

RECEIVED: 08/20/2018	REVIEWER:	TYPE: PC	APP NO: pMAM1823235688
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ABOVE THIS TABLE FOR OCD DIVISION USE ONLY

NEW MEXICO OIL CONSERVATION DIVISION
 - Geological & Engineering Bureau -
 1220 South St. Francis Drive, Santa Fe, NM 87505



ADMINISTRATIVE APPLICATION CHECKLIST

THIS CHECKLIST IS MANDATORY FOR ALL ADMINISTRATIVE APPLICATIONS FOR EXCEPTIONS TO DIVISION RULES AND REGULATIONS WHICH REQUIRE PROCESSING AT THE DIVISION LEVEL IN SANTA FE

Applicant: <u>OXY USA INC</u>	OGRID Number: <u>16696</u>
Well Name: <u>IRIDIUM MDP1 28 21 FED COM 11H & OTHERS</u>	API: <u>30-015-45073 & OTHERS</u>
Pool: <u>INGLE WELLS; BONE SPRING & OTHER</u>	Pool Code: <u>[33740] & OTHER</u>

SUBMIT ACCURATE AND COMPLETE INFORMATION REQUIRED TO PROCESS THE TYPE OF APPLICATION INDICATED BELOW

PC-1328

- 1) **TYPE OF APPLICATION:** Check those which apply for [A]
- A. Location – Spacing Unit – Simultaneous Dedication
☐ NSL ☐ NSP (PROJECT AREA) ☐ NSP (PRORATION UNIT) ☐ SD
- B. Check one only for [I] or [II]
- [I] Commingling – Storage – Measurement
☐ DHC ☐ CTB ☐ PLC ☒ PC ☐ OLS ☐ OLM
- [II] Injection – Disposal – Pressure Increase – Enhanced Oil Recovery
☐ WFX ☐ PMX ☐ SWD ☐ IPI ☐ EOR ☐ PPR
- 2) **NOTIFICATION REQUIRED TO:** Check those which apply.
- A. ☐ Offset operators or lease holders
 B. ☐ Royalty, overriding royalty owners, revenue owners
 C. ☐ Application requires published notice
 D. ☐ Notification and/or concurrent approval by SLO
 E. ☒ Notification and/or concurrent approval by BLM
 F. ☐ Surface owner
 G. ☐ For all of the above, proof of notification or publication is attached, and/or,
 H. ☒ No notice required

FOR OCD ONLY

- ☐ Notice Complete
- ☐ Application Content Complete

- 3) **CERTIFICATION:** I hereby certify that the information submitted with this application for administrative approval is **accurate** and **complete** to the best of my knowledge. I also understand that **no action** will be taken on this application until the required information and notifications are submitted to the Division.

Note: Statement must be completed by an individual with managerial and/or supervisory capacity.

SANDRA MUSALLAM

Print or Type Name

Sandra Musallam
 Signature

Date

8/17/2018

713-366-5106

Phone Number

SANDRA_MUSALLAM@OXY.COM

e-mail Address

APPLICATION FOR POOL COMMINGLE

Commingling proposal for the Iridium Battery

OXY USA INC requests approval of a pool commingle at the Iridium Battery (I/J-28-23S-31E). The wells feeding the battery are listed below.

POOL: INGLE WELLS;BONE SPRING (33740) - COM AGREEMENT PENDING 50% SCHEDULE "B" (NMNM38464) & 50% SCHEDULE "B" (NMNM40659)

Well Name	API	Surface Location	EST DATE ONLINE	Est. Oil (BOPD)	Est. Gravity API	Est. Gas (MSCFD)	Est. BTU/cf	Est. Water (BWPD)
IRIDIUM MDP1 28-21 FED COM 11H	30-015-45073	M-28-23S-31E	11/14/2018	1400	43	2811	1300	2028
IRIDIUM MDP1 28-21 FED COM 21H	30-015-45074	M-28-23S-31E	11/27/2018	757	43	2494	1300	878
IRIDIUM MDP1 28-21 FED COM 41H	30-015-45075	M-28-23S-31E	11/27/2018	614	43	1371	1300	1973

POOL: WC-015 G-08 S233135D;WOLFCAMP (98236) - COM AGREEMENT PENDING 50% SCHEDULE "B" (NMNM38464) & 50% SCHEDULE "B" (NMNM40659)

Well Name	API	Surface Location	EST DATE ONLINE	Est. Oil (BOPD)	Est. Gravity API	Est. Gas (MSCFD)	Est. BTU/cf	Est. Water (BWPD)
IRIDIUM MDP1 28-21 FED COM 171H	30-015-45076	M-28-23S-31E	11/14/2018	1192	44.4	2932	1325	3022

Production estimates are average of first 6 month volumes

Process Description:

Production is sent through a 10' X 40' three-phase production separator. Oil production flows through two line heaters then two 8' X 20' heater treaters before being sent to a 4' vapor recovery tower. It then flows to ten oil storage tanks before being pumped through two LACT meters S/N* (FMPs located at Lat 32.273875 Long -103.779082) and sent to the oil sales line. A truck load FMP will be set up at the facility for use as back-up in the event of a LACT meter failure.

Oil production will be allocated back to each well based on well test. For testing purposes, the facility will be equipped with three permanent 6' x 20' three-phase test separators. Each test vessel will be equipped with oil turbine meters (S/N*), gas orifice meters (S/N*) and water turbine meters. In addition, the facility is equipped to add up to three portable 6' X 20' three-phase test separators. Any portable test separator will be equipped with an oil turbine meter (S/N*), gas orifice meter (S/N*) and water turbine meter.

Gas production from all wells will be combined after the production and test separators. It will then flow through an orifice meter S/N* (Lat 32.273875 Long -103.779082), which will serve as the gas FMP for the purpose of royalty payment, then sent to sales.

Iridium MDP1 28-21 Fed Com 11H, 21H, 41H and 171H will be tested daily prior to Range 1 of decline, and will be tested at least three times per month during Range 1 of decline. When Range 2 decline is started, the wells will be tested at least twice per month. Wells will be tested at least once per month when Range 3 of decline is started, as specified in Hearing Order R-14299.

All water from the Iridium Battery will be sent to the Sand Dunes Water Disposal System.

*Meter number to be submitted upon installation. The oil and gas meters will be calibrated on a regular basis per API, NMOCD and BLM specifications.

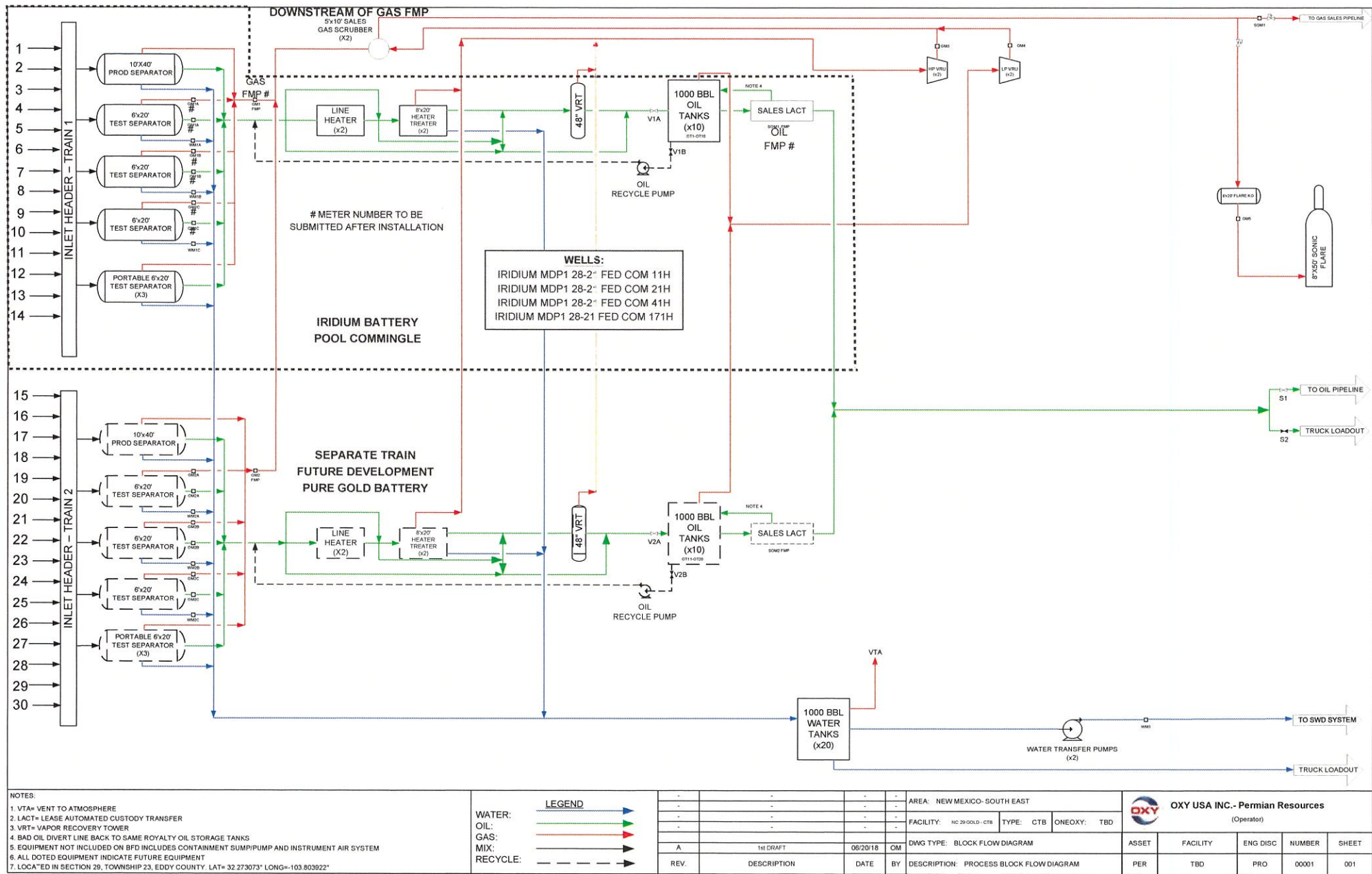
Additional Application Components:

The flow of production is shown in detail on the enclosed facility diagram. Also enclosed is a map detailing the lease boundaries, well and battery locations.

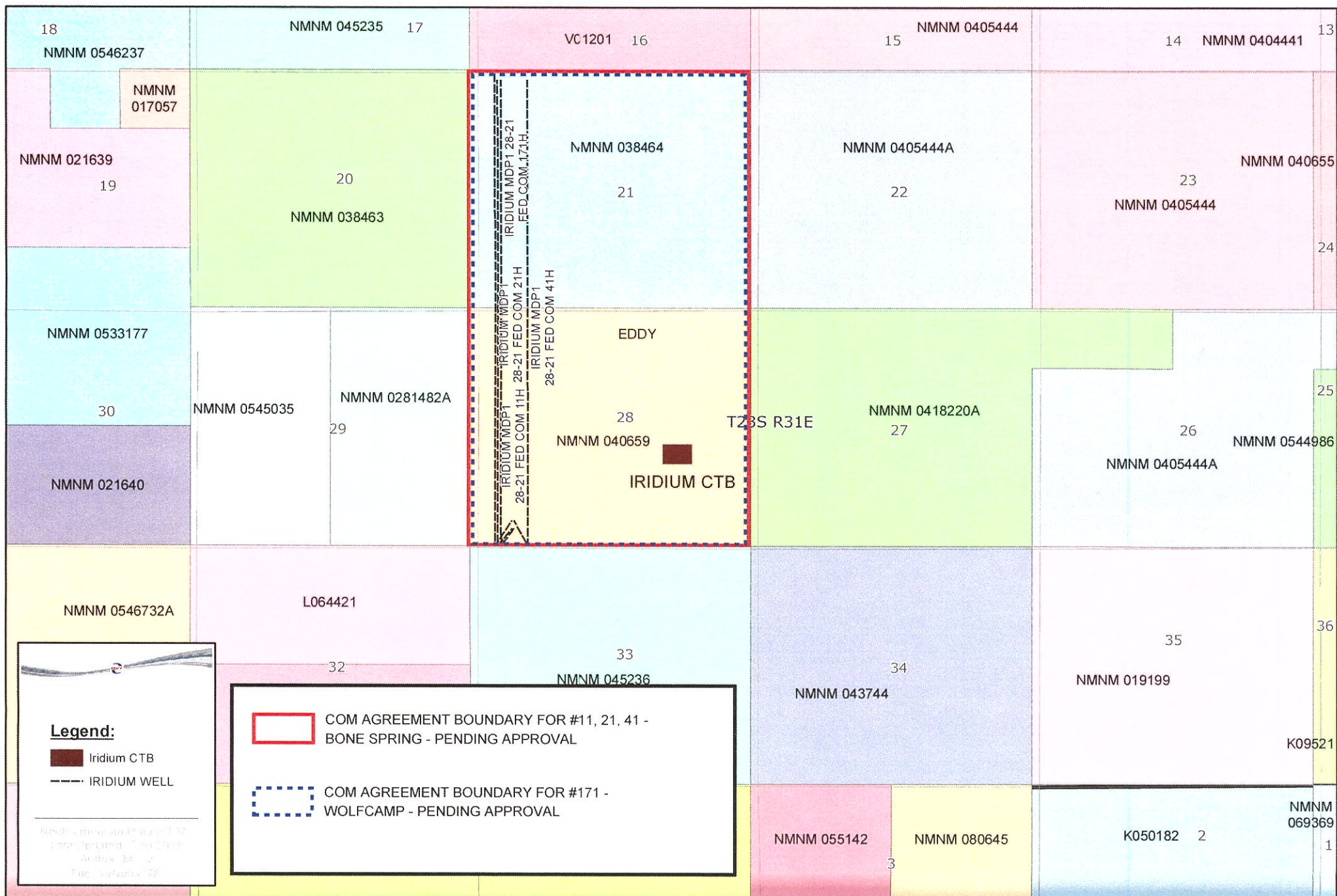
Pursuant to Statewide rule 19.15.12.10(C)(4)(g) OXY USA INC requests the option to include additional pools or leases within the defined parameters set forth in the Order for future additions.

Commingling this production is the most effective means of producing the reserves. The surface commingle application will be submitted separately for approval per NMOCD and BLM regulations.

OXY USA INC understands the requested approval will not constitute the granting of any right-of-way or construction rights not granted by the lease instrument.



Iridium CTB





OXY USA INC.

A subsidiary of Occidental Petroleum Corporation

5 Greenway Plaza, Suite 110, Houston, Texas
77046
P.O. Box 4294, Houston, Texas 77210-4294

August 16, 2018

Re: **Pool Commingle Application For Iridium Wells:**

Section 28, T23S R31E, Eddy County

Iridium MDP1 28-21 Fed Com 11H – Ingle Wells; Bone Spring Pool 33740
Iridium MDP1 28-21 Fed Com 21H – Ingle Wells; Bone Spring Pool 33740
Iridium MDP1 28-21 Fed Com 41H – Ingle Wells; Bone Spring Pool 33740
Iridium MDP1 28-21 Fed Com 171H – WC-015 G-08 S233135D; Wolfcamp
Pool 98236

To Whom It May Concern:

OXY USA INC., as Operator, will be filing an application with the New Mexico Oil Conservation Division for approval of the above mentioned commingle project. This letter serves to notice you that the operator and interest owners are identical for the wells listed above.

Best Regards,

OXY USA INC.

India Isbell
Land Negotiator

NM OIL CONSERVATION
ARTESIA DISTRICT

JUN 27 2018

Form C-102

District I
1635 N French Dr., Hobbs, NM 88240
Phone: (505) 393-6161 Fax: (505) 393-6720
District II
811 S. First St., Artesia, NM 88210
Phone: (505) 748-1223 Fax: (505) 748-9720
District III
1000 Rio Brazos Road, Aztec, NM 87410
Phone: (505) 334-6178 Fax: (505) 334-6170
District IV
1220 E. St. Francis Dr., Santa Fe, NM 87505
Phone: (505) 476-3460 Fax: (505) 476-3462

State of New Mexico
Energy, Minerals & Natural Resources Department
OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

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Submit one copy to appropriate
District Office

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number 30-015-45073	Pool Code 33740	Pool Name Ingle Wells Bone Spring
Property Code 321632	Property Name IRIDIUM MDP1 "28-21" FEDERAL COM	Well Number 11H
OGRID No. 16696	Operator Name OXY USA INC.	Elevation 3370.3'

Surface Location

UL or lot no	Section	Township	Range	Lot Ids	Feet from the	North/South line	Feet from the	East/West line	County
M	28	23 SOUTH	31 EAST, N.M.P.M.		430'	SOUTH	648'	WEST	EDDY

Bottom Hole Location If Different From Surface

UL or lot no	Section	Township	Range	Lot Ids	Feet from the	North/South line	Feet from the	East/West line	County
D	21	23 SOUTH	31 EAST, N.M.P.M.		180'	NORTH	380'	WEST	EDDY

Dedicated Acres 320	Joint or Infill Y	Consolidation Code	Order No.
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No allowable will be assigned to this completion until all interests have been consolidated or a non-standard unit has been approved by the division.

	OPERATOR CERTIFICATION I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or undivided mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division. Signature: <u>David Stewart</u> Date: <u>12/14/18</u> Printed Name: <u>David Stewart</u> E-mail Address: <u>david_stewart@oxy.com</u> SURVEYOR CERTIFICATION I hereby certify that the information shown on this plat was obtained from reliable sources and that the same is true and correct to the best of my belief. Date of Survey: <u>SEPTEMBER 20, 2018</u> Signature and Seal: <u>Terry J. As...</u> Professional Land Surveyor Certificate Number: <u>15079</u> WOF 170920WL-C (KA)
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RWP 7-3-18

NM OIL CONSERVATION
ARTESIA DISTRICT

JUN 27 2018

Form C-102

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District I
1625 N. Frisco Dr., Hobbs, NM 88240
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District II
811 S. First St., Artesia, NM 88210
Phone: (575) 748-1213 Fax: (575) 748-9720
District III
1000 Las Brisas Road, Aztec, NM 87410
Phone: (505) 234-6178 Fax: (505) 234-6170
District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505
Phone: (505) 476-3460 Fax: (505) 476-3462

State of New Mexico
Energy, Minerals & Natural Resources Department
OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number 30-015-45074	Pool Code 33740	Pool Name Ingle Wells Bone Spring
Property Code 321632	Property Name IRIDIUM MDP1 "28-21" FEDERAL COM	Well Number 21H
OGRID No. 16696	Operator Name OXY USA INC.	Elevation 3368.4'

Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
M	28	23 SOUTH	31 EAST, N.M.P.M.		610'	SOUTH	648'	WEST	EDDY

Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
D	21	23 SOUTH	31 EAST, N.M.P.M.		180'	NORTH	380'	WEST	EDDY

Dedicated Acres 320	Joint or Infill Y	Consolidation Code	Order No.
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	OPERATOR CERTIFICATION I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or undivided mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division. Signature: <u>David Stewart</u> Date: <u>12/14/13</u> Printed Name: <u>David Stewart</u> E-mail Address: <u>david_stewart@oxy.com</u> SURVEYOR CERTIFICATION I hereby certify that the well location shown on this plat was plotted from the original survey made by the surveyor, and that the same is correct to the best of my belief. Date of Survey: <u>SEPTEMBER 20, 2013</u> Signature and Seal: <u>[Signature]</u> Professional Surveyor: <u>15079</u> WOF 170920WL-b (KA)
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RVP 7-3-18

**NM OIL CONSERVATION
ARTESIA DISTRICT**

JUN 27 2018

Form C-102

Revised August 1, 2011

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Submit one copy to appropriate
District Office

District I
1623 N. Peach Dr., Hobbs, NM 88240
Phone: (575) 393-6161 Fax: (575) 393-0720
District II
611 S. First St., Artesia, NM 88210
Phone: (575) 746-1383 Fax: (575) 746-9720
District III
1000 Elm Avenue Road, Aztec, NM 87410
Phone: (505) 334-6178 Fax: (505) 334-6170
District IV
1330 S. St. Francis Dr., Santa Fe, NM 87503
Phone: (505) 476-3460 Fax: (505) 476-3463

State of New Mexico
Energy, Minerals & Natural Resources Department
OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number 30-015-45075	Pool Code 33740	Pool Name Ingle Wells Bone Spring
Property Code 321632	Property Name IRIDIUM MDP1 "28-21" FEDERAL COM	Well Number 41H
OGRID No. 16696	Operator Name OXY USA INC.	Elevation 3367.8'

Surface Location

UL or lot no.	Section	Township	Range	Lot 1st	Feet from the	North/South line	Feet from the	East/West line	County
M	28	23 SOUTH	31 EAST, N.M.P.M.		610'	SOUTH	683'	WEST	EDDY

Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot 1st	Feet from the	North/South line	Feet from the	East/West line	County
D	21	23 SOUTH	31 EAST, N.M.P.M.		180'	NORTH	940'	WEST	EDDY

Dedicated Acres 320	Joint or Infill Y	Consolidation Code	Order No.
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	OPERATOR CERTIFICATION I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or undivided mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division. <i>David Stewart</i> 2/14/18 Signature Date David Stewart david_stewart@oxy.com Printed Name E-mail Address SURVEYOR CERTIFICATION I hereby certify that the information known on this plat was obtained from a professional surveyor made by me or under my supervision, and that the same is true and correct to the best of my belief. SEPTEMBER 20, 2018 Date of Survey <i>Terrell J. Asberry</i> Signature and Seal of Professional Land Surveyor 15079 Certificate Number WOL 170920WL-d (KA)
--	--

RW 7-3-18

**NM OIL CONSERVATION
ARTESIA DISTRICT**

JUN 27 2018

District I
1623 N. French Dr., Hobbs, NM 88240
Phone: (505) 393-6181 Fax: (505) 393-6720
District II
911 S. First St., Artesia, NM 88210
Phone: (505) 748-1283 Fax: (505) 748-9720
District III
1000 Rio Grande Road, Arroyo, NM 87410
Phone: (505) 334-6178 Fax: (505) 334-6170
District IV
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Phone: (505) 476-3460 Fax: (505) 476-3462

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Santa Fe, NM 87505

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☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number 30-015-45076	Pool Code 98236	Well Name W.C. 015-608 2231-5D Wildcat Wolfcamp
Property Code 321632	Property Name IRIDIUM MDP1 "28-21" FEDERAL COM	Well Number 171H
OGRID No. 16696	Operator Name OXY USA INC.	Elevation 3369.7'

Surface Location

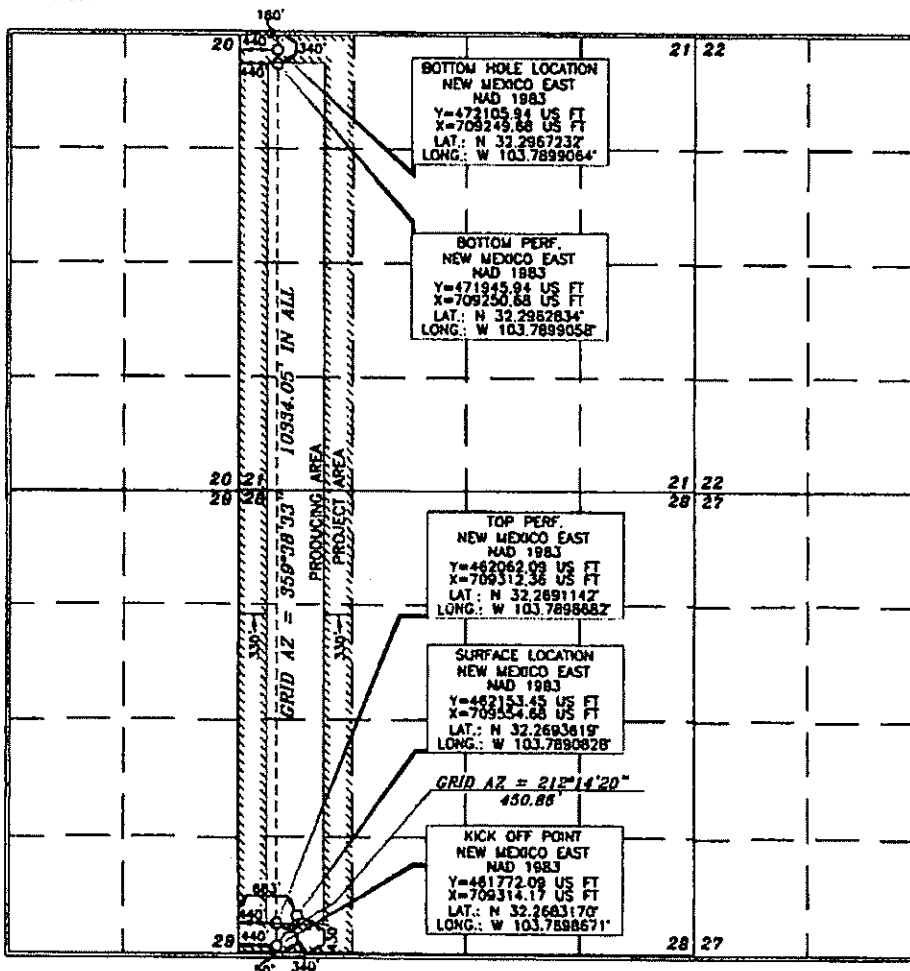
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
M	28	23 SOUTH	31 EAST, N.M.P.M.		430'	SOUTH	683'	WEST	EDDY

Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
D	21	23 SOUTH	31 EAST, N.M.P.M.		180'	NORTH	440'	WEST	EDDY

Dedicated Acres 320	Joint or Infill Y	Consolidation Code	Order No.
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No allowable will be assigned to this completion until all interests have been consolidated or a non-standard unit has been approved by the division.



OPERATOR CERTIFICATION

I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that the organization either owns a working interest or undivided mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.

Signature: David Stewart Date: 12/14/18
Printed Name: David Stewart
E-mail Address: david_stewart@oxy.com

SURVEYOR CERTIFICATION

I hereby certify that the information shown on this plat was prepared from reliable and accurate surveys made by me or under my supervision and that the same is correct to the best of my belief.

Signature and Seal of Professional Surveyor: ERRY J. AS
Date of Survey: SEPTEMBER 20, 2017
Professional Surveyor: 15079

Signature: Tommy O'Neal Date: 10/31/2017
Certificate Number: 15079

WOP 170920WL-o (KA)

RWP 7-3-18



**OXY USA WTP Limited Partnership / OXY
USA INC / OCCIDENTAL PERMIAN LTD**
A subsidiary of Occidental Petroleum Corporation

5 Greenway Plaza, Suite 110, Houston, Texas 77046
P.O. Box 4294, Houston, Texas 77210-4294
Direct: 713.366.5106
Sandra_Musallam@oxy.com

August 17, 2018

Re: Production of Wells Going to Iridium Battery

Leases: NMNM38464 and NMNM40659
Eddy County, New Mexico

- Iridium MDP1 28-21 Fed Com 11H – Ingle Wells;Bone Spring (33740)
- Iridium MDP1 28-21 Fed Com 21H – Ingle Wells;Bone Spring (33740)
- Iridium MDP1 28-21 Fed Com 41H – Ingle Wells;Bone Spring (33740)
- Iridium MDP1 28-21 Fed Com 171H – WC-015 G-08 S233135D;Wolfcamp (98236)

Dear Mr. McMillan:

Regarding the submitted Pool Commingle application for the Iridium wells, the production decline of the wells are in accordance with the production decline presented in Order R-14299.

For questions regarding this application, please contact me at (713) 366-5106.

Respectfully,

OXY USA INC
Sandra Musallam
Regulatory Engineer
Sandra_musallam@oxy.com