

Submit 1 Copy To Appropriate District Office  
 District I - (575) 393-6161  
 1625 N. French Dr., Hobbs, NM 88240  
 District II - (575) 748-1283  
 811 S. First St., Artesia, NM 88210  
 District III - (505) 334-6178  
 1000 Rio Brazos Rd., Aztec, NM 87410  
 District IV - (505) 476-3460  
 1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico  
 Energy, Minerals and Natural Resources

Form C-103  
 Revised July 18, 2013

OIL CONSERVATION DIVISION  
 1220 South St. Francis Dr.  
 Santa Fe, NM 87505

WELL API NO. 30-015-40668
5. Indicate Type of Lease STATE <input type="checkbox"/> FEE <input type="checkbox"/>
6. State Oil & Gas Lease No.
7. Lease Name or Unit Agreement Name CEDAR CANYON 22
8. Well Number 1H
9. OGRID Number 16696
10. Pool name or Wildcat CORRAL DRAW; BONE SPRING
11. Elevation (Show whether DR, RKB, RT, GR, etc.)

**SUNDRY NOTICES AND REPORTS ON WELLS**  
 (DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH PROPOSALS.)

1. Type of Well: Oil Well  Gas Well  Other

2. Name of Operator  
OXY USA INC

3. Address of Operator  
PO BOX 4294 HOUSTON, TX 77210

4. Well Location  
 Unit Letter K: 1980 feet from the SOUTH line and 1980 feet from the WEST line  
 Section 22 Township 24S Range 29E NMPM County EDDY

12. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data

<b>NOTICE OF INTENTION TO:</b>		<b>SUBSEQUENT REPORT OF:</b>	
PERFORM REMEDIAL WORK <input type="checkbox"/>	PLUG AND ABANDON <input type="checkbox"/>	REMEDIAL WORK <input type="checkbox"/>	ALTERING CASING <input type="checkbox"/>
TEMPORARILY ABANDON <input type="checkbox"/>	CHANGE PLANS <input type="checkbox"/>	COMMENCE DRILLING OPNS. <input type="checkbox"/>	P AND A <input type="checkbox"/>
PULL OR ALTER CASING <input type="checkbox"/>	MULTIPLE COMPL <input type="checkbox"/>	CASING/CEMENT JOB <input type="checkbox"/>	
DOWNHOLE COMMINGLE <input type="checkbox"/>			
CLOSED-LOOP SYSTEM <input type="checkbox"/>			
OTHER: Amend Pool/Lease Surface Commingle <input checked="" type="checkbox"/>		OTHER: <input type="checkbox"/>	

13. Describe proposed or completed operations. (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work). SEE RULE 19.15.7.14 NMAC. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

OXY USA INC requests approval to amend commingle order PLC-483. Cedar Canyon 22 #001H will be added to the commingle permit. These wells are in the previously approved pool and sections. OXY USA INC requests the option to include future wells to this application that are within the previously approved sections and pools.

Spud Date:  Rig Release Date:

I hereby certify that the information above is true and complete to the best of my knowledge and belief.

SIGNATURE Kathleen Mawery TITLE Regulatory Engineer DATE 7/23/2019  
 Type or print name Kathleen Mawery E-mail address: Kathleen\_Mawery@oxy.com PHONE: 713-366-5109  
**For State Use Only**

APPROVED BY: Michael M... .. TITLE Engineering Bureau DATE July 24, 2019  
 Conditions of Approval (if any):

RECEIVED:	REVIEWER:	TYPE:	APP NO:
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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:** OXY USA INC **OGRID Number:** 16696  
**Well Name:** CEDAR CANYON 22 1H & CEDAR CANYON 23 1H **API:** 30-015-40668 & 30-015-40667  
**Pool:** CORRAL DRAW; BONE SPRING **Pool Code:** 96238

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

1) **TYPE OF APPLICATION:** Check those which apply for (A) **PLC-483**

- 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

<b>FOR OCD ONLY</b>
<input type="checkbox"/> Notice Complete
<input type="checkbox"/> 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.**

Kathleen Mowery  
 Print or Type Name

7/23/2019  
 Date

713-366-5109  
 Phone Number

Kathleen Mowery  
 Signature

Kathleen-Mowery@oxy.com  
 e-mail Address

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Spud Date:  Rig Release Date:

I hereby certify that the information above is true and complete to the best of my knowledge and belief.

SIGNATURE Kathleen Mawney TITLE Regulatory Engineer DATE 7/23/2019  
 Type or print name Kathleen Mawney E-mail address: Kathleen-Mawney@oxy.com PHONE: 713-366-5109  
**For State Use Only**

APPROVED BY: \_\_\_\_\_ TITLE \_\_\_\_\_ DATE \_\_\_\_\_  
 Conditions of Approval (if any): \_\_\_\_\_

**APPLICATION FOR POOL AND LEASE COMMINGLE, OFF-LEASE MEASUREMENT, SALES AND STORAGE  
Amended commingling proposal for Cedar Canyon 23 Federal 3H Satellite**

OXY USA INC requests to amend previously approved NMOCD commingle order PLC-483. Cedar Canyon 23-1H will be permanently added to the Cedar Canyon 23-3H Satellite (LAT 32.202503, LONG -103.963914, I-22-24S-29E), and Cedar Canyon 22-1H will be permanently added to the Cedar Canyon 22 Satellite (32.20115, -103.97445, K-22-24S-29E). The wells are in the previously approved pools and sections.

**CEDAR CANYON 23 FEDERAL 3H SATELLITE**

**Federal Lease NMNM81586 (12.5% Royalty Rate). POOL: PIERCE CROSSING; BONE SPRING E (96473)**

Well Name	Date Online	API	Surface Location	Oil (BPD)	Gravity	Gas (MSCFD)	BTU/cf	Water (BPD)
Cedar Canyon 22 Fed 21H	02/2017	30-015-43642	I-22-24S-29E	93	43.9	744	1301	217
Cedar Canyon 23-24 Fed 31H	09/2017	30-015-44179	A-22-24S-29E	162	45.5	731	1332	1069
Cedar Canyon 23-24 Fed 32H	09/2017	30-015-44180	A-22-24S-29E	187	44.8	933	1301	896
Cedar Canyon 23 Fed 3H	02/2017	30-015-43290	I-22-24S-29E	135	43.5	1462	1301	325
Cedar Canyon 23 Fed 4H	01/2016	30-015-43281	H-22-24S-29E	77	42.9	682	1270	397
Cedar Canyon 23 Fed 5H	01/2016	30-015-43282	A-22-24S-29E	131	43.0	833	1301	790
Guacamole CC 24 23 Fed 11H	Est. 08/2019	30-015-45870	C-24-24S-29E	631	43.9	2727	1271	1029
Guacamole CC 24 23 Fed 12H	Est. 08/2019	30-015-45871	F-24-24S-29E	271	43.9	2603	1271	738

**Federal Lease NMNM81586 (12.5% Royalty Rate). POOL: CORRAL DRAW; BONE SPRING (96238)**

Well Name	Date Online	API	Surface	Oil (BPD)	Gravity	Gas	BTU/cf	Water
Cedar Canyon 23 1H	04/2013	30-015-40667	E-23-24S-29E	11		0		208

**Federal CA NMNM136823 Lease (NMNM13996 & NMNM81586) (12.5% Royalty Rate)**

**POOL: PIERCE CROSSING; BONE SPRING E (96473)**

Well Name	First Oil Production	API	Surface Location	Oil (BPD)	Gravity	Gas (MSCFD)	BTU/cf	Water (BPD)
Cedar Canyon 22 Fed Com 4H	02/2017	30-015-43708	I-22-24S-29E	70	43.9	1041	1263	143

**Federal CA NMNM137568 Lease (NMNM81586, NMNM93477 & NMNM88138) (12.5% Royalty Rate)**

**POOL: PIERCE CROSSING; BONE SPRING E (96473)**

Well Name	First Oil Production	API	Surface Location	Oil (BPD)	Gravity	Gas (MSCFD)	BTU/cf	Water (BPD)
Cedar Canyon 23 Fed Com 6H	08/2017	30-015-44095	I-22-24S-29E	198	43	1217	1270	439

**CEDAR CANYON 22 SATELLITE**

**Federal CA NMNM136578 Lease (NMNM13996 & NMNM81586) (12.5% Royalty Rate)**

**POOL: CORRAL DRAW; BONE SPRING (96238)**

Well Name	First Oil Production	API	Surface Location	Oil (BPD)	Gravity	Gas (MSCFD)	BTU/cf	Water (BPD)
Cedar Canyon 22 Fed Com 5H	12/2016	30-015-43758	M-22-24S-29E	95	43.9	524	1263	79
Cedar Canyon 22 1H	04/2013	30-015-40668	K-22-24S-29E	40		76		211

All wells listed above except for Cedar Canyon 22 Fed Com 5H and Cedar Canyon 22-1H flow to the inlet header at Cedar Canyon 23 Federal 3H Satellite. Production at the battery is separated and measured through a 10' X 40' three-phase separator. Oil production will flow to two storage tanks located at Cedar Canyon 22 Satellite (LAT 32.19969, LONG -103.977588, L-21-24S-29E) then sold through a LACT meter (S/N 14504365), which will serve as the oil FMP.

Gas is sent from the production and test separators to a 54"X 10' gas scrubber then sent through two check meters (S/N 171978784 and 171978779) that serve as gas FMPs for the purpose of royalty payment. Two gas meters are installed to accommodate estimated future volumes. Only one meter will be utilized until capacity is exceeded.

All water from the Cedar Canyon 23 Federal 3H Satellite is sent to the Cedar Canyon 22 Battery before being sent to the Cedar Canyon water disposal distribution system.

Cedar Canyon 22 Fed Com 5H has an individual test separator located on Cedar Canyon 22 Satellite. The tester is equipped with an oil turbine meter (S/N 390327), gas orifice meter (S/N T153234663) and water turbine meter. Cedar Canyon 22-1H also has an individual test separator located on Cedar Canyon 22 Satellite. The tester is equipped with an oil turbine meter (S/N TBD), gas orifice meter (S/N TBD) and water turbine meter. Oil production from both separators ties into Cedar Canyon 23 Federal 3H Satellite production upstream of the two storage tanks. Gas flows through each tester orifice meter, which serves as the gas FMP for the purpose of royalty payment, and is then sent to sales. Water is sent to the Cedar Canyon 22 Battery before being sent to the Cedar Canyon water disposal distribution system.

For testing purposes, the Cedar Canyon 23 Federal 3H Satellite is equipped with four 6' x 20' and one 4' x 10' permanent three-phase test separators. The facility is also equipped with three mobile 6' X 20' three-phase test separator that will be removed from location after the wells have declined to the point where the vessels are no longer needed. Each test vessel is equipped with oil turbine meters, gas orifice meters, and water turbine meters. The table below details the oil and gas meter serial numbers on the testers.

<b>CEDAR CANYON 23-3H BATTERY TESTERS</b>	<b>OIL METER #</b>	<b>GAS METER #</b>
Permanent 4 x 10	65987	T152328915
Permanent 6 x 20	1208824315	T170369235
Permanent 6 x 20	63005	T170369228
Permanent 6 x 20	12089268714	T170369223
Permanent 6 x 20	1209337420	T170369233
Permanent 6 x 20	390324	T153234908

Cedar Canyon 23-24 Federal 32H has been on production for 19 months and is in Range 3 of decline. Cedar Canyon 23-24 Federal 32H has its own dedicated test separator and is tested at least once per month, as specified in Hearing Order R-14299.

All other wells at the Cedar Canyon 23-3H Satellite and Cedar Canyon 22 Satellites, have also been on production for over a year and are in Range 3 of decline. The Cedar Canyon 23-3H Satellite wells share the five permanent test separators located at the satellite. Cedar Canyon 22 Fed Com 5H and Cedar Canyon 22-1H each have their own individual test separators, as described previously. All of the wells are tested at least once per month, as specified in Hearing Order R-14299.

Production is allocated to each well based on the aforementioned well tests and the amount of hours the well was operating in a given month.

All wells except for Cedar Canyon 23-24 Fed 31H, Cedar Canyon 22-1H and Cedar Canyon 23-1H are on gas lift. Each well has a gas-driven compressor located on the respective well pads and a gas lift meter at the respective well pads to measure the amount of gas used for lift operations. Each compressor uses an estimated 25 MCFPD in fuel gas, based on manufacturer's specifications. The table below details the gas lift meter numbers for each well. Volumes range from 450 MCFPD to 1000 MCFPD.

<b>Well</b>	<b>Gas Lift Meter No.</b>
Cedar Canyon 22 Fed Com 4H	14999I
Cedar Canyon 22 Fed 21H	14979I
Cedar Canyon 23 Fed 3H	14931I
Cedar Canyon 23 Fed 4H	14933I
Cedar Canyon 23 Fed 5H	14932I
Cedar Canyon 23 Fed Com 6H	14882I
Cedar Canyon 22 Fed Com 5H	14978I
Cedar Canyon 23-24 Fed 32H	14884I
Guacamole CC 24 23 Fed 11H	TBD*
Guacamole CC 24 23 Fed 12H	TBD*

**Additional Application Components:**

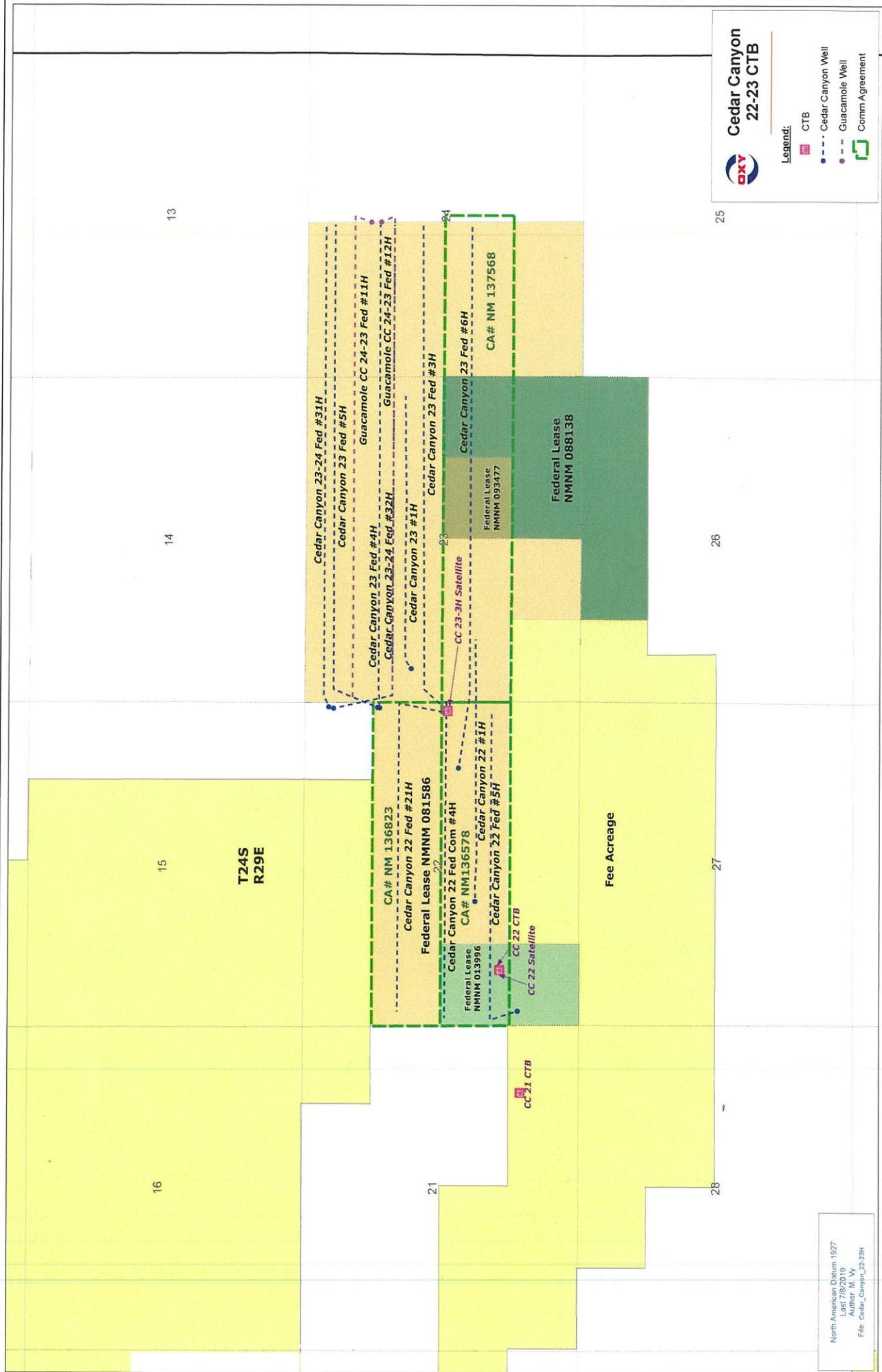
The flow of production is shown in detail on the enclosed facility diagrams. Also enclosed are maps detailing the lease boundaries, well and battery locations.

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.

The oil and gas meters will be calibrated on a regular basis per API, NMOCD and BLM specifications.

Commingling this production is the most effective means of producing the reserves. 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. These applications will be submitted separately for approval per NMOCD and BLM regulations.

Cedar Canyon 23-1H and Cedar Canyon 22-1H are in the previously approved leases and pools, therefore notification was not required (per Administrative Order PLC-483).



**Cedar Canyon  
22-23 CTB**

- Legend:**
- CTB
  - Cedar Canyon Well
  - Guacamole Well
  - Comm Agreement

13  
14  
15  
16  
21  
25  
26  
27  
28

**T24S  
R29E**

**Fee Acreage**

Cedar Canyon 23-24 Fed #31H  
Cedar Canyon 23 Fed #5H  
Guacamole CC 24-23 Fed #11H  
Guacamole CC 24-23 Fed #12H  
Cedar Canyon 23 Fed #4H  
Cedar Canyon 23-24 Fed #32H  
Cedar Canyon 23 #1H  
Cedar Canyon 23 Fed #3H  
Cedar Canyon 23 Fed #6H  
CA# NM 137568  
Federal Lease NMNM 093477  
Federal Lease NMNM 088138  
CC 23-3H Satellite  
CA# NM 136823  
Cedar Canyon 22 Fed #21H  
Federal Lease NMNM 081586  
Cedar Canyon 22 Fed Com #4H  
CA# NM136578  
Federal Lease NMNM 013996  
Cedar Canyon 22 #1H  
Cedar Canyon 22 Fed #5H  
CC 22 CTB  
CC 22 Satellite  
CC 21 CTB

North American Datum 1927  
Last 7/6/2019  
M. V.  
File: Cedar\_Canyon\_22-23.mxd



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State of New Mexico  
Energy, Minerals & Natural Resources Department

OIL CONSERVATION DIVISION

1220 South St. Francis  
Santa Fe, New Mexico

OPERATOR: Please do not report production under this pool id code until OCD confirms perfs and appropriate pool designation on completion and C104 approvals.

Form C-102  
August 1, 2011  
to appropriate District Office

REPORT

WELL LOCATION AND ACREAGE DE

API Number 30-015-40668	Pool Code 96238	Pool Name Cornal Draw Bone Springs
Property Code 39438	Property Name CEDAR CANYON 22	Well Number 1H
OGRID No. 16696	Operator Name OXY U.S.A. INC.	Elevation 2982'

Surface Location

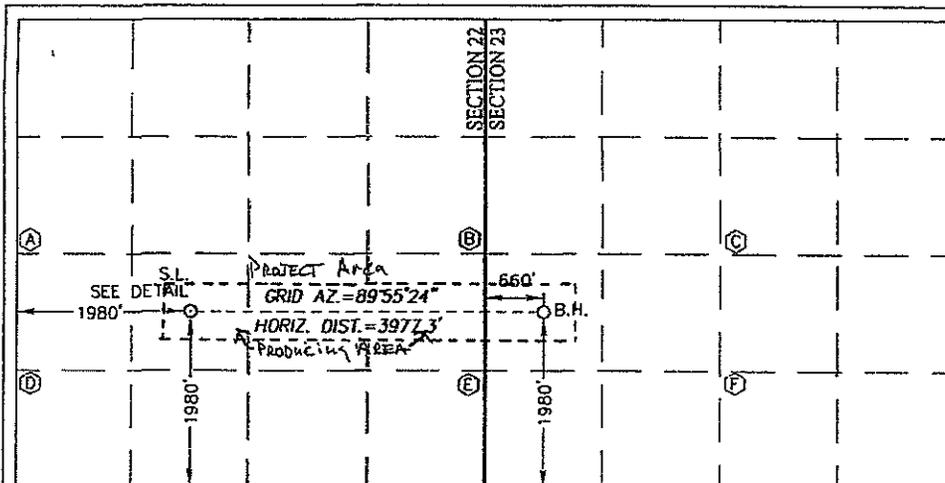
UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
K	22	24-S	29-E		1980	SOUTH	1980	WEST	EDDY

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
L	23	24-S	29-E		1980	SOUTH	660	WEST	EDDY

Dedicated Acres	Joint or Infill	Consolidation Code	Order No.
160	N		11636 9/6

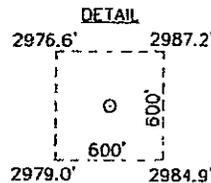
NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION



SCALE: 1"=2000'

SECTION, QUARTER & SIXTEENTH CORNER COORDINATES TABLE

- (A) - Y=437702.8 N, X=609169.1 E
- (B) - Y=437699.8 N, X=614465.5 E
- (C) - Y=437717.6 N, X=617113.7 E
- (D) - Y=436372.2 N, X=609173.0 E
- (E) - Y=436373.2 N, X=614469.0 E
- (F) - Y=436392.2 N, X=617118.5 E



GEODETTIC COORDINATES NAD 27 NME

SURFACE LOCATION  
Y=437025.8 N  
X=611150.7 E

LAT.=32.200990° N  
LONG.=103.973991° W

BOTTOM HOLE LOCATION

Y=437031.1 N  
X=615127.1 E

LAT.=32.200968° N  
LONG.=103.961136° W

OPERATOR CERTIFICATION

I hereby certify that the information herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased 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 mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.

Signature: David Stewart  
Date: 8/9/12

Printed Name: David Stewart - Reg. Adv.

E-mail Address: david\_stewart@oxy.com

SURVEYOR CERTIFICATION

I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.

AUGUST 9, 2011

Date of Survey  
Signature & Seal of Professional Surveyor:

Ronald J. Eidson  
NEW MEXICO  
3239  
Certificate Number: Ronald J. Eidson 12641  
Ronald J. Eidson 3239