

State of New Mexico
Energy, Minerals and Natural Resources Department

Michelle Lujan Grisham
Governor

Sarah Cottrell Propst
Cabinet Secretary Designate

Gabriel Wade, Acting Director
Oil Conservation Division



ADMINISTRATIVE CENTRAL TANK BATTERY ORDER

Administrative Order CTB-881

January 4, 2019

OXY USA INC.
Attention: Ms. Sandra Musallam

OXY USA Inc. (OGRID 16696) is hereby authorized to surface commingle oil and gas production and off-lease measure from the Sand Dunes; Delaware, South Pool (Pool code: 53818) from the following diversely owned federal leases located in Section 8, Township 24 South, Range 31 East, Eddy County, New Mexico:

Lease: Federal Lease NMNM 029234
Description: NW/4, N/2 SW/4, and SE/4 SW/4 of Section 8
Well: Sundance 8 Federal Well No. 2 API 30-015-27229

Lease: Federal Lease NMNM 06737
Description: SW/4 SW/4 of Section 8
Well: Sundance 8 Federal Well 3Q API 30-015-32775

The commingled oil and gas production from the wells detailed above shall be measured and sold at the Sundance 8 Federal 1 Central Tank Battery (CTB), located in Unit D, Section 8, Township 24 South, Range 31 East, NMPM, Eddy County, New Mexico.

Production from the subject wells shall be determined as follows:

Oil and gas production from all wells in this application shall be measured with a combination of metering and well testing.

Your application has been duly filed under the provisions of Division Rules 19.15.12.10.C NMAC and 19.15.4.12.A (8) NMAC.

It is also understood that you have given due notice of this application to all owners in the mineral interest estate ("affected parties") as defined in Rule 19.15.12.10.C (4) NMAC.

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

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

Subsequent wells within leases approved by this order may be added to this administrative surface commingle application with a Sundry notice to the Engineering Bureau.

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 administrative order is subject to like approval from the Bureau of Land Management.

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



Gabriel Wade
Acting Director

GW/mam

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