

State of New Mexico
Energy, Minerals and Natural Resources Department

Susana Martinez
Governor

David Martin
Cabinet Secretary

Brett F. Woods, Ph.D.
Deputy Cabinet Secretary

Jami Bailey, Division Director
Oil Conservation Division



November 5, 2014

ADMINISTRATIVE POOL/LEASE COMMINGLING ORDER

Administrative Order PLC-408
Administrative Application Reference No. pMAM1428849806

OXY U.S.A. INC.
Attn: Ms. Jennifer Duarte

Pursuant to your application received on October 15, 2014, Oxy U.S.A. INC. (OGRID 39438) is hereby authorized to surface commingle oil and gas production from the following pools located in Township 24 South, Range 29 East, NMPM, Eddy County, New Mexico;

Pierce Crossing; Bone Spring, East (96473)
Corral Draw; Bone Spring (96238)

and from the following diversely owned wells on fee and state leases in said Township and Range in Eddy County, New Mexico.

Morgan Fee Com Well No. 1H
API No. 30-015-39968
1035 FSL & 455 FWL
M-21-24S-29E

Cedar Canyon 27 State Com Well No. 4H
API No. 30-015-42063
700 FNL & 173 FWL
D-27-24S-29E

The commingled oil and gas production shall be measured and sold at the Morgan Fee Com Well No. 1H Central Tank Battery (CTB) located in Unit M, Section 21, Township 24 South, Range 29 East, Eddy County, New Mexico.

Oil and gas production from each of the leases shall be separately metered before commingling with production from other wells. The allocation meters shall be calibrated quarterly in accordance with Rule 19.15.12.10.C (2) NMAC.

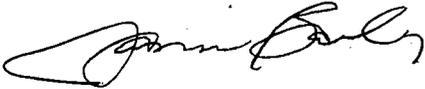
The operator shall notify the transporter of this commingling authority.

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The operator shall notify the Artesia district office of the Division upon commencement of commingling operations.

This approval is subject to like approval from the New Mexico State Land Office (NMSLO) before commencement of the commingling operations.

DONE at Santa Fe, New Mexico, on November 5, 2014.

A handwritten signature in black ink, appearing to read "Jami Bailey", written in a cursive style.

Jami Bailey
Division Director

JB/mam

cc: Oil Conservation Division District Office – Artesia
New Mexico State Land Office – Oil, Gas, and Minerals