

State of New Mexico
Energy, Minerals and Natural Resources Department

Susana Martinez
Governor

David Martin
Cabinet Secretary

Tony Delfin
Deputy Cabinet Secretary

David R. Catanach, Division Director
Oil Conservation Division



ADMINISTRATIVE CENTRAL TANK BATTERY ORDER

Administrative Order CTB-742-A
Administrative Application Reference No. pMAM1613836543

June 9, 2016

OXY USA INC.
Attention: Ms. Taylor Stillman

Oxy USA Inc. (OGRID 16696) is hereby authorized to surface commingle oil and gas production from Lost Tank; Delaware, West Pool (96582). These wells are identified in Attachment A, and made part of this order. These wells are located on federal leases in said Township and Range in Eddy County, New Mexico.

The project area for these wells include the entire Section 3; N/2 NE/4, NE/4 NW/4, and SE/4 NE/4 of Section 10; and NW/4 NW/4 Section 11, Township 22 South, Range 31 East, NMPM, Eddy County, New Mexico.

The commingled and gas production from the wells detailed above shall be measured and sold at the Lost Tank 3 Federal Well No. 5 Central Tank Battery (CTB), located in Unit H, Section 3, Township 22 South, Range 31 East, NMPM, Eddy County, New Mexico.

At the CTB there will be two separators, one for the identically owned Lost 3 Tank Federal wells, and the other for the separately identically owned Lost Tank 10 wells and the Lost Tank 11 Federal 1 well.

The oil and gas production from each well shall be continuously measured using a combination of well testing and metering with the wells associated with each CTB. The allocation meters shall be calibrated quarterly in accordance with Rule 19.15.12.10.C (2) NMAC.

This installation shall be installed and operated in accordance with the applicable Division Rules. It is the responsibility of the producer to notify the transporter of this commingling authority.

This Division Order supersedes Division Order CTB-742, issued on January 30, 2015.

The operator shall notify the Artesia District office of the Division prior to implementation of the commingling operations.

This approval is subject to like approval from the United States Bureau of Land Management before commencement of the commingling operations.

DONE at Santa Fe, New Mexico, on June 9, 2016



DAVID R. CATANACH
Director

DRC/mam

cc: Oil Conservation Division – Artesia
Bureau of Land Management - Carlsbad

Attachment "A" CTB-742-A

| API | Comments | Well Name | Legal | N/S | E/W |
|--------------|----------|---------------------------|-------------|--------|--------|
| 30-015-30586 | Original | LOST TANK 3 FEDERAL#5 | H 3 22S 31E | 1950 S | 1300 E |
| 30-015-31887 | Original | LOST TANK 3 FEDERAL#6 | A 3 22S 31E | 330 N | 430 E |
| 30-015-32167 | Original | LOST TANK 3 FEDERAL#7 | B 3 22S 31E | 760 N | 1390 E |
| 30-015-32168 | Original | LOST TANK 3 FEDERAL#8 | H 3 22S 31E | 1330 N | 550 E |
| 30-015-32169 | Original | LOST TANK 3 FEDERAL#9 | G 3 22S 31E | 1650 N | 2310 E |
| 30-015-32345 | Original | LOST TANK 3 FEDERAL#10 | B 3 22S 31E | 330 N | 2210 E |
| 30-015-32725 | Original | LOST TANK 3 FEDERAL#11 | I 3 22S 31E | 2310 S | 660 E |
| 30-015-32726 | Original | LOST TANK 3 FEDERAL#12 | P 3 22S 31E | 990 S | 660 E |
| 30-015-37897 | Original | LOST TANK 10 FEDERAL#3 | O 3 22S 31E | 805 S | 1874 E |
| 30-015-37907 | Original | LOST TANK 3 FEDERAL#16 | O 3 22S 31E | 735 S | 1945 E |
| 30-015-37908 | Original | LOST TANK 3 FEDERAL#18 | O 3 22S 31E | 770 S | 1909 E |
| 30-015-37918 | Original | LOST TANK 3 FEDERAL#14 | J 3 22S 31E | 1450 S | 1700 E |
| 30-015-37919 | Original | LOST TANK 3 FEDERAL#20 | J 3 22S 31E | 2400 S | 2250 E |
| 30-015-37921 | A | LOST TANK 3 FEDERAL#22 | E 3 22S 31E | 2324 N | 2000 W |
| 30-015-37922 | Original | LOST TANK 3 FEDERAL#24 | P 3 22S 31E | 250 S | 250 E |
| 30-015-37924 | Original | LOST TANK 10 FEDERAL#5 | P 3 22S 31E | 200 S | 250 E |
| 30-015-37950 | Original | LOST TANK 3 FEDERAL#13 | J 3 22S 31E | 2350 S | 2250 E |
| 30-015-37959 | Original | LOST TANK 10 FEDERAL#1 | P 3 22S 31E | 400 S | 250 E |
| 30-015-37960 | Original | LOST TANK 10 FEDERAL#2 | O 3 22S 31E | 840 S | 1838 E |
| 30-015-37961 | Original | LOST TANK 10 FEDERAL#4 | P 3 22S 31E | 300 S | 250 E |
| 30-015-37962 | Original | LOST TANK 11 FEDERAL#1 | P 3 22S 31E | 350 S | 250 E |
| 30-015-37952 | A | LOST TANK 3 FEDERAL#19 | E 3 22S 31E | 2558 N | 185 W |
| 30-015-37920 | A | LOST TANK 3 FEDERAL#21 | E 3 22S 31E | 2558 N | 285 W |