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



June 19, 2018

OFF-LEASE MEASUREMENT

Administrative Order OLM-149

OXY USA INC.

Attention: Ms. Emily Messer

OXY USA Inc. (OGRID 16696) is hereby authorized to transport and measure oil and gas production off-lease, from the following wells which produce from the Bone Spring formation, the Pierce Crossing; Bone Spring Pool (pool code 50371) in Eddy County, New Mexico:

Cedar Canyon 20 Federal Com Well No. 24H (API No. 30-015-44545), Unit B, Section 29, Township 24 South, Range 29 East.

Cedar Canyon 20 Federal Com Well No. 25H (API No. 30-015-44519), Unit B, Section 29, Township 24 South, Range 29 East.

Cedar Canyon 20 Federal Com Well No. 26H (API No. 30-015-44520), Unit B, Section 29, Township 24 South, Range 29 East.

The oil and gas production from these wells shall be measured and sold at the Cedar Canyon 28-4 Central Tank Battery located in Unit K of Section 28, Township 24 South, Range 29 East, NMPM, Eddy County, New Mexico.

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

This permit does not authorize the surface commingling of this oil and gas production with oil production from other pools or leases.

It is also understood that you have given due notice of this application to all working interest owners who are "affected persons," as defined in Division Rule 19.15.23.9 (A) NMAC.

Applicant may add future wells in the lease and pool approved by this administrative order with a Sundry Notice C-103 to the Engineering Bureau in Santa Fe.

The operator shall notify the Artesia District Office of the Division before commencement of Off-Lease Measurement.

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

HEATHER RILE

Director

HR/mam

cc: Oil Conservation Division – Artesia

Bureau of Land Management - Carlsbad