

**STATE OF NEW MEXICO  
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT  
OIL CONSERVATION DIVISION**

**APPLICATION FOR OFF-LEASE MEASUREMENT  
SUBMITTED BY OXY USA, INC.**

**ORDER NO. OLM-258**

**ORDER**

The Director of the New Mexico Oil Conservation Division (“OCD”), having considered the application and the recommendation of the Engineering Bureau, issues the following Order.

**FINDINGS OF FACT**

1. Oxy USA, Inc. (“Applicant”) submitted a complete application to off-lease measure the oil production (“Application”) from the wells, pool, and lease identified in Exhibit A.
2. Applicant provided notice of the Application to all persons owning a working interest in the oil production to be off-lease measured in accordance with 19.15.23.9(A)(5) NMAC, and those persons either submitted a written waiver or did not file an objection to the Application.
3. Applicant provided notice of the Application to the Bureau of Land Management or New Mexico State Land Office, as applicable.
4. Applicant stated that it sought authorization to off-lease measure oil production from wells which have not yet been approved to be drilled, but will produce from a pool and lease identified in Exhibit A.

**CONCLUSIONS OF LAW**

5. OCD has jurisdiction to issue this Order pursuant to the Oil and Gas Act, NMSA 1978, §§ 70-2-6, 70-2-11, 70-2-12, and 19.15.23 NMAC.
6. Applicant satisfied the notice requirements for the Application in accordance with 19.15.23.9(A)(5) NMAC.
7. By granting the Application with the conditions specified below, this Order prevents waste and protects correlative rights, public health, and the environment.

**ORDER**

1. Applicant is authorized to store and measure oil production off-lease from the pools, leases, and wells identified in Exhibit A at a central tank battery described in Exhibit A.

Applicant is authorized to store and measure oil production off-lease from wells not included in Exhibit A but that produce from a pool and lease identified in Exhibit A at a central tank battery described in Exhibit A.

2. The oil production from the wells identified in Exhibit A shall be physically separated from the oil production from other wells and no commingling of production from different leases shall occur in accordance with 19.15.23.9(A)(3) NMAC and 19.15.23.9(A)(4) NMAC, except as otherwise provided in order(s) issued by OCD.
3. Applicant shall measure and market the commingled oil at a central tank battery described in Exhibit A in accordance with this Order and 19.15.18.15 NMAC or 19.15.23.8 NMAC.
4. Applicant shall calibrate the meters used to measure or allocate oil production in accordance with 19.15.12.10(C)(2) NMAC.
5. If a well is not included in Exhibit A but produces from a pool or lease identified in Exhibit A, then Applicant shall submit Forms C-102 and C-103 to the OCD Engineering Bureau after the well has been approved to be drilled and prior to off-lease measuring oil or gas production from it. The Form C-103 shall reference this Order and identify the well.
6. OCD retains jurisdiction of this matter and reserves the right to modify or revoke this Order as it deems necessary.

**STATE OF NEW MEXICO  
OIL CONSERVATION DIVISION**



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**ADRIENNE E. SANDOVAL  
DIRECTOR**

**DATE:** 7/11/2022

State of New Mexico  
Energy, Minerals and Natural Resources Department

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## Exhibit A

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Order: OLM-258  
Operator: Oxy USA, Inc. (16696)  
Central Tank Battery: Cedar Canyon 22 Satellite  
Central Tank Battery Location: UL L, Section 22, Township 24 South, Range 29 East  
Gas Title Transfer Meter Location:

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### Pools

Pool Name	Pool Code
PURPLE SAGE; WOLFCAMP (GAS)	98220

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### Leases as defined in 19.15.12.7(C) NMAC

Lease	UL or Q/Q	S-T-R
CA Wolfcamp NMNM 137569	S/2	23-24S-29E
	SW/4	24-24S-29E

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### Wells

Well API	Well Name	UL or Q/Q	S-T-R	Pool
30-015-44074	Cedar Canyon 23 Federal Com #33H	S/2	23-24S-29E	98220
		SW/4	24-24S-29E	