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

811 S. First St., Artesia, NM 88210

<u>District III</u>
1000 Rio Brazos Road, Aztec, NM 87410

<u>District IV</u>
1220 S. St Francis Dr, Santa Fe, NM 87505

State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-107-B Revised August 1, 2011

OIL CONSERVATION DIVISION

1220 S. St Francis Drive Santa Fe, New Mexico 87505 Submit the original application to the Santa Fe office with one copy to the appropriate District Office.

APPLICATION	N FOR SURFACE	COMMINGLING	G (DIVERSE	OWNERSHIP)	
OPERATOR NAME: OXY	USA INC.				
OPERATOR ADDRESS: PO BO	X 4294 HOUSTON, TX	X 77210			
APPLICATION TYPE:					
☐ Pool Commingling ☐ Lease Commin	gling Pool and Lease Co	mmingling Off-Lease	Storage and Measu	rement (Only if not Surface	e Commingled)
Is this an Amendment to existing Or					 .
Have the Bureau of Land Manageme ☐ Yes ☐ No	nt (BLM) and State Land	d office (SLO) been not	tified in writing	of the proposed comm	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
		_		_	
		_		1	
		_		1	
(2) Are any wells producing at top allo	wables? Tyes TNo				
(4) Measurement type: Metering (5) Will commingling decrease the val	Other (Specify) ne of production? Yes	□No If "yes", descri	ibe why commingl	ling should be approved	
		SE COMMINGLINGS ts with the following in			
 Pool Name and Code. DOLLARH Is all production from same source Has all interest owners been notified Measurement type: Metering 	IDE;DEVONIAN (18050) of supply? ⊠Yes □N	To posed commingling?	⊠Yes □N	Vo	
	()	LEASE COMMIN			
(1) Complete Sections A and E.	r lease attach sheet	is with the following h	iiioi iiiatioii		
	(D) OFF-LEASE ST	TORAGE and MEA ets with the following			
(1) Is all production from same source			miormation		
(2) Include proof of notice to all intere					
(E)	ADDITIONAL INFO	DRMATION (for all ts with the following in		ypes)	
 A schematic diagram of facility, in A plat with lease boundaries showi Lease Names, Lease and Well Nun 	cluding legal location. ng all well and facility locat			ate lands are involved.	
I hereby certify that the information above	e is true and complete to the	e best of my knowledge an	nd belief.		
SIGNATURE: SWING		ITLE:REGULATORY		DATE:03/14	4/2022
TYPE OR PRINT NAMESANDR	A MUSALLAM		TEL	EPHONE NO.:71	3-366-5106
E-MAIL ADDRESS: SANDRA	MUSALLAM@OXY.COM				

RECEIVED:	REVIEWER:	TYPE:	APP NO	:
		ABOVE THIS TABLE FOR OCD D		
	- Geologi	co OIL CONSERV cal & Engineering ancis Drive, Sant	ATION DIVIS g Bureau –	
		RATIVE APPLICATI		
THIS	CHECKLIST IS MANDATORY FOR A REGULATIONS WHICH RE	LL ADMINISTRATIVE APPLIC. EQUIRE PROCESSING AT THE		
Applicant: OXY US				OGRID Number: 16696
	RAMSAY FEDERAL COM #1 & C	OTHER		PI: 30-025-36513 & OTHER
ool: DOLLARHIDE;	DEVONIAN		P	Pool Code: 18050
SUBMIT ACCUR	ATE AND COMPLETE IN	FORMATION REQUI		CESS THE TYPE OF APPLICATION
1) TYPE OF APPL	ICATION. Chapt these			
A. Location	.ICATION: Check those n – Spacing Unit – Simul NSL NSP(PI	taneous Dedicatio	-	□SD
[one only for [1] or [11] nmingling – Storage – M DHC ©CTB P ction – Disposal – Pressu WFX PMX S	LC □PC □C ∪re Increase – Enh		covery
A. Offse B. Roya C. Appl D. Notifi E. Surfa G. For a	N REQUIRED TO: Check toperators or lease hole lity, overriding royalty or ication requires publish cation and/or concurred cation and/or concurred company of the above, proof or otice required	lders wners, revenue ov ed notice ent approval by SL ent approval by Bl	vners .O .M	Notice Complete Application Content Complete
administrative understand the	N: I hereby certify that a approval is accurate nat no action will be ta are submitted to the Div	and complete to t ken on this applice	the best of m	
N	lote: Statement must be comple	eted by an individual with	n managerial and,	or supervisory capacity.
			02/14/2022	
SANDRA MUSALLAM	ſ		03/14/2022 Date	
Print or Type Name				
5. 1,55 1161116			713-366-510	
() () () () () () () () () ()			Phone Nu	mber
Mush			SANDRA 1	MUSALLAM@OXY.COM
Signature			e-mail Add	

APPLICATION FOR LEASE COMMINGLE & OFF LEASE STORAGE, MEASUREMENT AND SALES Commingling proposal for the Ramsay Fed Com Battery

OXY USA INC requests approval for a lease commingle at the Ramsay Fed Com Battery (N-28-24S-38E) and off lease storage, measurement and sales (gas sales meter at L-28-24S-38E). This commingle request includes all current and future wells in the leases/CAs and pools listed below.

POOL: DOLLARHIDE; DEVONIAN (18050)

WELL NAME	API	SURFACE LOCATION	DATE ONLINE	OIL (BOPD)	GRAVITY API	GAS (MSCFD)	BTU/CF	WATER (BWPD)		
CA NMNM111804 - 15% BLM NMNM10188 (BLM NRI 12.5%) & 85% STATE LEASE B017321										
W A RAMSAY FEDERAL COM #1	30-025-36513	N-28-T24S-R38E	Jan-2004	79	41	311	607	146		
CA NMNM139627 - 15% BLM NMNM10188 (BLM NRI 12.5%) & 85% STATE LEASE B017324										
W A RAMSAY FEDERAL COM #2	30-025-45492	N-28-T24S-R38E	Apr-2019	63	41	53	607	451		

Process Description:

Production is sent through a three-phase production separator. Oil then flows to one of three oil storage tanks. The oil is sold via a transport truck, which also serves as the Facility Measurement Point (FMP).

Gas production is sent from the production separators to an ETC sales meter (57048), which serves as the gas FMP. In the future (estimated 4Q 2022), gas will be sent to a different sales meter that will be shared with other batteries in the area. A separate gas commingle permit will be submitted for that project.

Oil and gas production is allocated back to each well based on well test. For testing purposes, the facility is equipped with a 4′ x 10′ three-phase test separator. This test vessel is equipped with an oil turbine meter, gas orifice meter and a water turbine meter. Each well is individually tested at least once per month for allocation purposes. Production is allocated to each well based on the aforementioned well tests. Both wells have been online for over two years and are on an established decline.

All produced water will be sent to the WDDU water station for disposal.

Additional Application Components:

The flow of production is shown in detail on the enclosed facility diagram. Also enclosed is a map detailing the lease boundaries, well and battery locations.

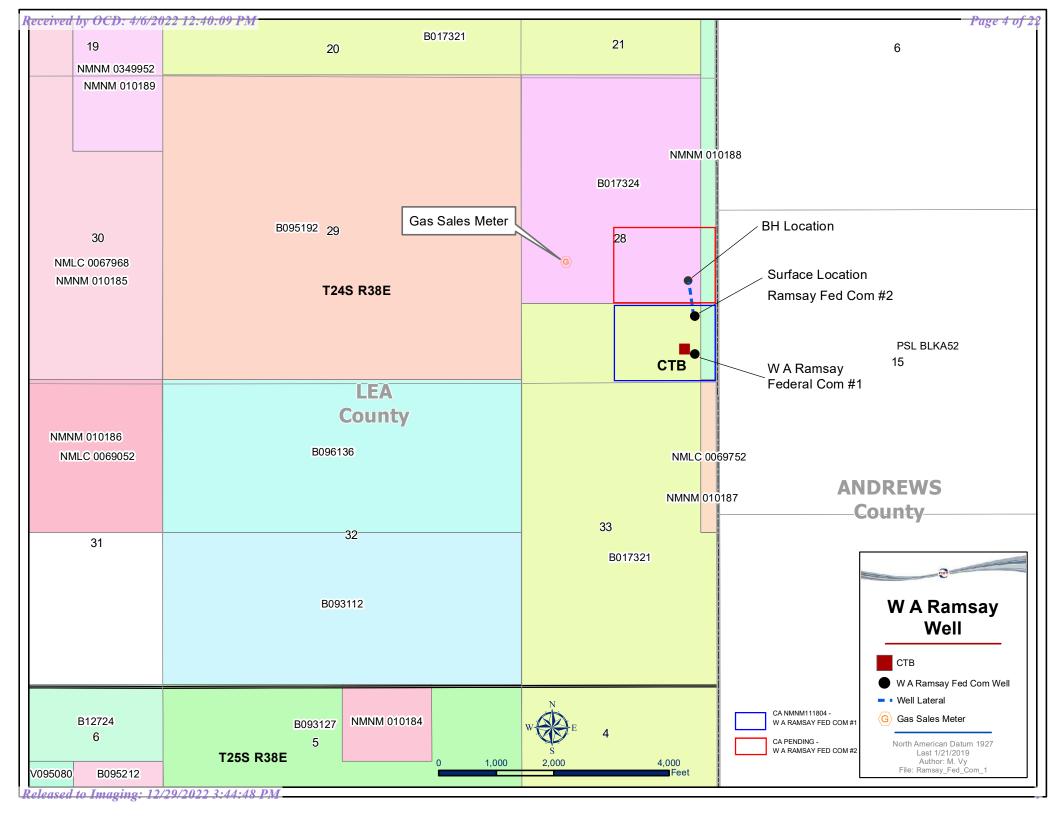
The oil and gas meters will be calibrated on a regular basis per API, NMOCD and BLM specifications.

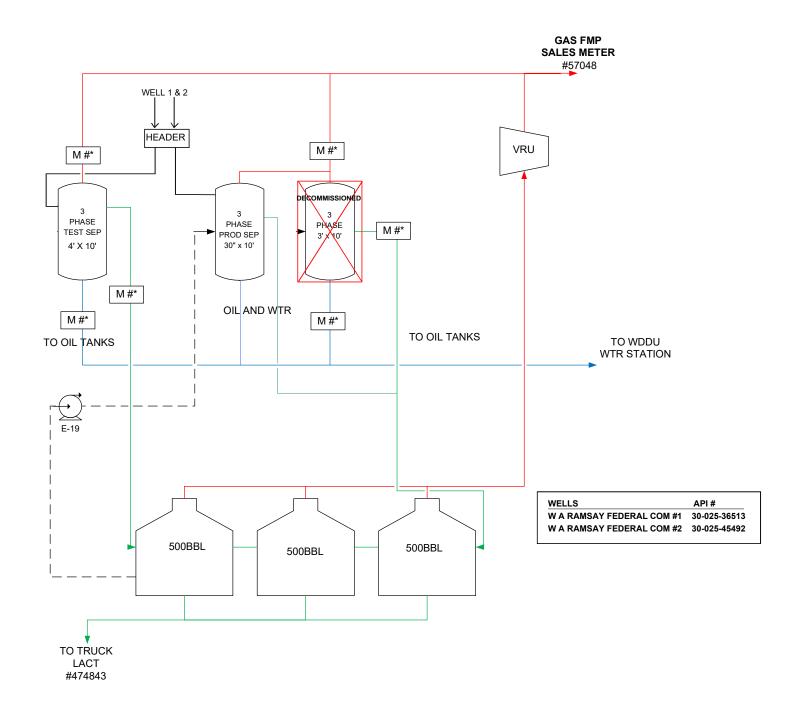
Pursuant to Statewide rule 19.15.12.10(C)(4)(g) OXY USA INC requests the option to include additional pools or leases within the defined parameters set forth in the Order for future additions.

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

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

OXY USA INC understands the requested approval will not constitute the granting of any right-of-way or construction rights not granted by the lease instrument.





PROCESS FLOW DIAGRAM
RAMSAY W A FED COM BATTERY

RAMSAY W A FED COM BATTERY



March 29, 2022

Re: Request for Lease Commingling and Off-lease Storage, Measurement and Sales at the Ramsay Fed Com Battery

Section 28, T24S R38E, Lea County

Dear Interest Owner:

This is to advise you that OXY USA INC. is filing an application for surface commingling at the Ramsay Fed Com Battery with the NMOCD. A copy of the application submitted to the Division is attached. This commingle request also includes future wells in the pool and leases/CAs listed in the attached 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 Sandra Musallam (713) 366-5106.

Respectfully,

OXY USA INC.

Sandra Musallam

Regulatory Engineer - Compliance Lead

Sandra Musallam@oxy.com

MAILED 03/29/2022

To Name	To Address Line 1	To City	To State	To ZIP	Tracking Number
BATTLE TRUST	175 GREAT NECK ROAD STE 405	GREAT NECK	NY	11021	_9414811898765846929762
GOLDMAN FAMILY OIL TRUST	3000 CONNECTICUT AVENUE NW	WASHINGTON	DC	20008	_9414811898765846929984
LEONTINE M OLCOTT ESTATE	PO BOX 99084	FORT WORTH	TX	76199	_9414811898765846929113
RUBIE CROSBY BELL FAMILY LLC	P O BOX 24591	NEW ORLEANS	LA	70184	_9414811898765846929335
SLAYTON INVESTMENTS LLC	PO BOX 2035	ROSWELL	NM	88202	_9414811898765846929069
STANLEY W CROSBY III	P O BOX 2346	ROSWELL	NM	88202	_9414811898765846929007
STEVEN W CHANEY	PO BOX 590809	SAN FRANCISCO	CA	94159	_9414811898765846929045

Affidavit of Publication

STATE OF NEW MEXICO COUNTY OF LEA

I, Daniel Russell, Publisher of the Hobbs News-Sun, a newspaper published at Hobbs, New Mexico, solemnly swear that the clipping attached hereto was published in the regular and entire issue of said newspaper, and not a supplement thereof for a period of 1 issue(s).

> Beginning with the issue dated March 20, 2022 and ending with the issue dated March 20, 2022.

Publisher

Sworn and subscribed to before me this 20th day of March 2022.

Business Manager

My commission expires January 29, 2023

(Seal)

GUSSIE BLACK Notary Public - State of New Mexico Commission # 1087526 My Comm. Expires Jan 29, 2023

This newspaper is duly qualified to publish legal notices or advertisements within the meaning of Section 3, Chapter 167, Laws of 1937 and payment of fees for said

LEGALS

LEGAL NOTICE March 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 surface commingle permit for oil production at the W A Ramsay Battery. The facility is located in Lea County in Section 28 T24S R38E. Wells going to the battery are located in Section 28 T24S R38E. Production is from the Dollarhide; Devonian Pool.

Pursuant to Statewide Rule 19.15.12.10, interested parties must file objections or requests for hearing in writing with the division's Santa Fe office within 20 days after publication, or the NMOCD may approve the application.

For questions pertaining to the application, please contact Sandra Musallam at (713) 366-5106. #37457

67111848

TALENT ACQUISITION
OCCIDENTAL PERMIAN
5 GREENWAY PLAZA, STE 110
HOUSTON, TX 77046

00264918

3/2/22 A-

DISTRICT I P.O. Box 1980, Hobbs, NM 68241-1980

DISTRICT IV



State of New Mexico

Energy, Minerals and Natural Resources Departm

Form C-102 Revised February 10, 1994 Submit to Appropriate District Office

State Lease - 4 Copies Fee Lease - 3 Copies

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

DISTRICT III 1000 Rio Brazos Rd., Astec, NM 87410

P.O. BOX 2086, SANTA FE, N.M. 87504-2088

OIL CONSERVATION DIVISION

P.O. Box 2088

Santa Fe, New Mexico 87504-2088

WELL LOCATION AND ACREAGE DEDICATION PLAT

☐ AMENDED REPORT

API Number 30-025-36513	Pool Code (8050	Dollarhide Pool Name Under Devonian	
Property Code 30930	-	FEDERAL COM	Well Number
ogrid no. 000962		ator Name ROLEUM, INC.	Elevation 3184

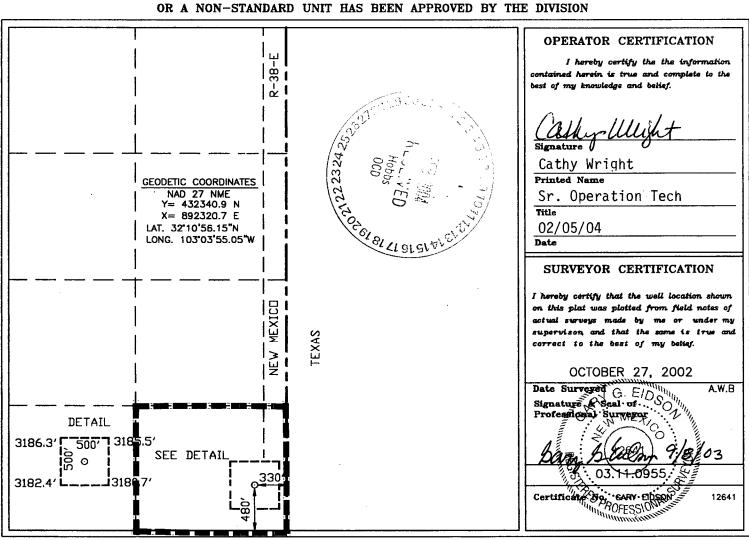
Surface Location

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
N	28	24-S	38-E		480'	SOUTH	330'	EAST	LEA

Bottom Hole Location If Different From Surface

	UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
	Dedicated Acres	Joint o	r Infill Co	nsolidation (Code Ore	ier No.				
L										

NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED



Diminal J.
1625 N. Tranch Dr., Hobbs, NM, 88249
1625 N. Tranch Dr., Hobbs, NM, 88249
1600c (372) 893-6161 Fax (575) 993-0720
1811 S. Fart Sc., Ansois, NM 88210
1611 S. Fart Sc., Ansois, NM 88210
1612 Phase; (375) 748-1283 Fax (575) 748-9720
1612 Phase; (375) 748-1283 Fax (575) 37-6170
1620 P.a. Brazan R.ad, Antac, NM 87210
1620 P.a. Brazan R. Rad, Antac, NM 87210
1620 P.a. Brazan R. Rad, Antac, NM 87210
1620 P.a. Brazan R. Rad, Antac, NM 87305
1620 P.a. Brazan P. Rad, Santy Fa, NM 87305
1620 Proce (595) 476-3466 Fax (595) 476-3465

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

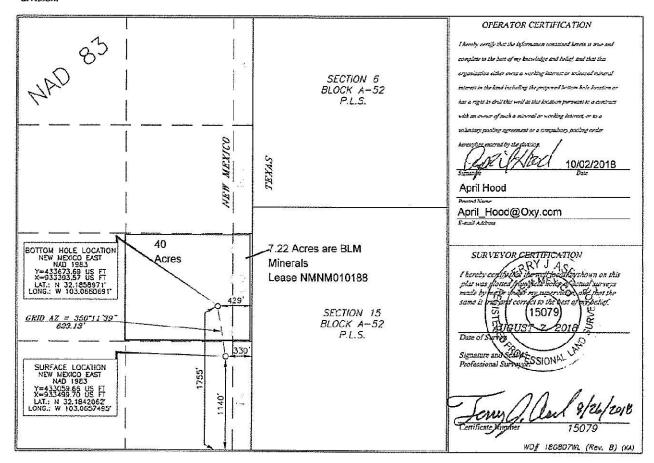
Form C-102 Revised August 1, 2011 Submit one copy to appropriate District Office

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

	API Number Pool 180					DOLL	Pool Name ARHIDE; DI	EVONIAN	
Ргор	rty Code			Proper RAMSAY F	ty Name ED COM		Well Number 2		
0 <i>GI</i> 1669	<i>IID №.</i> 6			Operat OXY US	or Name 'A INC.		and a superior of the superior		Elevation 3192.2'
				Surface L	ocation				
UL or lot no.	Section	Township	Range	Lot Id.	n Feet from the	North/South line	Feet from the	East/West line	County
N	28	24 SOUTH	38 EAST, N.	М.Р.М.	1140'	SOUTH	330'	EAST	LEA
3 desilente de			Bottom Hol	c Location If	Different l	From Surfac	e		
UL or lot no.	Section	Township	Range	Lot Id.	Feet from the	North/South line	Feet from the	East West line	County
K	28	24 SOUTH	38 EAST, N.	M.P.M.	1755'	SOUTH	429'	EAST	LEA
Dedicated 47.22	Acres	Joint or Infill	Consolidation Code	Order No. NSP-2	111		<u></u>		1

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.



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

Run Date/Time: 9/4/2018 15:27 PM (MASS) Serial Register Page Page 1 Of 2
Serial Number

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

Case Type 318310: O&G COMMUNITZATION AGRMT

Commodity 459: OIL & GAS Case Disposition: AUTHORIZED

Total Acres: 47.200

NMNM 111804

Serial Number: NMNM-- 111804

				Ooman Hambon H	
Name & Address				Int Rel	% Interest
BLM ROSWELL FO	2909 W 2ND ST	ROSWELL	NM 88201	OFFICE OF RECORD	0.000000000
PXP PRODUCING CO LLC	717 TEXAS ST STE 2100	HOUSTON	TX 7700227	753 OPERATOR	100.000000000

Serial Number: NMNM-- 111804 Sec SType **Suff Subdivision District/Field Office** County Mer Twp Rng Mgmt Agency 0240S 0380E LOTS CARLSBAD FIELD OFFICE LEA BUREAU OF LAND MGMT 23 028 4; 23 0240S 0380E 028 ALIQ SESW; CARLSBAD FIELD OFFICE LEA BUREAU OF LAND MGMT

Relinquished/Withdrawn Lands Serial Number: NMNM-- 111804

Serial Number: NMNM-- 111804

Act Date	Act Co	ode Action Txt	Action Remarks	Pending Off
12/01/2003	387	CASE ESTABLISHED		
12/01/2003	516	FORMATION	DVNN;DEVONIAN	
12/01/2003	525	ACRES-NONFEDERAL	40.00;84.75% ST	
12/01/2003	526	ACRES-FED INT 100%	7.20;15.25%	
12/01/2003	868	EFFECTIVE DATE	/A/	
01/31/2004	654	AGRMT PRODUCING	NMNM10188;1W A RAMSAY	
01/31/2004	690	AGRMT VALIDATED		
03/31/2005	580	PROPOSAL RECEIVED	CA RECD	
04/06/2005	334	AGRMT APPROVED		
04/07/2005	974	AUTOMATED RECORD VERIF	MO	
02/12/2008	817	MERGER RECOGNIZED	POGO PROD/PXP ACQ;	
02/12/2008	940	NAME CHANGE RECOGNIZED	PXP ACQ/POGO LLC;	
03/08/2008	974	AUTOMATED RECORD VERIF	ВТМ	
06/19/2012	940	NAME CHANGE RECOGNIZED	POGO/PXP	

Line Number	Remark Text	Serial Number: NMNM 111804
0002	/A/RECAPITULATION EFFECTIVE 12/01/2003	
0003	TR# LEASE SERIAL NO AC COMMITTED % INTEREST NO WARRANTY IS MADE BY BLM FOR USE OF THE DATA FOR PURPOSES NOT INTE	NDED BY BLM

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

Run Date/Time: 9/4/2018 15:27 PM

Page 2 Of 2

Line Number	Rema	ark Text					Serial Number: NMNM 1118	04
0004	1	NMNM	10188		7.20	15.2500		
0005	2	STATE			40.00	84.7500		
0006				TOTAL	47.20	100.0000		

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

Run Date/Time: 2/12/2021 18:20 PM (MASS) Serial Register Page Page 1 Of 2

Serial Number

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

Case Type 318310: O&G COMMUNITZATION AGRMT

Commodity 459: OIL & GAS

Case Disposition: AUTHORIZED

Case File Juris:

Serial Number: NMNM-- - 139627

Total Acres:

47.220

 Name & Address
 Int Rel
 % Interest

 BLM NMSO
 301 DINOSAUR TRL
 SANTA FE
 NM
 875081560
 OFFICE OF RECORD
 0.000000000

 OXY USA INC
 5 GREENWAY PLZ STE 110
 HOUSTON
 TX
 770460521
 OPERATOR
 100.000000000

Serial Number: NMNM- - 139627 **Suff Subdivision District/ Field Office** Mer Twp Rng Sec SType Nr County Mgmt Agency 0240S 0380E **CARLSBAD FIELD OFFICE** LEA BUREAU OF LAND MGMT 23 028 LOTS 3; 0240S 0380E NESW; CARLSBAD FIELD OFFICE IFA BUREAU OF LAND MGMT 23 028 ALIQ

Relinquished/Withdrawn Lands Serial Number: NMNM- - 139627

Serial Number: NMNM-- - 139627

Act Date	Act Co	ode Action Txt	Action Remarks	Pending Off	
08/01/2018	387	CASE ESTABLISHED			
08/01/2018	516	FORMATION	DEVONIAN;		
08/01/2018	525	ACRES-NONFEDERAL	40.00;84.71		
08/01/2018	868	EFFECTIVE DATE	/A/		
02/07/2019	580	PROPOSAL RECEIVED	CA RECD;		
05/01/2019	654	AGRMT PRODUCING	NMNM139627, 2		
08/09/2019	334	AGRMT APPROVED			
08/09/2019	690	AGRMT VALIDATED			

Line Number	Rema	rk Text					Serial Number:	NMNM 139627
0001	`							
0002	/A/R	ECAPIT	LATION	EFFECTIVE	08/01/2018			
0003	TR#	LEASE	SERIAL	NO AC	COMMITTED	% INTEREST		
0004	1	STATE			40.00	84.7099		
0005	2	NMNM :	L0188		7.22	15.2901		
0006				TOTAL	47.22	100.0000		

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





Well Name	Well Number	US Well Number	Lease Number	Case Number	Operator
RAMSAY	2	300254549200S1	STATE	NMNM139627	OXY USA
W A RAMSEY FED	1	300253651300S1	NMNM10188	NMNM111804	OXY USA

Notice of Intent

Sundry ID: 2658762

Type of Submission: Notice of Intent

Type of Action: Commingling (Surface)

Date Sundry Submitted: 02/24/2022 Time Sundry Submitted: 10:05

Date proposed operation will begin: 02/01/2019

Procedure Description: OXY requests approval according to 43 CFR 3173.14 (a)(1)(iii) to commingle production at the W A Ramsay Battery. Commingling will not reduce the individual wells' production value or otherwise negatively affect the royalty revenue of the Federal Government. It is the most effective means of producing the reserves. Production allocation methodology and other pertinent information are attached.

Surface Disturbance

Is any additional surface disturbance proposed?: No

NOI Attachments

Procedure Description

WA_Ramsay_BLM_Submittal_20220224220455.pdf

Page 1 of 2

Operator Certification

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

Operator Electronic Signature: SANDRA MUSALLAM Signed on: FEB 24, 2022 10:05 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

Field Representative

Street Address:

City: State: Zip

Phone:

Email address:

From: McClure, Dean, EMNRD on behalf of Engineer, OCD, EMNRD

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

Cc: McClure, Dean, EMNRD; Kautz, Paul, EMNRD; Wrinkle, Justin, EMNRD; Powell, Brandon, EMNRD; lisa@rwbyram.com;

Paradis, Kyle O; Walls, Christopher

Subject:Approved Administrative Order CTB-1076Date:Thursday, December 29, 2022 3:34:03 PM

Attachments: CTB1076 Order.pdf

NMOCD has issued Administrative Order CTB-1076 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
30-025-36513	W A Ramsay Federal Com #1	NO	28-24S-38E	18050
30-025-45492	Ramsay Federal Com #2	J K	28-24S-38E	18050

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

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

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

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

APPLICATION FOR SURFACE COMMINGLING SUBMITTED BY OXY USA, INC.

ORDER NO. CTB-1076

ORDER

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

FINDINGS OF FACT

- 1. Oxy USA, Inc. ("Applicant") submitted a complete application to surface commingle the oil production from the pools, leases, and wells identified in Exhibit A ("Application").
- 2. Applicant proposed a method to allocate the oil production to the pools, leases, and wells to be commingled.
- 3. To the extent that ownership is identical, Applicant submitted a certification by a licensed attorney or qualified petroleum landman that the ownership in the pools, leases, and wells to be commingled is identical as defined in 19.15.12.7.B. NMAC.
- 4. To the extent that ownership is diverse, Applicant provided notice of the Application to all persons owning an interest in the oil production to be commingled, including the owners of royalty and overriding royalty interests, regardless of whether they have a right or option to take their interests in kind, and those persons either submitted a written waiver or did not file an objection to the Application.
- 5. Applicant provided notice of the Application to the Bureau of Land Management ("BLM") or New Mexico State Land Office ("NMSLO"), as applicable.
- 6. Applicant in the notice for the Application stated that it sought authorization to prospectively include additional pools, leases, and wells in accordance with 19.15.12.10.C.(4)(g) NMAC.
- 7. Applicant stated that it sought authorization to surface commingle and off-lease measure, as applicable, oil production from wells which have not yet been approved to be drilled, but will produce from a pool and lease identified in Exhibit A.

CONCLUSIONS OF LAW

- 8. OCD has jurisdiction to issue this Order pursuant to the Oil and Gas Act, NMSA 1978, §§ 70-2-6, 70-2-11, 70-2-12, 70-2-16, and 70-2-17, 19.15.12. NMAC, and 19.15.23. NMAC.
- 9. Applicant satisfied the notice requirements for the Application in accordance with 19.15.12.10.A.(2) NMAC, 19.15.12.10.C.(4)(c) NMAC, and 19.15.12.10.C.(4)(e) NMAC, as applicable.

Order No. CTB-1076 Page 1 of 4

- 10. Applicant satisfied the notice requirements for the Application in accordance with 19.15.23.9.A.(5) NMAC and 19.15.23.9.A.(6) NMAC, as applicable.
- 11. Applicant's proposed method of allocation, as modified herein, complies with 19.15.12.10.B.(1) NMAC or 19.15.12.10.C.(1) NMAC, as applicable.
- 12. Commingling of oil production from state, federal, or tribal leases shall not commence until approved by the BLM or NMSLO, as applicable, in accordance with 19.15.12.10.B.(3) NMAC and 19.15.12.10.C.(4)(h) NMAC.
- 13. Applicant satisfied the notice requirements for the subsequent addition of pools, leases, and wells in the notice for the Application, in accordance with 19.15.12.10.C.(4)(g) NMAC. Subsequent additions of pools, leases, and wells within Applicant's defined parameters, as modified herein, will not, in reasonable probability, reduce the commingled production's value or otherwise adversely affect the interest owners in the production to be added.
- 14. By granting the Application with the conditions specified below, this Order prevents waste and protects correlative rights, public health, and the environment.

ORDER

1. Applicant is authorized to surface commingle oil production from the pools, leases, and wells identified in Exhibit A.

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

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

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

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

Applicant shall conduct a well test by separating and measuring the oil production from that well for a minimum of twenty-four (24) consecutive hours.

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The well test requirements of this Order shall be suspended for any well shut-in for a period that continues for more than thirty (30) days until the well commences production.

- 4. 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.
- 5. Applicant shall calibrate the meters used to measure or allocate oil production in accordance with 19.15.12.10.C.(2) NMAC.
- 6. If the commingling of oil production from any pool, lease, or well reduces the value of the commingled oil production to less than if it had remained segregated, no later than sixty (60) days after the decrease in value has occurred Applicant shall submit a new surface commingling application to OCD to amend this Order to remove the pool, lease, or well whose oil production caused the decrease in value. If Applicant fails to submit a new application, this Order shall terminate on the following day, and if OCD denies the application, this Order shall terminate on the date of such action.
- 7. Applicant may submit an application to amend this Order to add pools, leases, and subsequently drilled wells with spacing units adjacent to or within the tracts commingled by this Order by submitting a Form C-107-B in accordance with 19.15.12.10.C.(4)(g) NMAC, provided the pools, leases, and subsequently drilled wells are within the identified parameters included in the Application.
- 8. If a well is not included in Exhibit A but produces from a pool and lease identified in Exhibit A, then Applicant shall submit Forms C-102 and C-103 to the OCD Engineering Bureau after the well has been approved to be drilled and prior to off-lease measuring or commingling oil or gas production from it with the production from another well. The Form C-103 shall reference this Order and identify the well, proposed method to determine the allocation of oil production to it, and the location(s) that commingling of its production will occur.
- 9. Applicant shall not commence commingling oil or gas production from state, federal, or tribal leases until approved by the BLM or NMSLO, as applicable.
- 10. 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).
- 11. OCD retains jurisdiction of this matter and reserves the right to modify or revoke this Order as it deems necessary.

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STATE OF NEW MEXICO OIL CONSERVATION DIVISION

and	
ADRIENNE E. SANDOVAL	
DIRECTOR	

DATE: 12/29/2022

Order No. CTB-1076 Page 4 of 4

State of New Mexico Energy, Minerals and Natural Resources Department

Exhibit A

Order: CTB-1076

Operator: Oxy USA, Inc. (16696)

Central Tank Battery: Ramsay Federal Com Battery

Central Tank Battery Location: UL N, Section 28, Township 24 South, Range 38 East

Gas Title Transfer Meter Location:

Pools

Pool Name Pool Code DOLLARHIDE; DEVONIAN 18050

Leases as defined in 19.15.12.7(C) NMAC

Lease	UL or Q/Q	S-T-R
CA Devonian NMNM 139627	J K	28-24S-38E
CA Devonian NMNM 111804	NO	28-24S-38E

Wells

Well API	Well Name	UL or Q/Q	S-T-R	Pool
30-025-36513	W A Ramsay Federal Com #1	NO	28-24S-38E	18050
30-025-45492	Ramsay Federal Com #2	JK	28-24S-38E	18050

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 96450

CONDITIONS

Operator:	OGRID:
OXY USA INC	16696
P.O. Box 4294	Action Number:
Houston, TX 772104294	96450
	Action Type:
	[C-107] Surface Commingle or Off-Lease (C-107B)

CONDITIONS

Created By	Condition	Condition Date
dmcclure	Please review the content of the order to ensure you are familiar with the authorities granted and any conditions of approval. If you have any questions regarding this matter, please contact me.	12/29/2022