50' FSL 440' FWL, SECTION 18 NAD 83, SPCS NM EAST X: 762036.85' / Y: 504439.26' LAT: 32.38474497N / LON: 103.61837885W NAD 27, SPCS NM EAST X: 720854.29' / Y: 504378.79' LAT: 32.38462176N / LON: 103.61789334W</p>		
	<p><b>SURFACE HOLE LOCATION</b></p> <p>355' FSL 1933' FWL, SECTION 18 NAD 83, SPCS NM EAST X: 763528.05' / Y: 504752.43' LAT: 32.38557827N / LON: 103.61354161W NAD 27, SPCS NM EAST X: 722345.49' / Y: 504691.95' LAT: 32.38545504N / LON: 103.61305621W</p>	<p>Certificate Number DAVID W. MYERS 11403</p>		
	<p>SHEET 1 OF 3 JOB No. R4083_002_4334 REV 0 WM 12/28/2020</p>			

Distances/areas relative to NAD 83 Combined Scale Factor: 0.9997856 Convergence Angle: 00°22'27.18"

Intent ☒ As Drilled ☐

API # <b>30-025-48751</b>		
Operator Name: <b>OXY USA INC.</b>	Property Name: <b>SENILE FELINES 18-7 STATE COM (RED TANK; BONE SPRING, EAST)</b>	Well Number <b>31H</b>

## Kick Off Point (KOP)

UL <b>M</b>	Section <b>18</b>	Township <b>22S</b>	Range <b>33E</b>	Lot	Feet <b>50</b>	From N/S <b>FSL</b>	Feet <b>440</b>	From E/W <b>FWL</b>	County <b>LEA</b>
Latitude <b>32.38474497</b>					Longitude <b>-103.61837885</b>			NAD <b>NAD83</b>	

## First Take Point (FTP)

UL <b>M</b>	Section <b>18</b>	Township <b>22S</b>	Range <b>33E</b>	Lot	Feet <b>100</b>	From N/S <b>FSL</b>	Feet <b>440</b>	From E/W <b>FWL</b>	County <b>LEA</b>
Latitude <b>32.38488240</b>					Longitude <b>-103.61837897</b>			NAD <b>NAD83</b>	

## Last Take Point (LTP)

UL <b>D</b>	Section <b>7</b>	Township <b>22S</b>	Range <b>33E</b>	Lot	Feet <b>100</b>	From N/S <b>FNL</b>	Feet <b>440</b>	From E/W <b>FWL</b>	County <b>LEA</b>
Latitude <b>32.41335614</b>					Longitude <b>-103.61839523</b>			NAD <b>NAD83</b>	

Is this well the defining well for the Horizontal Spacing Unit? ☐ NOIs this well an infill well? ☐ YES

If infill is yes please provide API if available, Operator Name and well number for Defining well for Horizontal Spacing Unit.

API # <b>30-025-48746</b>		
Operator Name: <b>OXY USA INC.</b>	Property Name: <b>SENILE FELINES 18-7 STATE COM</b>	Well Number <b>22S</b>

KZ 06/29/2018

District I  
1625 N. French Dr., Hobbs, NM 88240  
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1220 South St. Francis Dr.  
Santa Fe, NM 87505

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

☒ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

<sup>1</sup> API Number 30-025-48751	<sup>2</sup> Pool Code 98177	<sup>3</sup> Pool Name WC-025 G-09 S223332A; UPR WOLFCAMP
<sup>4</sup> Property Code 330703	<sup>5</sup> Property Name SENILE FELINES 18_7 STATE COM	<sup>6</sup> Well Number 31H
<sup>7</sup> OGRID No. 16696	<sup>8</sup> Operator Name OXY USA INC.	<sup>9</sup> Elevation 3658'

<sup>10</sup> Surface Location

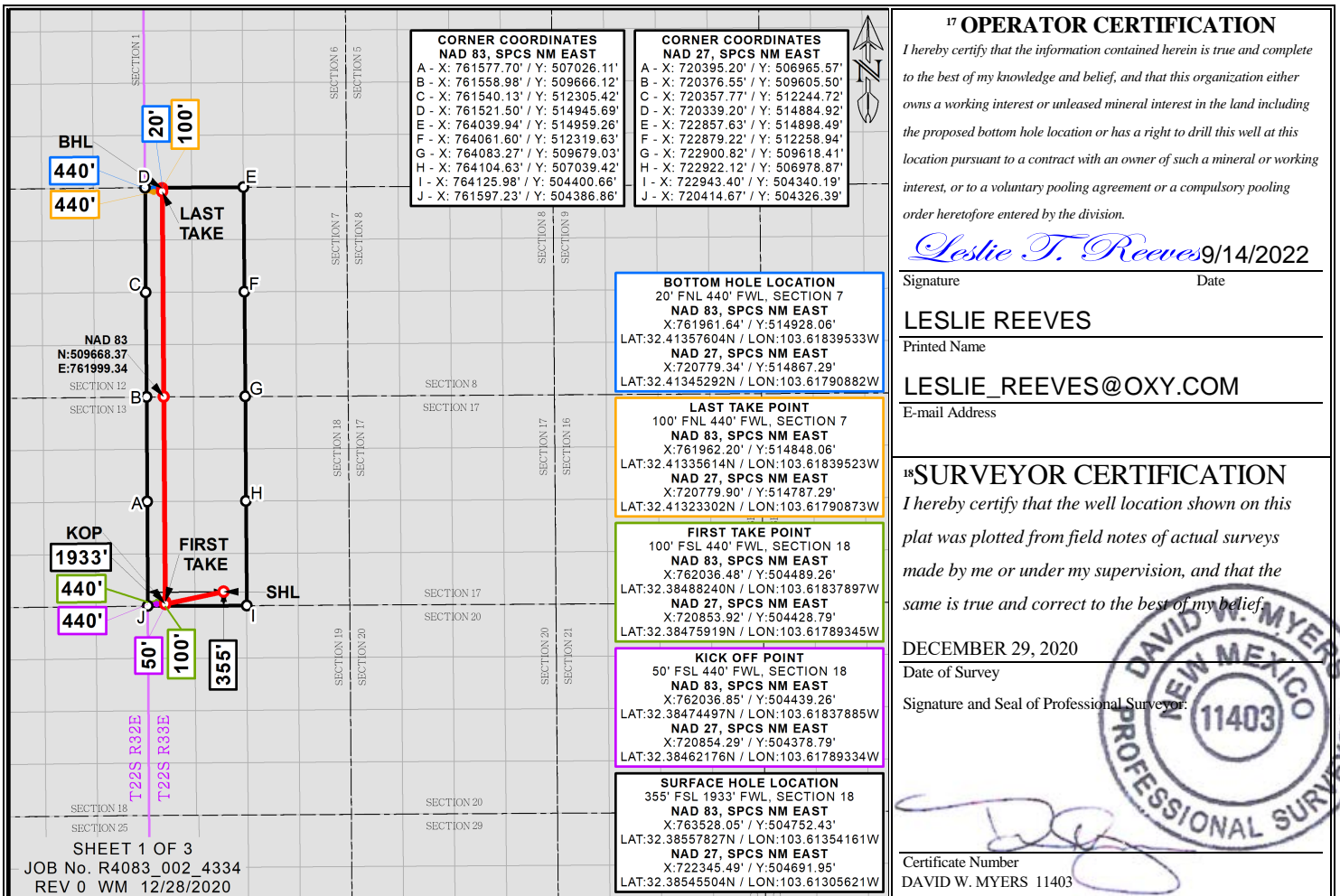
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
N	18	22S	33E		355	SOUTH	1933	WEST	LEA

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

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
L 1	7	22S	33E		20	NORTH	440	WEST	LEA

<sup>12</sup> Dedicated Acres 611.84	<sup>13</sup> Joint or Infill	<sup>14</sup> Consolidation Code	<sup>15</sup> Order No.
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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.



Distances/areas relative to NAD 83 Combined Scale Factor: 0.9997856 Convergence Angle: 00°22'27.18"

Intent ☒ As Drilled ☐

API # <b>30-025-48751</b>		
Operator Name: <b>OXY USA INC.</b>	Property Name: <b>SENILE FELINES 18-7 STATE COM</b> (WC-025 G-09 S223332A; UPR WOLFCAMP)	Well Number <b>31H</b>

## Kick Off Point (KOP)

UL <b>M</b>	Section <b>18</b>	Township <b>22S</b>	Range <b>33E</b>	Lot	Feet <b>50</b>	From N/S <b>FSL</b>	Feet <b>440</b>	From E/W <b>FWL</b>	County <b>LEA</b>
Latitude <b>32.38474497</b>					Longitude <b>-103.61837885</b>				NAD <b>NAD83</b>

## First Take Point (FTP)

UL <b>M</b>	Section <b>18</b>	Township <b>22S</b>	Range <b>33E</b>	Lot	Feet <b>100</b>	From N/S <b>FSL</b>	Feet <b>440</b>	From E/W <b>FWL</b>	County <b>LEA</b>
Latitude <b>32.38488240</b>					Longitude <b>-103.61837897</b>				NAD <b>NAD83</b>

## Last Take Point (LTP)

UL <b>D</b>	Section <b>7</b>	Township <b>22S</b>	Range <b>33E</b>	Lot	Feet <b>100</b>	From N/S <b>FNL</b>	Feet <b>440</b>	From E/W <b>FWL</b>	County <b>LEA</b>
Latitude <b>32.41335614</b>					Longitude <b>-103.61839523</b>				NAD <b>NAD83</b>

Is this well the defining well for the Horizontal Spacing Unit? ☐ NOIs this well an infill well? ☐ YES

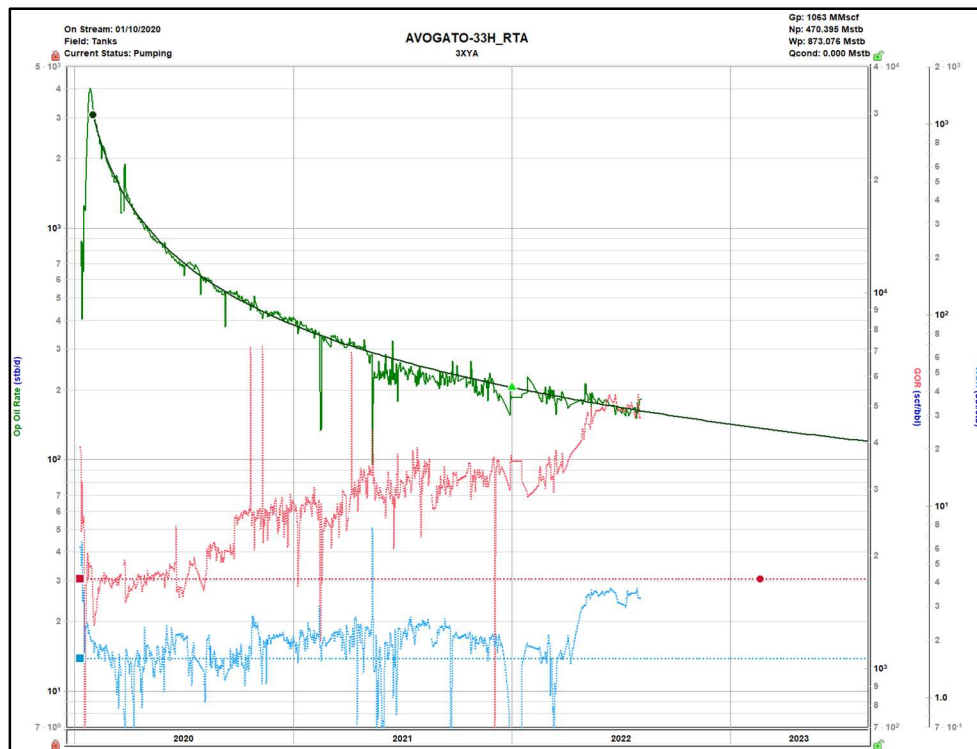
If infill is yes please provide API if available, Operator Name and well number for Defining well for Horizontal Spacing Unit.

API # <b>30-025-48756</b>		
Operator Name: <b>OXY USA INC.</b>	Property Name: <b>SENILE FELINES 18-7 STATE COM</b>	Well Number <b>311H</b>

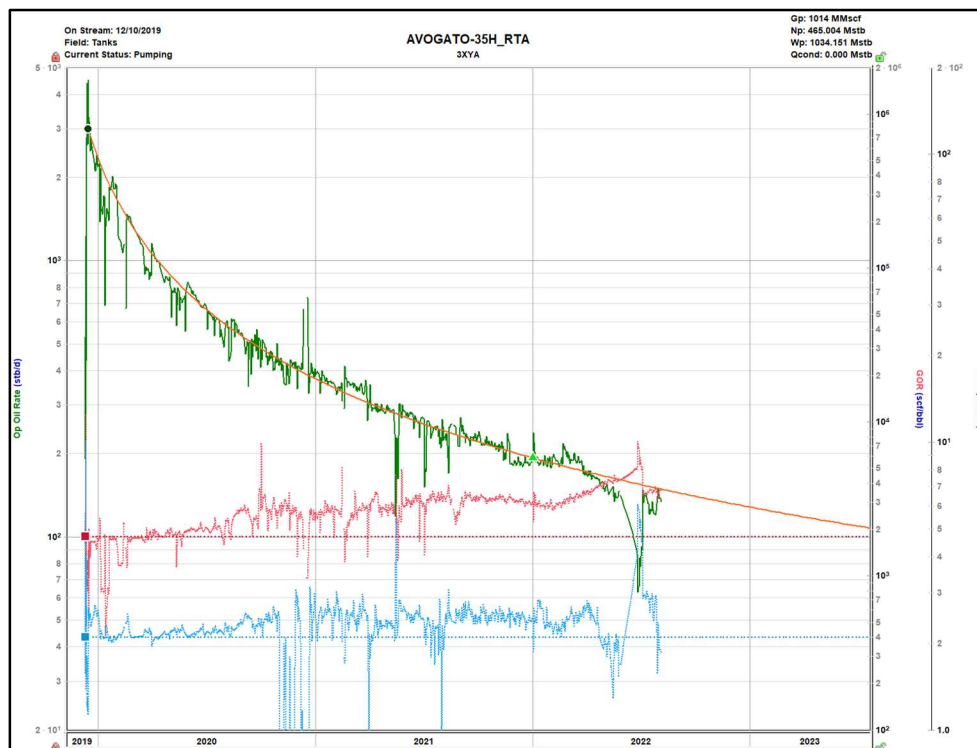
KZ 06/29/2018



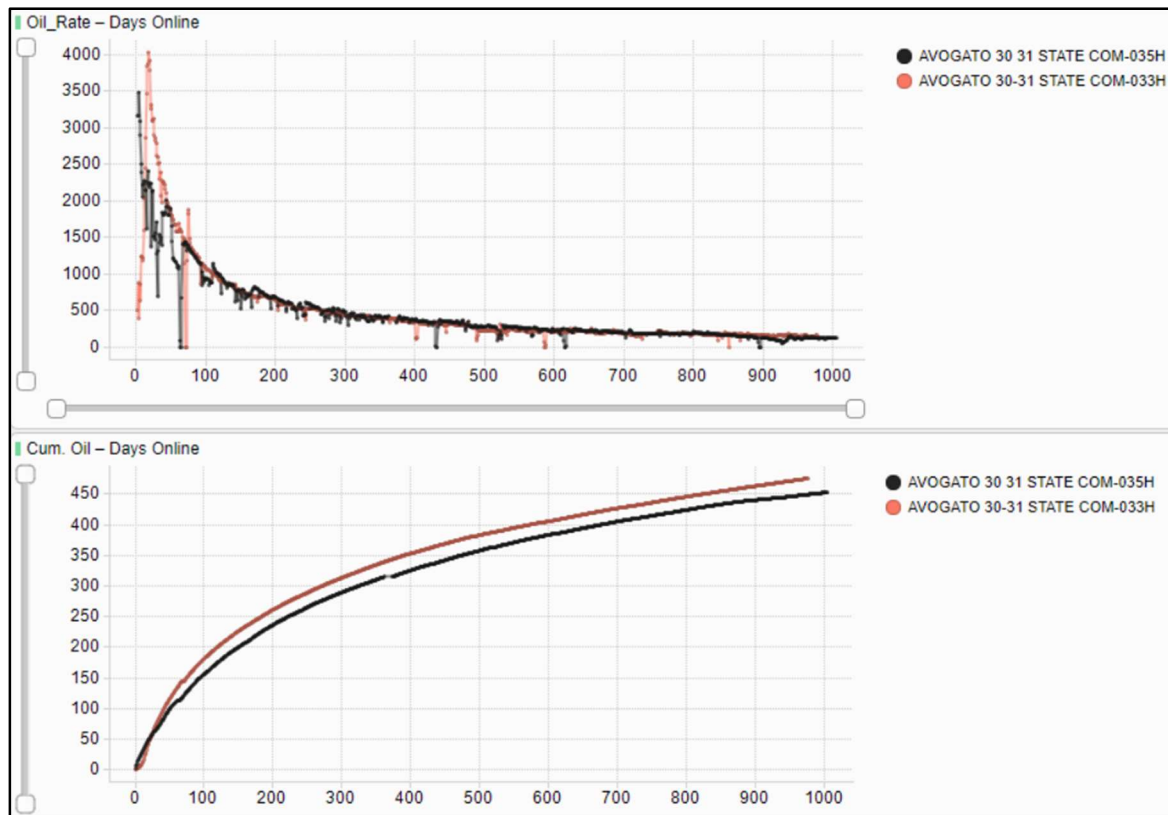
## Production Curve - Avogato 33H – L3BS Horizontal Well



## Avogato 35H – Wolfcamp Horizontal Well



Projecting similar oil performance between 3BS and Wolfcamp Hzs based on historical data





The attached production plots showing the historical data of a Bone Spring (3BSS) and Wolfcamp horizontal well. The current type-curve is the same for both 3BSS and Wolfcamp formations, so production allocation was estimated proportional to the stimulated perforated lateral length. GOR and WOR are expected to be the same on both formations therefore % for oil, water and gas are the same.

#### Senile Felines 31H:

##### Step 1

Planned Perforated Lateral Length : Production allocation proportional to stimulated lateral length within each pool (Bone Spring | Wolfcamp)

Wolfcamp Perf Intervals : 12,403' – 19,379' | 20,374' - 22,244'

Bone Spring Perf Intervals : 19,403' – 20,350'

##### Step 2

Total Well Production Allocation based on % Perf Interval

	Interval1	Interval2	Total	
Wolfcamp	6,976	1,870	8,846	90%
Bone Spring	947		947	10%
			9,793	100%

	Oil	Water	Gas
3BSS	10.0%	10.0%	10.0%
Wolfcamp	90.0%	90.0%	90.0%



**OXY USA Inc.**  
**5 Greenway Plaza, Suite 110**  
**Houston, TX 77046**

September 14, 2022

Dean McClure  
New Mexico Oil Conservation Division  
1220 South Francis Drive  
Santa Fe, New Mexico 87505

RE: ***Application for Downhole Commingling -***  
***OXY USA Inc.***  
***Senile Felines 18-7 State Com #31H***  
***30-025-48751***  
***N-18-22S-33E 355' FSL 1933'FWL***

Dear Mr. McClure:

Oxy USA Inc. respectfully seeks approval to downhole commingle the subject well; Red Tank; Bone Spring, East pool (51687) and the WC-025 G-09 S223332A; UPR WOLFCAMP pool (98177). I attest that stimulating both the Bone Spring and Wolfcamp pools in the Senile Felines 31H lateral will not hinder the well's production value. It is Oxy's responsibility as a prudent operator to maximize lateral length and minimize reserves left in the ground.

Sincerely,

A handwritten signature in black ink that reads "Tim Hoang". The signature is fluid and cursive, with the first and last names clearly legible.

Tim Hoang  
Eng Advisory Reservoir – ORCM Del NM

OXY USA Inc.  
5 Greenway Plaza, Suite 110  
Houston, TX 77046

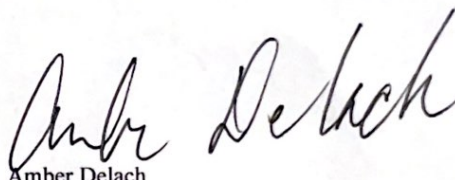
September 14, 2022

Dean McClure  
New Mexico Oil Conservation Division  
1220 South Francis Drive  
Santa Fe, New Mexico 87505

RE: *Application for Downhole Commingling – Identical Ownership Statement*  
*OXY USA Inc.*  
*Senile Felines 18-7 State Com 31H*  
*30-025-48751*  
*N-18-22S-33E 355' FSL 1933'FWL*

Dear Mr. McClure:

OXY USA Inc. respectfully seeks approval to downhole commingle the subject well; Red Tank; Bone Spring, East pool (51687) and the WC-025 G-09 S223332A; UPR WOLFCAMP pool (98177). The working, royalty and overriding royalty interests are identical across both pools.



Amber Delach  
Advisor Land Negotiator – Land ORCM NM TX Delaware

Senile Felines 18-7 State Com 31H  
30-025-48751  
N-18-22S-33E

Royalty Interest Owner
State of New Mexico
PO Box 1148
Santa Fe, NM 87501

7014 1820 0000 0732 664J

U.S. Postal Service™  
**CERTIFIED MAIL® RECEIPT**  
Domestic Mail Only

For delivery information, visit our website at [www.usps.com](http://www.usps.com)®.

**OFFICIAL USE**

Postage	\$	Postmark Here
Certified Fee		
Return Receipt Fee (Endorsement Required)		
Restricted Delivery Fee (Endorsement Required)		
Total Postage & Fees	\$	

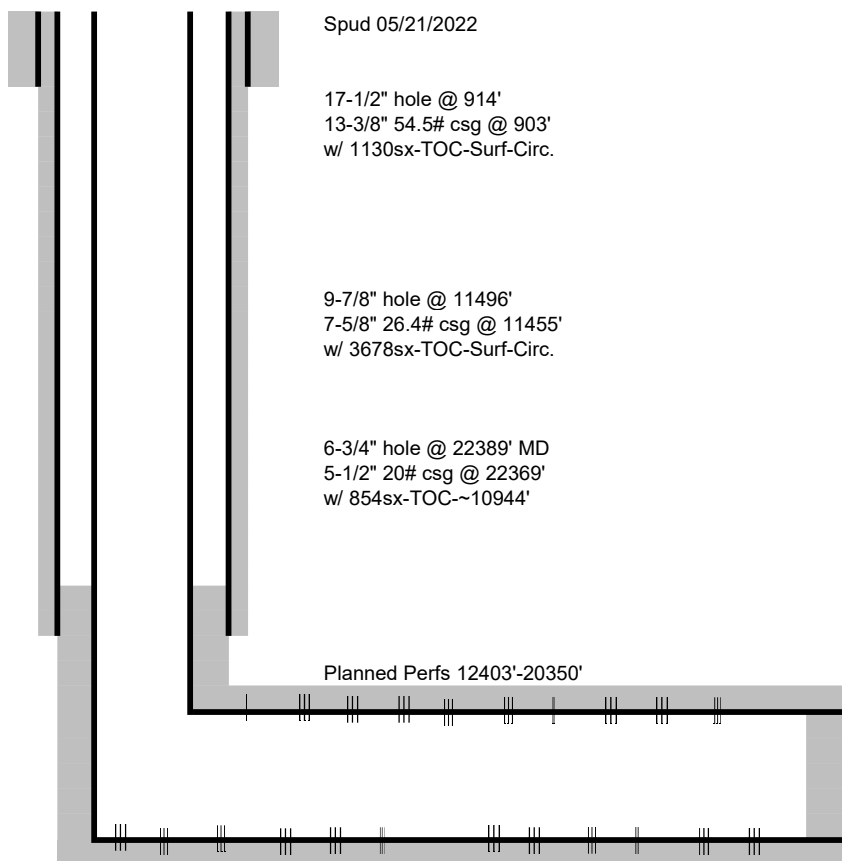
Sent To SLO

Street & Apt. No.,  
or PO Box No. Senile Feline 31H

City, State, ZIP+4 9-14-22 DHC Rem

PS Form 3800, July 2014 See Reverse for Instructions

OXY USA Inc. - Current/Proposed  
Senile Felines 18-7 State Com 31H  
API No. 30-025-48751



Spud 05/21/2022

17-1/2" hole @ 914'  
13-3/8" 54.5# csg @ 903'  
w/ 1130sx-TOC-Surf-Circ.

9-7/8" hole @ 11496'  
7-5/8" 26.4# csg @ 11455'  
w/ 3678sx-TOC-Surf-Circ.

6-3/4" hole @ 22389' MD  
5-1/2" 20# csg @ 22369'  
w/ 854sx-TOC-~10944'

Planned Perfs 12403'-20350'

TD - 22369'

**From:** [McClure, Dean, EMNRD](#) on behalf of [Engineer, OCD, EMNRD](#)  
**To:** [Reeves, Leslie T](#)  
**Cc:** [McClure, Dean, EMNRD](#); [Kautz, Paul, EMNRD](#); [Wrinkle, Justin, EMNRD](#); [Powell, Brandon, EMNRD](#); [lisa@rwbyram.com](mailto:lisa@rwbyram.com); [Dawson, Scott](#)  
**Subject:** Approved Administrative Order DHC-5225  
**Date:** Tuesday, September 27, 2022 10:00:31 AM  
**Attachments:** [DHC5225 Order.pdf](#)

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NMOCD has issued Administrative Order DHC-5225 which authorizes Oxy USA, Inc. (16696) to downhole commingle production within the following well:

**Well Name:** **Senile Felines 18 7 State Com #31H**  
**Well API:** **30-025-48751**

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

Please review the content of the order to ensure you are familiar with the authorities granted and any conditions of approval. If you have any questions regarding this matter, please contact me.

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



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

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

**ORDER NO. DHC-5225**

**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 (“Application”) to downhole commingle the pools described in Exhibit A (“the Pools”) within the well bore of the well identified in Exhibit A (“the Well”).
2. Applicant proposed a method to allocate the oil and gas production from the Well to each of the Pools that is satisfactory to the OCD and protective of correlative rights.
3. Applicant has certified that all produced fluids from all the Pools are compatible with each other.
4. Applicant has certified that downhole commingling the Pools will not decrease the value of the oil and gas production.
5. To the extent that ownership is identical, Applicant submitted a certification by a licensed attorney or qualified petroleum landman that ownership in the Pools is identical as defined by 19.15.12.7(B) NMAC.
6. To the extent that ownership is diverse, Applicant identified all owners of interest in the Pools, provided evidence a copy of the Application was given to each person, and those persons either submitted a written waiver or did not file an objection to the Application.
7. Applicant provided notice of the Application to the Bureau of Land Management (“BLM”) or New Mexico State Land Office (“NMSLO”), as applicable.

**CONCLUSIONS OF LAW**

8. OCD has jurisdiction to issue this Order pursuant to the Oil and Gas Act, NMSA 1978, Sections 70-2-6, 70-2-11, 70-2-12, 70-2-16, 70-2-17, and 19.15.12 NMAC.
9. The downhole commingling of the Pools is common, or Applicant has provided evidence that the fluids are compatible and will not damage the Pools in accordance with 19.15.12.11(A)(1) NMAC.
10. The bottom perforation of the lower zone is within one hundred fifty percent (150%) of the depth of the top perforation in the upper zone or Applicant has provided evidence that the

proposed commingling of the Pools shall not result in shut-in or flowing well bore pressure in excess of the commingled pool's fracture parting pressure in accordance with 19.15.12.11(A)(3) NMAC.

11. Applicant's proposed method of allocation, as modified herein, complies with 19.15.12.11(A)(8) NMAC.
12. To the extent that ownership is diverse, Applicant identified all owners of interest in the Pools and provided evidence the application was given to those persons in accordance with 19.15.12.11(C)(1)(b) NMAC.
13. By granting the Application with the conditions specified below, this Order prevents waste and protects correlative rights, public health, and the environment.

### **ORDER**

1. Applicant is authorized to downhole commingle the Pools described in Exhibit A within the well bore of the well identified in Exhibit A.
2. Applicant shall allocate a fixed percentage of the oil and gas production from the Well to each of the Pools as described in Exhibit A.
3. If an alteration is made to the Well or a condition within the Well changes which may cause the allocation of production to the Pools as approved within this Order to become inaccurate, then no later than sixty (60) days after that event, Applicant shall submit Form C-103 to the OCD Engineering Bureau describing the event and include a revised allocation plan. If OCD denies the revised allocation plan, this Order shall terminate on the date of such action.
4. If any of the pools being commingled is prorated, or the Well's production has been restricted by an OCD order in any manner, the allocated production from each producing pool in the commingled well bore shall not exceed the top oil or gas allowable rate for a well in that pool or rate restriction applicable to the well.
5. If the Well is deepened, then no later than forty-five (45) days after the Well is deepened, Applicant shall conduct and provide logs to OCD that are sufficient for OCD to determine which pool(s) each new completed interval of the Well will produce from.
6. If the downhole commingling of the Pools reduces the value of the oil and gas production to less than if it had remained segregated, no later than sixty (60) days after the decrease in value has occurred Applicant shall submit a new downhole commingling application to OCD to amend this Order to remove the pool that 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.
7. If a completed interval of the Well is altered from what is submitted within the Application as identified in Exhibit A, then no later than sixty (60) days after the alteration, Applicant shall submit Form C-103 to the OCD Engineering Bureau detailing the alteration and completed interval.

8. 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).
9. 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**

  
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**ADRIENNE E. SANDOVAL  
DIRECTOR**

**DATE:** 9/26/2022

State of New Mexico  
Energy, Minerals and Natural Resources Department

## Exhibit A

Order: **DHC-5225**

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

Well Name: **Senile Felines 18 7 State Com #31H**

Well API: **30-025-48751**

Upper Zone	Pool Name: <b>RED TANK;BONE SPRING, EAST</b>		
	Pool ID: <b>51687</b>	Current:	New: <b>X</b>
	Allocation: <b>Fixed Percent</b>	Oil: <b>10%</b>	Gas: <b>10%</b>
	Interval: <b>Perforations</b>	Top: <b>19,403</b>	Bottom: <b>20,350</b>
Intermediate Zone	Pool Name:		
	Pool ID:	Current:	New:
	Allocation:	Oil:	Gas:
	Interval:	Top:	Bottom:
Bottom of Interval within 150% of Upper Zone's Top of Interval:			
Lower Zone	Pool Name: <b>WC-025 G-09 S223332A;UPR WOLFCAMP</b>		
	Pool ID: <b>98177</b>	Current:	New: <b>X</b>
	Allocation: <b>Fixed Percent</b>	Oil: <b>90%</b>	Gas: <b>90%</b>
	Interval: <b>Perforations</b>	Top: <b>12,403</b>	Bottom: <b>19,379</b>
	Interval: <b>Perforations</b>	Top: <b>20,374</b>	Bottom: <b>22,244</b>
	Bottom of Interval within 150% of Upper Zone's Top of Interval: <b>YES</b>		

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

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

CONDITIONS  
  
Action 143348

CONDITIONS

Operator: OXY USA INC P.O. Box 4294 Houston, TX 772104294	OGRID: 16696
	Action Number: 143348
	Action Type: [C-107] Down Hole Commingle (C-107A)

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.	9/27/2022