State of New Mexico Energy, Minerals and Natural Resources Department

Susana Martinez

Governor

Ken McQueen Cabinet Secretary

Matthias Sayer **Deputy Cabinet Secretary**

Heather Riley, Division Director Oil Conservation Division



April 12, 2018

Occidental Permian LTD

Attention: Ms. Sandra Mussallam

OFF-LEASE MEASUREMENT

Administrative Order OLM-131 Application Reference No. pMAM1803957513

Reference your application received February 8, 2018

The Oil Conservation Division (Division) authorizes Occidental Permian LTD (OGRID 157984) (OXY) to transport gas production off-lease from the following wells which produce from the Quahada Ridge; Delaware, Southeast pool (pool code 50443) in Eddy County, New Mexico.

Lease:

Federal Lease NMNM0546732

Description: Entire Section 12, Township 23 South, Range 30 East, Eddy County, New

Mexico

Wells:

Federal 12 Well No. 001H API No. 30-015-40840 Federal 12 Well No. 002H API No. 30-015-41344 Federal 12 Well No. 003H API No. 30-015-41345

The commingled gas production from the wells detailed above shall be measured and sold at the gatherer's gas meter located at Federal Lease NMNM 0543280A ("Custody Transfer Point"), located in Lot 3/C-1-23S-30E.

All meters for the above-referenced well shall be physically separated from facilities for other wells, so that production from the above-referenced well will not be commingled prior to measurement with production from any other wells.

OXY may add future wells that produce from the pool within areas approved by this order to this order by submitting a Sundry Notice to the Engineering Bureau of the Division in Santa Fe.

Normally OXY would be required to give notice of this application to all working interest owners who are "affected persons," per Subsection A of 19.15.23.9 NMAC. However, no notification is required, since OXY is the sole working interest owner.

The surface commingling of gas with production from other pools or leases is NOT authorized.

OXY shall notify the Artesia District Office of the Division before starting off-lease measurement.

The approval is subject to like approval by the Bureau of Land Management.

HEATHER RILEY

Director

HR/mam/rbb

cc: Oil Conservation Division – Artesia

Bureau of Land Management - Carlsbad