State of New Mexico Energy, Minerals and Natural Resources Department

Susana Martinez Governor

Ken McQueen Cabinet Secretary

Matthias Sayer Deputy Cabinet Secretary David R. Catanach, Division Director Oil Conservation Division



August 1, 2017

Surface Commingling Order PLC-480 Administrative Application Reference No. pKSC1719229494

OXY USA WTP LIMITED PARTNERSHIP Attention: Ms. Sandra Musallam

Pursuant to your application received on July 11, 2017, OXY USA WTP Limited Partnership (OGRID 192463) is hereby authorized to surface commingle oil and gas production from the following pools located in Township 20 South, Range 37 East, NMPM, Lea County, New Mexico;

NADINE; PADDOCK-BLINEBRY, WEST	(47400)
NADINE; TUBB, WEST	(47530)
SKAGGS; DRINKARD	(57000)
BLINEBRY OIL AND GAS (OIL)	(6660)
WARREN; ABO, WEST	(62940)

and from the following diversely owned fee wells and leases in said Section, Township, and Range in Lea County, New Mexico.

Lease:	Fred Turner JR B Well No. 1		
Description:	SW/4 NE/4, SE/4 NW/4, NW/4 SE/4, SE/4 SW/4, and SW/4 SE/4 of Section 17,		
	Township 20 South, Range 38 East		
Wells:	Fred Turner Jr B Well No. 1	API 30-025-07780	
	Fred Turner Jr B Well No. 3	API 30-025-35921	
	Fred Turner Jr B Well No. 4	API 30-025-36299	
	Fred Turner Jr B Well No. 5	API 30-025-36420	
	Fred Turner Jr B Well No. 8	API 30-025-36815	
Pools:	Nadine; Paddock-Blinebry, West		
	Nadine; Tubb, West		
	Skaggs; Drinkard	•	

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Lease: Description: Well: Pools:	Fred Turner Jr B Well No. 2 NE/4 SW/4 and SE/4 NW/4 of Section 17, Townsh Fred Turner JR B Well No. 2 Nadine; Paddock-Blinebry, West Nadine; Tubb, West Skaggs; Drinkard Warren; Abo, West	ip 20 South, Range 38 East API 30-025-35920
Lease: Description: Well: Pools:	Fred Turner Jr B Well No. 11 NW/4 SE/4 of Section 17, Township 20 South, Rar Fred Turner Jr B Well No. 6 Skaggs; Drinkard	nge 38 East API 30-025-37857
Lease: Description: Well: Pool:	Fred Turner Jr B Well No. 6 NW/4 NW/4 of Section 20, Township 20 South, Ra Fred Turner Jr B Well No. 6 Skaggs; Drinkard	nge 38 East API 30-025-36712
Lease: Description: Wells: Pool:	Fred Turner Jr B Well No. 7 W/2 SW/4 of Section 20, Township 20 South, Rang Fred Turner Jr B Well No. 7 Fred Turner Jr B Well No. 9 Skaggs; Drinkard	ge 38 East API 30-025-36814 API 30-025-36991

The combined oil and gas spacing and proration units for these wells include SW/4 NE/4, SE/4 NW/4, NW/4 SE/4, SE/4 SW/4, and W/2 SE/4 of Section 17, and NW/4 NW/4 and W/2 SW/4 of Section 20, all in Township 20 South, Range 38 East, NMPM, Lea County, New Mexico.

Commingled oil and gas production from the wells shall be measured and sold at the Fred B Turner Jr. Facility Tank Battery (CTB), located in Unit I of Section 18, Township 20 South, Range 38 East, NMPM, Lea County, New Mexico.

Production from the subject wells shall be determined as follows:

The oil and gas production from the wells in this application shall be measured with a combination of metering and well testing. Each well shall be tested at least once a month

The allocation meters shall be calibrated quarterly in accordance with Division Rule 19.15.12.10.C (2) NMAC.

This installation shall be installed and operated in accordance with the applicable Division Rules and Regulations.

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Oil and gas production from the wells subject to this administrative order shall not be commingled with production from other wells.

The Operator shall notify the transporter of this commingling authority and the Hobbs District Office prior to implementation of commingling operations.

For future additions of wells and leases to this commingling operation, notice shall only be given to those interest owners in the wells and leases to be added, in accordance with Division Rule 19.15.12.10 C(4) (g) NMAC.

Done at Santa Fe, New Mexico, on August 1, 2017.

DAVID R. CATANACH Director

DRC/mam

cc: Oil Conservation Division District Office – Hobbs