

State of New Mexico  
Energy, Minerals and Natural Resources Department

Susana Martinez  
Governor

Ken McQueen  
Cabinet Secretary

Matthias Sayer  
Deputy Cabinet Secretary

David R. Catanach, Division Director  
Oil Conservation Division



January 12, 2017

ADMINISTRATIVE POOL/LEASE COMMINGLING ORDER

Administrative Order PLC-462  
Administrative Application Reference No. pMAM1635548782

OXY USA INC.  
Attn: Mr. Justin Morris

Pursuant to your application received on December 20, 2016, OXY USA Inc. (OGRID 16696) 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;

Cedar Canyon; Delaware	(11540)
Pierce Crossing; Bone Spring, East	(96473)
Corral Draw; Bone Spring	(96238)

and from the following diversely owned federal wells and leases in said Section, Township, and Range in Eddy County, New Mexico.

Lease: Federal Lease NMNM-081586  
Description: NW/4 NE/4 and NE/4 NW/4 of Section 23, Township 24 South, Range 29 East  
Well: Riverbend 23 Federal Well No. 14 API 30-015-29616  
Riverbend B Federal Well No. 11 API 30-015-29320  
Pool: Cedar Canyon; Delaware

Lease: Federal Lease NMNM-093477  
Description: NW/4 SE/4 of Section 23, Township 24 South, Range 29 East  
Well: Riverbend 23 Federal Well No. 16Q API 30-015-33598  
Pool: Pierce Crossing; Bone Spring, East

Lease: Federal Lease NMNM-081586  
Description: SW/4 NW/4 of Section 23, Township 24 South, Range 29 East  
Well: Riverbend Federal Well No. 7 API 30-015-27994  
Pool: Cedar Canyon; Delaware  
Pierce Crossing; Bone Spring, East

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Lease: Federal Lease NMNM-081586  
Description: NE/4 SW/4 and N/2 SE/4 of Section 22, and S/2 N/2 and NW/4 SW/4 of Section 23, Township 24 South, Range 29 East  
Well: Cedar Canyon 22 Well No. 1H API 30-015-40668  
Cedar Canyon 23 Well No. 1H API 30-015-40667  
Pool: Corral Draw; Bone Spring

Lease: Federal Lease NMNM-088138  
Description: NE/4 SE/4 of Section 23, Township 24 South, Range 29 East  
Well: Canyon 23 Federal Well No. 1 API 30-015-29318  
Pool: Cedar Canyon; Delaware

The commingled oil and gas production from the wells detailed above shall be measured and sold at the Riverbend B11 Central Tank Battery (CTB) located at the Riverbend Federal Well No. 7 well pad located in Unit E, Section 23, Township 24 South, Range 29 East, Eddy County, New Mexico.

Production from the subject wells shall be determined as follows:

The oil and gas production from the diversely-owned wells and leases shall be measured using well testing.

The production from each well, except the Cedar Canyon 22 Well No. 1H in which the gas is continuously metered at the well head, will flow through an header onto a two phase separator to separate the gas from the liquids. Liquids will then flow through a heater treater to separate oil water, and the remaining casing head gas. Each of these low production wells will be tested a minimum of once per month.

The operator shall notify the transporter of this commingling authority.

The operator shall notify the Artesia District Office upon commencement of commingling operations.

This approval is subject to like approval from Bureau of Land Management before commencing commingling operations.

DONE at Santa Fe, New Mexico, on January 10, 2017.



**DAVID R. CATANACH**  
Director

DRC/mam

cc: Oil Conservation Division District Office – Artesia  
Bureau of Land Management – Carlsbad