5 Greenway Plaza, Suite 110, Houston, Texas 77046 P.O. Box 4294, Houston, Texas 77210-4294 Direct: 713.497.2055 Beth Schenkel@oxy.com

July 29, 2021

<u>CERTIFIED MAIL</u> RETURN RECEIPT REQUESTED

Re: Application for Amendment to Pool and Lease Commingle Permit and Off-lease Measurement, Sales, & Storage for Wells at the Salt Flat Battery in Eddy County, New Mexico.

Dear Interest Owner:

This is to advise you that OXY USA INC is filing an amendment to Order PLC-660A for surface commingling at the Salt Flat Battery. A copy of the application submitted to the Division is attached. This request also includes future wells within the same pools and leases/CAs of wells listed below.

Any objections or requests for a hearing regarding this application must be submitted to the New Mexico Oil Conservation Division Santa Fe Office within 20 Days from the date of this letter.

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.

For questions regarding this application, please contact Beth Schenkel at (713) 497-2055.

Respectfully,

OXY USA INC

Beth Schenkel

Regulatory Engineer

Beth Schenkel@oxy.com

Youth V Soul

eived by OCD: 7/29/202	21 1:50:21 PM			Page Revised March 23, 2017
RECEIVED:	REVIEWER:	TYPE:	APP NO:	
	- Geologia	ABOVE THIS TABLE FOR OCCIDING CO OIL CONSERVA Cal & Engineering ancis Drive, Santo	ATION DIVISIO Bureau –	
THIS CI	HECKLIST IS MANDATORY FOR AL	LATIVE APPLICATION LADMINISTRATIVE APPLICATION OF THE I	TIONS FOR EXCEPTION	IS TO DIVISION RULES AND
ool: <u>CEDAR CAN'</u>	abond CC 8 17 Fede YON; BONE SPRING & A	MULTIPLE	MULTIPLE API	RID Number: <u>16696</u> : <u>30-015-47978 & MULTIPLE</u> ol Code: <u>11520 & MULTIPL</u>
1) TYPE OF APPLIC	CATION: Check those to Spacing Unit — Simult	INDICATED BELO which apply for [A] raneous Dedication	w 1	S THE TYPE OF APPLICATION
[ne only for [1] or [11] ningling – Storage – M DHC □CTB □PI ion – Disposal – Pressu WFX □PMX □SN	easurement LC XPC O Ire Increase – Enha	LS □OLM nced Oil Reco	
A. Offset of B. X Royalty C. Application D. Notification E. X Notification F. Surface G.X For all	REQUIRED TO: Check operators or lease hold overriding royalty overtiding royalty overtion requires published ation and/or concurred to the above, proof of the above, proof of the required	ders wners, revenue owned notice ent approval by SLC ent approval by BL <i>N</i>	ners O M	POR OCD ONLY Notice Complete Application Content Complete
administrative of understand the	: I hereby certify that to approval is accurate of at no action will be take e submitted to the Div	and complete to the ken on this applica	ne best of my k	
Not	e: Statement must be comple	ted by an individual with ı	managerial and/or s	supervisory capacity.
Beth Schenk	al		07/29/2021 Date	

Print or Type Name (713) 497-2055 Phone Number $Beth_Schenkel@oxy.com$ Signature e-mail Address

District I 1625 N. French Drive, Hobbs, NM 88240 District II 811 S. First St., Artesia, NM 88210

District III 1000 Rio Brazos Road, Aztec, NM 87410 District IV 1220 S. St Francis Dr, Santa Fe, NM 87505

Form C-107-B Revised August 1, 2011

OIL CONSERVATION DIVISION

State of New Mexico

Energy, Minerals and Natural Resources Department

1220 S. St Francis Drive Santa Fe, New Mexico 87505

Submit the original application to the Santa Fe office with one copy to the appropriate District Office.

APPLICA	ATION FOR SURFACE	<u>COMMINGLING</u>	G (DIVERSE	OWNERSHIP)						
OPERATOR NAME:	OXY USA INC									
OPERATOR ADDRESS:	5 GREENWAY PLAZA SUIT	E 110, HOUSTON, TX	77046							
APPLICATION TYPE:										
☐ Pool Commingling ☐ Lease	Commingling Pool and Lease Co	mmingling Off-Lease	Storage and Measu	rement (Only if not Surface	e Commingled)					
LEASE TYPE:	ee 🗌 State 🛛 Fede	eral								
Is this an Amendment to exist	sting Order? Yes No If	"Yes", please include t								
Have the Bureau of Land Ma	anagement (BLM) and State Land									
		OL COMMINGLINGS with the following in								
(1) Pool Names and Codes	Gravities / BTU of Non-Commingled Production	Calculated Gravities / BTU of Commingled Production		Calculated Value of Commingled Production	Volumes					
SEE ATTACHED										
				1						
				1						
				1						
(2) Are any wells producing at top allowables? ☐ Yes ☐ No (3) Has all interest owners been notified by certified mail of the proposed commingling? ☐ Yes ☐ No. (4) Measurement type: ☐ Metering ☐ Other (Specify) WELL TEST (5) Will commingling decrease the value of production? ☐ Yes ☐ No If "yes", describe why commingling should be approved										
		SE COMMINGLINGS with the following in								
(3) Has all interest owners been	ne source of supply?		□Yes □N	No						
	` /	LEASE COMMIN								
(1) Complete Sections A and		s with the following h	normation							
<u> </u>										
	(D) OFF-LEASE ST									
(1) 7 11 1 2 2		ets with the following	information							
(1) Is all production from sam(2) Include proof of notice to	— —	10								
	(E) ADDITIONAL INFO	PRMATION (for all its with the following in		ypes)						
(1) A schematic diagram of fa	acility, including legal location.	s with the following if	moi mauon							
(2) A plat with lease boundari	ies showing all well and facility locati Well Numbers, and API Numbers.	ions. Include lease numbe	ers if Federal or St	ate lands are involved.						
I hereby certify that the informa	tion above is true and complete to the	best of my knowledge an	d belief.							
SIGNATURE: Which		ITLE:REGULATORY		DATE:07/2	9/2021					
TYPE OR PRINT NAME	BETH SCHENKEL TE	ELEPHONE NO.:_(713) 4	197-2055							
E-MAIL ADDRESS:BETH_S	SCHENKEL@OXY.COM									

APPLICATION FOR POOL COMMINGLE & OFF-LEASE STORAGE, MEASUREMENT AND SALES Commingling proposal for the Salt Flat CTB – Train #3

OXY USA INC respectfully requests approval of an amendment to PLC660A for pool commingle and off-lease storage, measurement and sales for Train #3 at the Salt Flat CTB (Lat 32.208183, Long -104.010796, C- 20-24S-29E). Vagabond CC 8 17 Federal Com #022H and Vagabond CC 8 17 Federal Com #023H will produce to Train #3 and require a pool commingle and off-lease storage, measurement and sales with the existing wells. Production from the four Trains will be kept separate and only commingled downstream of the LACT used for the BLM's royalty payments. This request also includes future wells within the same pools and leases/CAs of wells listed below.

POOL COMMINGLE & OFF-LEASE STORAGE, MEASUREMENT AND SALES - TRAIN #3

POOLS: CEDAR CANYON; BONE SPRING (11520) & PIERCE CROSSING; BONE SPRING (50371) & PIERCE CROSSING; BONE SPRING, EAST (96473) & PURPLE SAGE; WOLFCAMP (98220) CA NMNM 141235 (BONE SPRING) & CA NMNM 141234 (WOLFCAMP)

37.5% BLM ROYALTY 12.5% (NMNM 117120) & 12.5% BLM ROYALTY 12.5% (NMNM 102913) & 12.5% BLM ROYALTY 12.5% (NMLC 065970C) &

12.5% BLM ROYALTY 12.5% (NMNM 94651) & 25% FEE FOR BLM INTEREST ALLOCATION OF 9.375%

Well Name	АРІ	Pool	POOL CODE	EST DATE ONLINE	Est. Oil (bpd)	Est. Gravity API	Est. Gas (MSCFD)	Est. BTU/cf	Est. Water (bpd)
Oxbow CC 17 08 Federal Com #031H			98220	Mar-20	350	46	1324	1300	1803
Oxbow CC 17 08 Federal Com #032H			98220	Mar-20	291	46	1558	1300	1270
Oxbow CC 17 08 Federal Com #037H	00 025 10 100		98220	Mar-20	299	46	1943	1300	1330
Oxbow CC 17 08 Federal Com #033H 30-015-45085		PIERCE CROSSING; BONE SPRING	50371	Mar-20	229	46	1212	1300	1738
Vagabond CC 8 17 Federal Com #022H	30-015-47978	CEDAR CANYON; BONE SPRING	11520	Nov-21	2316	44-48	3776	1000	4675
		PIERCE CROSSING; BONE SPRING	50371						
		PIERCE CROSSING; BONE SPRING, EAST	96473						
/agabond CC 8 17 Federal Com #023H 30-015-47975		CEDAR CANYON; BONE SPRING	11520	Nov-21	2316	44-48	3776	1000	4675
			50371						
		PIERCE CROSSING; BONE SPRING, EAST	96473						

Process Description:

For each Facility Train, production is sent through a 10′ X 40′ three-phase production separator. Oil production flows through a line heater then to an 8′ X 20′ heater treater before being sent to a 4′ vapor recovery tower. Oil then flows to two oil storage tanks before being pumped through one of two LACT meters S/N*, which will serve as the FMPs for BLM royalty payments. Oil from all four trains then combines and routes to two oil storage tanks before being pumped through one of three LACT meters S/N*, which will serve as Oxy's sales point. 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 and gas production will be allocated back to each well based on well test. For testing purposes, each Train will be equipped with one permanent 8' x 20' three-phase test separator. Each test vessel will be equipped with oil turbine meters (S/N*), gas orifice meters (S/N*) and water turbine meters.

All wells 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.

*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.

Gas production from all wells at each Train will be combined after the production and test separators. It will then flow through an orifice meter S/N^* , which will serve as the gas FMP for that Train for the purpose of BLM royalty payment, then sent to one of two 5' x 10' gas scrubbers, and then sent to sales.

All water from the Salt Flat CTB will be sent to the Cedar Canyon 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:

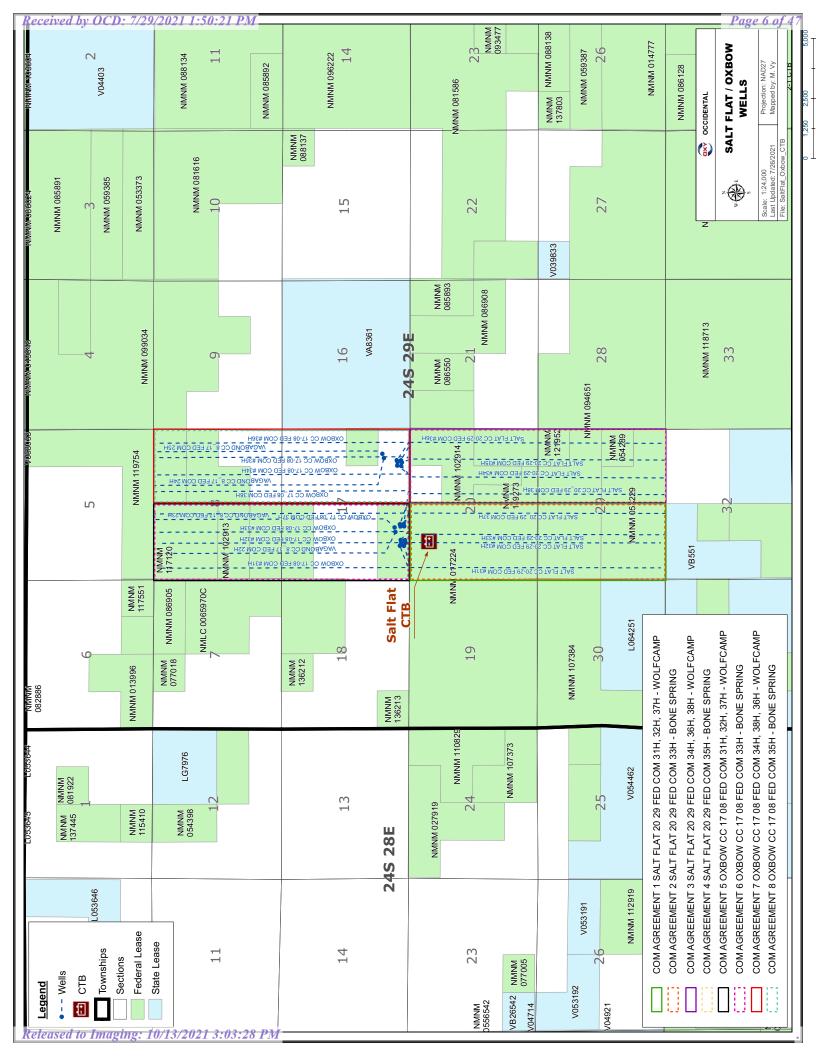
The flow of production is shown in detail on the enclosed facility diagram. Also enclosed is a map detailing the lease boundaries, well and battery locations.

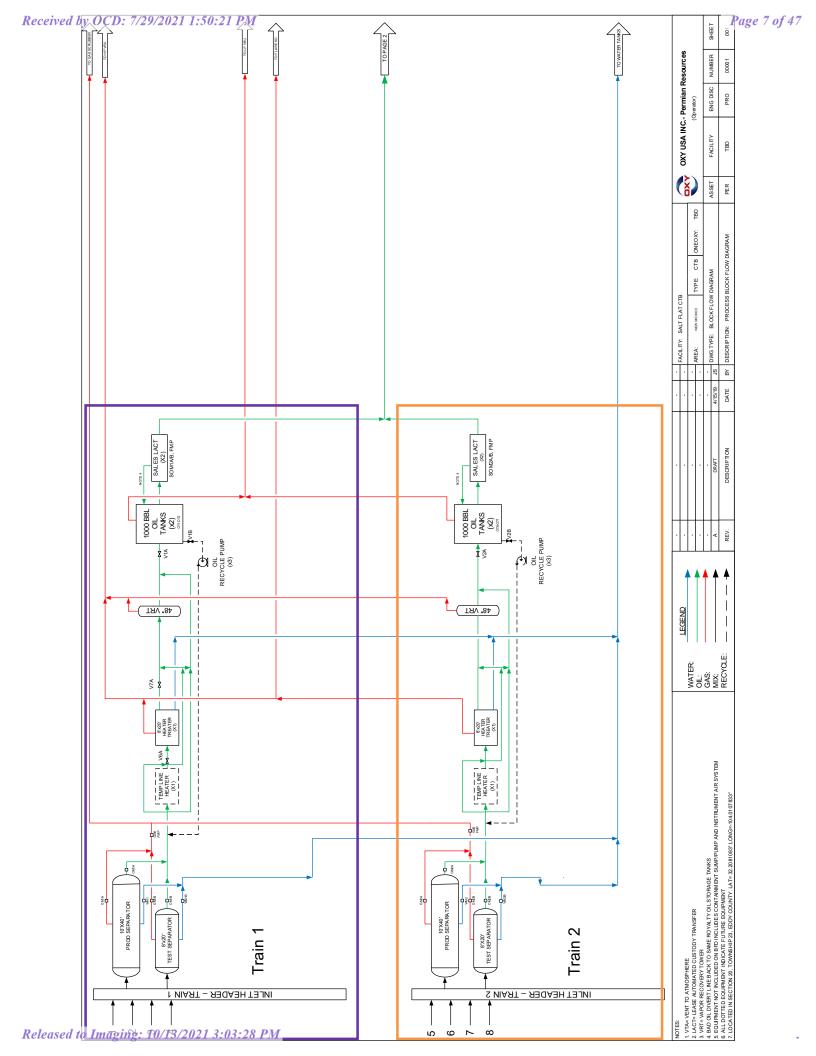
All wells in each train have identical ownership therefore notification was not required.

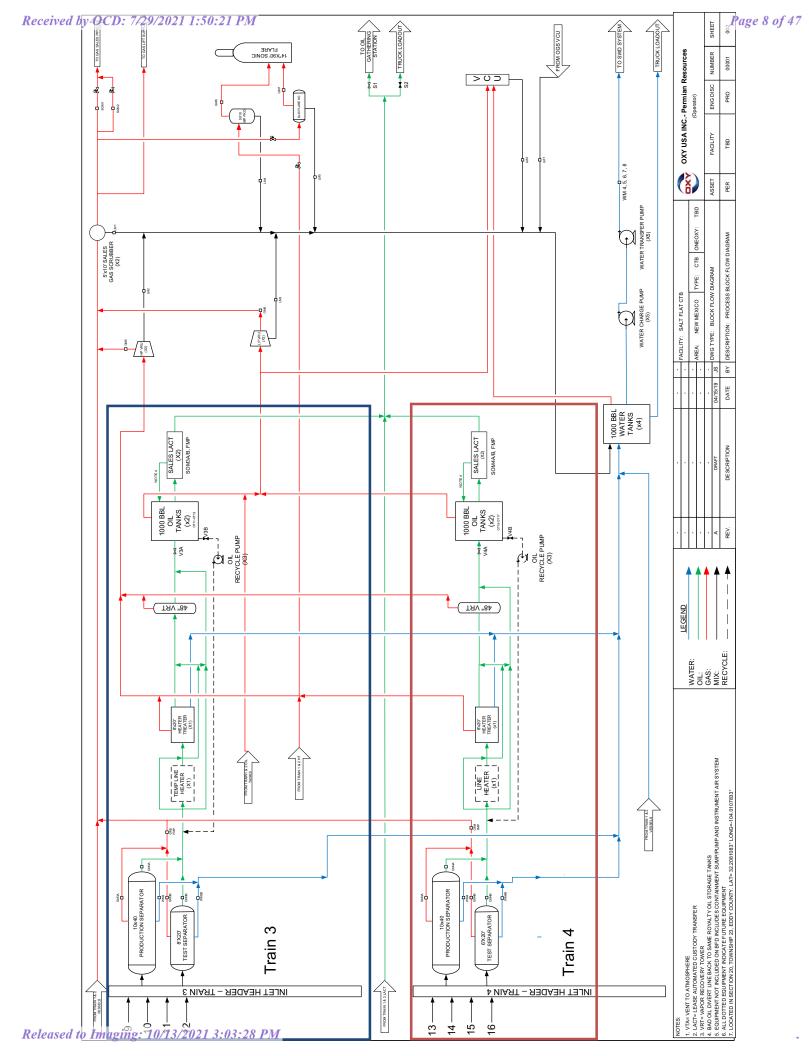
Pursuant to Statewide rule 19.15.12.10(C)(4)(g) OXY USA INC requests the option to include additional pools or leases within the defined parameters set forth in the Order for future additions.

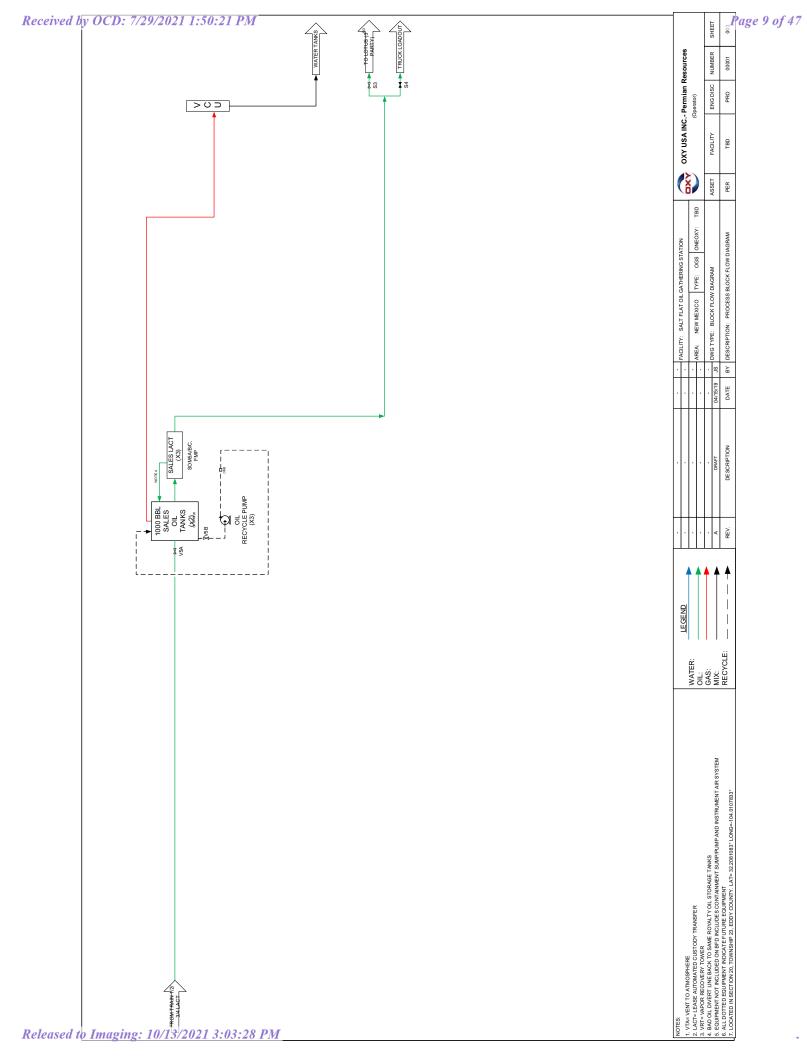
Commingling this production is the most effective means of producing the reserves. The surface commingle application will be submitted separately for approval per NMOCD and BLM regulations.

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.









SHEET

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NUMBER

ENG DISC PRO

FACILITY TBD

OXY USA INC.- Permian Resources

(š) ASSET PER

TBD

SERIAL: CTB

TYPE:

ACILITY: SALT FLAT CTB

DESCRIPTION: SUPPORT INFO & TABLES

В DATE

DESCRIPTION DRAFT

TYPE: BLOCK FLOW DIAGRAM

		1117		111	S	S	S	S																								_
	Туре	TURBINE	TURBINE	TURBINE	CORIOLIS	CORIOLIS	CORIOLIS	CORIOLIS	MAG	TURBINE	TURBINE	TURBINE	TURBINE	TURBINE	TURBINE	TURBINE	TURBINE															
ls (Cont.)	Service	710	7IO	710	710	710	710	7IO	WATER	OIL	WATER	WATER	WATER	WATER	WATER	WATER	WATER															
Table 3: Meter Details (Cont.	FMP	z	Z	N	Υ	Υ	Y	Υ	Z	Z	Z	N	Z	Z	Z	Z	Z	Z	Ν	N	Z	Z	z	Z	Z	Z	Z	Z	Z	Z	Z	z
Table 3: M	Meter S/N	TBD	TBD	TBD	TBD	TBD	TBD	TBD	TBD	TBD	TBD	TBD	TBD	TBD	TBD	TBD	TBD	TBD	TBD	TBD	TBD	TBD	TBD	TBD	TBD	TBD	TBD	TBD	TBD	TBD	TBD	TBD
	MeterID	OM4A	OM4B	OM4C	SOM1	SOM2	SOM3	SOM4	WM1A	WM1B	WM1C	WM2A	WM2B	WM2C	WM3A	WM3B	WM3C	WM4A	WM4B	WM4C	WM1	WM2	WM3	WM4	OM5	LM1	LM2	LM3	LM4	LM5	LM6	LM7
	Type	ORIFICE	ORIFICE	ORIFICE	ORIFICE	ORIFICE	ORIFICE	ORIFICE	ORIFICE	ORIFICE	ORIFICE	ORIFICE	ORIFICE	ORIFICE	ORIFICE	ORIFICE	ORIFICE	ORIFICE	ORIFICE	ORIFICE	ORIFICE	ORIFICE	ORIFICE	TURBINE	TURBINE	TURBINE	TURBINE	TURBINE LM3	TURBINE LM4	TURBINE	TURBINE	TURBINE I M7
ails	Service	GAS	GAS	GAS	SAĐ	SYS	GAS	SV9	GAS	SYS	SAS	SYS	GAS	GAS	GAS	GAS	GAS	SY9	GAS	SYS	GAS	GAS	GAS	OIL	OIL	OIL	OIL	OIL	OIL	OIL	OIL	110
Table 3: Meter Details	FMP	Z	N	Ν	N	N	N	N	N	N	Ν	N	Ν	γ	γ	N	N	Ν	Ν	N	N	Υ	Υ	N	N	Ν	Ν	Ν	Ν	Ν	N	Ν
Table 3:	Meter S/N	TBD	TBD	TBD	TBD	TBD	TBD	TBD	TBD	TBD	TBD	TBD	TBD	TBD	TBD	TBD	TBD	TBD	TBD	TBD	TBD	TBD	TBD	TBD	TBD	TBD	TBD	TBD	TBD	TBD	TBD	TBD
	MeterID	GM1A	GM1B	GM1C	GM2A	GM2B	GM2C	GM3A	GM3B	CM3C	GM4A	GM4B	GM4C	GM1	GM2	GM3	GM4	GM5	9M9	2M9	GM8	SGM1	SGM1	OM1A	OM1B	OM1C	OM2A	OM2B	OM2C	OM3A	OM3B	DEMO

Table 4: Oil Tank Details	Train S/N	1 TBD	1 TBD	2 TBD	2 TBD	3 TBD	3 TBD	4 TBD	4 TBD	SALES TBD	SALES TBD
Table	Tank ID	011	012	016	017	OT11	OT12	OT16	OT17	OT19	0120

30-015-45087 30-015-47972

Vagabond CC 8 17 Fed Com #025H

Vagabond CC 8 17 Fed Com #024H

30-015-45088

30-015-45086 30-015-46401

Oxbow CC 17 08 Fed Com #034H Oxbow CC 17 08 Fed Com #038H Oxbow CC 17 08 Fed Com #036H Oxbow CC 17 08 Fed Com #035H

30-015-45084 30-015-46400 30-015-45085 30-015-47978 30-015-47975

Vagabond CC 8 17 Fed Com #022H Vagabond CC 8 17 Fed Com #023H

30-015-45083

10 11 13 14 15 16 17 18 19 20

Table 5	Table 5: Fuel Gas Users	
User Description	Fuel Usage (SCFD)	Method
Heater Treater (2)		
Line Heater (6)		
VCU (1)		
Flare (1)		
Oil Tanks Blanket Gas		
(4)		

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!	LEGEND						
	Ш					1	
		WATER:	OIL:	GAS:	MIX:	RECYCLE:	

					R
LEGEND				^	
	i i i				J. H.
	WATER:	OIL:	GAS:	×Ξ	RECYCLE

	NOTES:
	1. GM= GAS METER
	2. OM=OIL METER
	3. WM= WATER METER
	4. SGM= SALES GAS METER
	5. SOM= SALES OIL METER
	6. OT= OIL TANK
Ī	711111111111111111111111111111111111111

	Table 2: Valve Details	Ilve Detail	S
Producti	Production Phase	Sales	Sales Phase
Valve ID	Posistion	Valve ID	Posistion
V1A	NBdO	VIA	NBdO
V1B	NBdO	V1B	NBdO
V2A	NBdO	V2A	NBdO
V2B	OPEN	V2B	NEOO
V3A	OPEN	V3A	NEGO
V3B	OPEN	N3B	NEO
V4A	OPEN	V4A	NEOO
V4B	OPEN	V4B	NEO
51	OPEN	51	N∃dO
52	CLOSED	25	CLOSED
53	OPEN	ES	NEOO
84	CLOSED	84	CLOSED

30-015-46369 30-015-45048 30-015-45049 30-015-45050

Salt Flat CC 20-29 Fed Com #036H Salt Flat CC 20-29 Fed Com #038H Oxbow CC 17 08 Fed Com #031H Oxbow CC 17 08 Fed Com #032H Oxbow CC 17 08 Fed Com #037H Oxbow CC 17 08 Fed Com #033H

30-015-45080

ΑЫ

30-015-45081 30-015-45082

Salt Flat CC 20-29 Fed Com #032H Salt Flat CC 20-29 Fed Com #033H Salt Flat CC 20-29 Fed Com #037H Salt Flat CC 20-29 Fed Com #034H Salt Flat CC 20-29 Fed Com #035H

Salt Flat CC 20-29 Fed Com #031H

Train

Table 1: Well Details Well Name

Pal	eased	to
Mei	euseu	W I

District I
1625 N. French Dr., Hobbs, NM 88240
Phone: (575) 393-6161 Fax: (575) 393-0720
District II
811 S. First St., Artesia, NM 88210
Phone: (575) 748-1283 Fax: (575) 748-9720
District III
1000 Rio Brazos Road, Aztec, NM 87410
Phone: (505) 334-6178 Fax: (505) 334-6170
District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505
Phone: (505) 476-3460 Fax: (505) 476-3462

480

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

Form C-102 Revised August 1, 2011 Submit one copy to appropriate District Office

☐ AMENDED REPORT

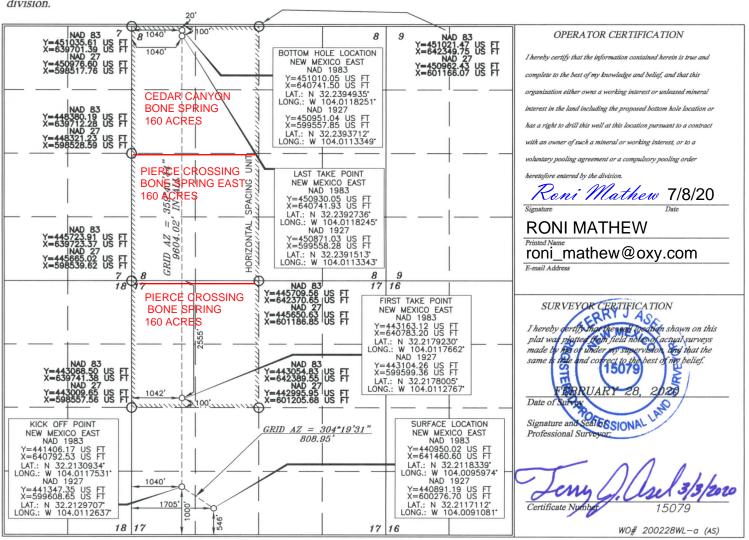
WELL LOCATION AND ACREAGE DEDICATION PLAT

30-015- 4 7978		Pool Code Pool Name 50371/96473/11520 PIERCE CROSSING BONE SPRING/PIERCE CROSS EAST/CEDAR CANYON BONE SPRING			
Property Code 329996	Prop	perty Name _17" FEDERAL COM	Well Number		
OGRID No. 16696		erator Name USA INC.	Elevation 2936.6'		

Surface Location

UL or lot no.	Section	Township	Range		Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County	
N	17	24 SOUTH	29 EAST, N.	М. Р. М.		546'	SOUTH	1705'	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	8	24 SOUTH	29 EAST, N.	М. Р. М.		20'	NORTH	1040'	WEST	EDDY	
Dedicated	Acres	Joint or Infill	Consolidation Code	Order No.							

No allowable will be assigned to this completion until all interests have been consolidated or a non-standard unit has been approved by the



District I
1625 N. French Dr., Hobbs, NM 88240
Phone: (575) 393-6161 Fax: (575) 393-0720
District II
811 S. First St., Artesia, NM 88210
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1000 Rio Brazos Road, Aztec, NM 87410
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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

Form C-102 Revised August 1, 2011 Submit one copy to appropriate District Office

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Numbe	Pool Code	PIEDCE CROSSING DONE CORING POPE CROSSING PONE CORING FAC					
30-015- 47975	50371/96473/11520	50371/96473/11520 PIERCE CROSSING BONE SPRING/PIERCE CROSSING BONE SPRING Property Name Well Number					
Property Code	Pro	pperty Name	Well Number				
329996	VAGABOND CC "8_	_17" FEDERAL COM	23H				
OGRID No.	Opt	erator Name	Elevation				
16696	OXY U	USA INC.	2936.6'				

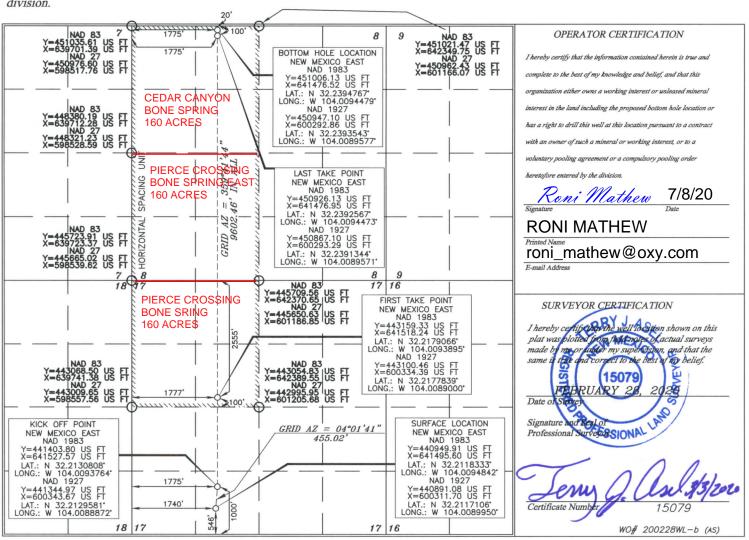
Surface Location

UL or lot no	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County		
N	17	24 SOUTH	29 EAST, N.M.P.M.		546'	SOUTH	1740'	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
C	8	24 SOUTH	29 EAST, N.	М. Р. М.		20'	NORTH	1775'	WEST	EDDY
Dedicated	Acres	Joint or Infill	Consolidation Code	Order No.						
480										

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.



Released to Imaging: 10/13/2021/3003328PPM



U.S. Department of the Interior BUREAU OF LAND MANAGEMENT

Sundry Print Report

Well Name: OXBOW CC 17-08 Well Location: T24S / R29E / SEC 17 / County or Parish/State: EDDY /

FEDERAL COM SWSW / 32.2115276 / -104.0109282

Well Number: 33H Type of Well: OIL WELL Allottee or Tribe Name:

Lease Number: Unit or CA Name: Unit or CA Number:

US Well Number: 300154508500S1 **Well Status:** Producing Oil Well **Operator:** OXY USA

INCORPORATED

Notice of Intent

Sundry ID: 2634657

Type of Submission: Notice of Intent

Type of Action: Other

Date Sundry Submitted: 09/16/2021 Time Sundry Submitted: 01:16

Date proposed operation will begin: 01/01/2022

Procedure Description: OXY USA Inc. respectfully requests approval to amend the pool for the subject well. Please see the attached C102 for reference on the correct pools.

Surface Disturbance

Is any additional surface disturbance proposed?: No

NOI Attachments

Procedure Description

 $OxbowCC17_8 FedCom33 H_AMENDEDAS_DRILLEDC102_POOLCHGS_20210916131531.pdf$

Page 1 of 2

FEDERAL COM

Well Location: T24S / R29E / SEC 17 / SWSW / 32.2115276 / -104.0109282

County or Parish/State: Page 14 of

Well Number: 33H

Type of Well: OIL WELL

Allottee or Tribe Name:

Lease Number:

Unit or CA Name:

Unit or CA Number:

US Well Number: 300154508500S1

Well Status: Producing Oil Well

Operator: OXY USA **INCORPORATED**

Operator Certification

I certify that the foregoing is true and correct. Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction. Electronic submission of Sundry Notices through this system satisfies regulations requiring a submission of Form 3160-5 or a Sundry Notice.

Operator Electronic Signature: LESLIE REEVES Signed on: SEP 16, 2021 01:12 PM

Name: OXY USA INCORPORATED

Title: Advisor Regulatory

Street Address: 5 GREENWAY PLAZA, SUITE 110

City: HOUSTON State: TX

Phone: (713) 497-2492

Email address: LESLIE_REEVES@OXY.COM

Field Representative

Representative Name:

Street Address:

State:

Zip:

Phone:

City:

Email address:

Received by OCD: 7/29/2021 1:50:21 PM

<u>District 1</u>
1625 N. French Dr., Hobbs, NM 88240
Phone: (575) 393-6161 Fax: (575) 393-0720 District II 811 S. First St., Artesia, NM 88210 Phone: (505) 334-6178 Fax: (505) 334-6170 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

Form C-102 Revised August 1, 2011 Submit one copy to appropriate District Office

AMENDED REPORT
(As-Drilled)

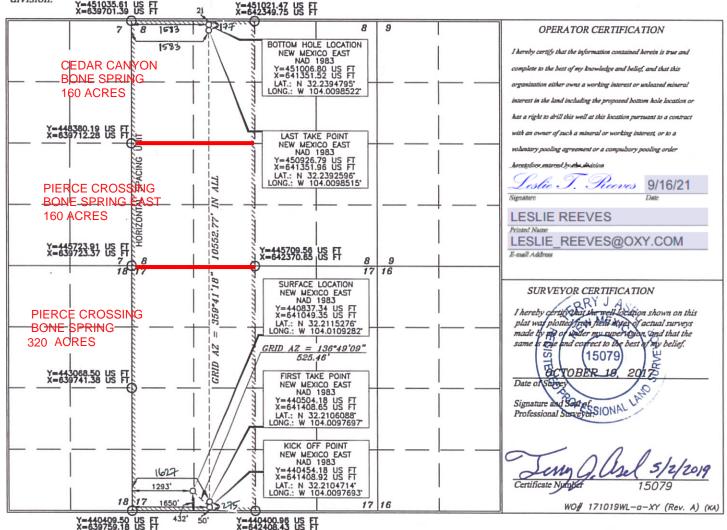
Released to Imaging: 10/13/2021 3:03:28 PM

WELL LOCATION AND ACREAGE DEDICATION PLAT

30-015-45085 5037		PIERCE CROSSING; BONE SPRING/ PIERCE CROSSING BON SPRING EAST/ CEDAR CANYON; BONE SPRING		
Property Code 321633		operty Name - 8" FEDERAL COM	Well Number 33H	
OGRID No.	Op	erator Name	Elevation	
16696	OXY I	USA INC.	2937.9'	
	Surface	e Location	*	

UL or lot no. Section Township Range Lot Idn Feet from the North/South line Feet from the East/West line County 432' 24 SOUTH M 17 29 EAST, N.M.P.M. SOUTH 1293' WEST **EDDY** Bottom Hole Location If Different From Surface UL or lot no. Section Lot Idn | Feet from the | North/South line | Feet from the Township Range East/West line County 24 SOUTH 29 EAST, N.M.P.M. NORTH WEST **EDDY** Dedicated Acres Joint or Infill Consolidation Code Order No FTP- 275 FSL FWL 1627 640 LTP-177 FNL 1583 FWL

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.



<u>District 1</u> 1625 N. French Dr., Hobbs, NM 88240 Phone: (575) 393-6161 Fax: (575) 393-0720

District III

1000 Rio Brazos Road, Aztec, NM 87410

Phone: (505) 334-6178 Fax: (505) 334-6170

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

Form C-102 Revised August 1, 2011 Submit one copy to appropriate District Office

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

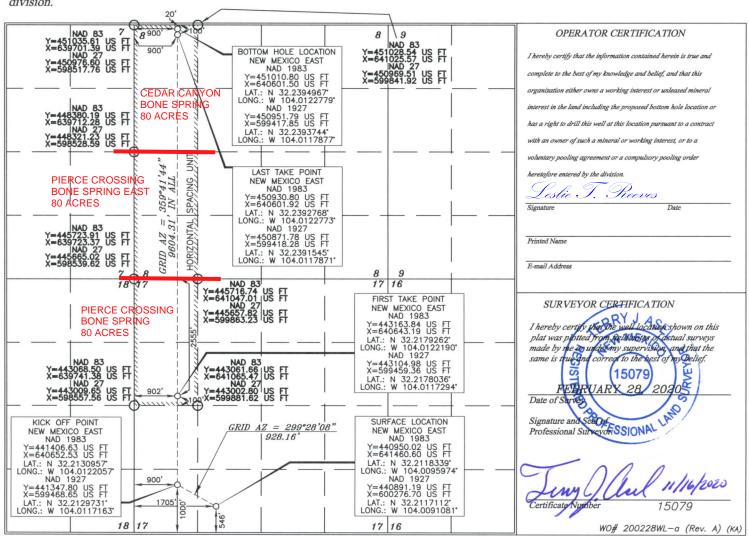
API Number		Pool Code	Pool Name			
Property Code		Pron	operty Name Well Numb			
, ,		17" FEDERAL COM	22H			
OGRID No.		Орег	rator Name	Elevation		
		OXY U	SA INC.	2936.6'		
		Surface	Location			

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
N	17	24 SOUTH	29 EAST, N.M.P.M.		546'	SOUTH	1705'	WEST	EDDY

Bottom Hole Location If Different From Surface

	Bottom Hote Location in Different From Startage									
UL or lot no.	Section	Township	Range		Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
D	8	24 SOUTH	29 EAST, N.	М. Р. М.		20'	NORTH	900'	WEST	EDDY
Dedicated	Acres	Joint or Infill	Consolidation Code	Order No.						

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.



Released to Imaging: 10/13/2021 3:03:28 PM

District I
1625 N. Franch Dr., Hobbs, NM 88240
Phone: (575) 393-6161 Fax: (575) 393-0720
District II
811 S. First St., Artesia, NM 88210
Phone: (575) 748-1283 Fax: (575) 748-9720
District III
1000 Rio Brazos Road, Aztec, NM 87410
Phone: (505) 34-6178 Fax: (505) 334-6170
District IIV
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

Form C-102 Revised August 1, 2011 Submit one copy to appropriate District Office

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number	Pool Code		Pool Name		
Property Code		Property Name		Well Number	
	VAGABOND C	VAGABOND CC "8_17" FEDERAL COM			
OGRID No.		Operator Name		Elevation	
	(OXY USA INC.		2936.6'	
	S	Surface Location			

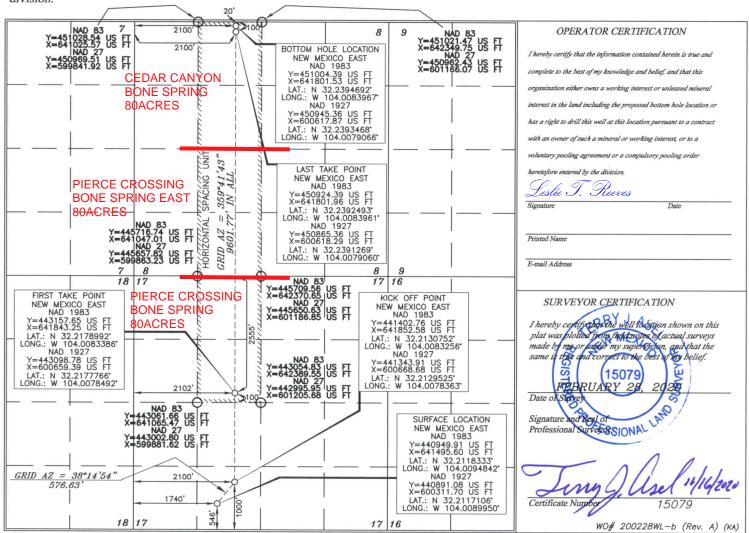
UL or lot no. Section Township Range Lot Idn Feet from the North/South line Feet from the East/West line County

N 17 24 SOUTH 29 EAST, N.M.P.M. 546' SOUTH 1740' WEST EDDY

Bottom Hole Location If Different From Surface

						- 1110101101	TOIN DUITUE	-		
UL or lot no.	Section	Township	Range		Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
С	8	24 SOUTH	29 EAST, N	М. Р. М.		20'	NORTH	2100'	WEST	EDDY
Dedicated	Acres	Joint or Infill	Consolidation Code	Order No.						

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.



Released to Imaging: 10/13/2021 3:03:28 PM

Reeves, Leslie T

From: AFMSS <blm-afmss-notifications@blm.gov>

Sent: Monday, August 23, 2021 11:22 AM

To: Reeves, Leslie T

Subject: [EXTERNAL] Well Name: VAGABOND CC 8-17 FED COM, Well Number: 22H, Notification

of Sundry Received

WARNING - This message is from an EXTERNAL SENDER - be CAUTIOUS, particularly with links and attachments.

The Bureau of Land Management

Notice Of Intent Receipt

Operator Name: OXY USA INCORPORATED
Well Name: VAGABOND CC 8-17 FED COM

Well Number: 22H

US Well Number: 3001547978

Sundry ID: 2630024

The BLM received your Notice Of Intent, Other sundry on 08/23/2021. This is to notify you that we are processing your sundry.

You may contact the field office if you have any questions.

If we need more information we will contact you. Thank you.

This notification is automatically generated. Please do not reply to this message as this account is not monitored.

Reeves, Leslie T

From: AFMSS <blm-afmss-notifications@blm.gov>

Sent: Monday, August 23, 2021 11:51 AM

To: Reeves, Leslie T

Subject: [EXTERNAL] Well Name: VAGABOND CC 8-17 FED COM, Well Number: 23H, Notification

of Sundry Received

WARNING - This message is from an EXTERNAL SENDER - be CAUTIOUS, particularly with links and attachments.

The Bureau of Land Management

Notice Of Intent Receipt

Operator Name: OXY USA INCORPORATED
Well Name: VAGABOND CC 8-17 FED COM

Well Number: 23H

US Well Number: 3001547975

Sundry ID: 2630028

The BLM received your Notice Of Intent, Other sundry on 08/23/2021. This is to notify you that we are processing your sundry.

You may contact the field office if you have any questions.

If we need more information we will contact you. Thank you.

This notification is automatically generated. Please do not reply to this message as this account is not monitored.

DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT CASE RECORDATION (MASS) Serial Register Page

Run Date/Time: 9/14/2021 17:10 PM

Total Acres:

640.000

Page 1 Of 1
Serial Number
NMNM 141234

01 02-25-1920;041STAT0437;30USC181

Case Type318310: O&G COMMUNITZATION AGRMT

Commodity 459: OIL & GAS

Case Disposition: CLOSED

Case File Juris:

Serial Number: NMNM-- - 141234

Name & Address				Int Rel	% Interest
BLM NMSO	301 DINOSAUR TRL	SANTA FE	NM 875081560	OFFICE OF RECORD	0.000000000
OXY USA INC	5 GREENWAY PLZ STE 110	HOUSTON	TX 770460521	OPERATOR	100.000000000

					Seriai Nui	mber: Nivinivi 141234
Mer	Twp Rng	Sec SType	Nr Suff Subdivision	District/ Field Office	County	Mgmt Agency
23	0240S 0290E	008 ALIQ	W2;	CARLSBAD FIELD OFFICE	EDDY	BUREAU OF LAND MGMT
23	0240S 0290E	017 ALIQ	W2;	CARLSBAD FIELD OFFICE	EDDY	BUREAU OF LAND MGMT

Relinquished/Withdrawn Lands Serial Number: NMNM-- - 141234

Serial Number: NMNM-- - 141234

Act Date	Act Co	ode Action Txt	Action Remarks	Pending Off	
11/01/2019	387	CASE ESTABLISHED			
11/01/2019	516	FORMATION	WOLFCAMP;		
12/10/2019	580	PROPOSAL RECEIVED	CA RECD;		
09/08/2021	125	APLN REJ/DENIED			
09/08/2021	970	CASE CLOSED			
09/08/2021	974	AUTOMATED RECORD VERIF	EMR		

Line Number Remark Text Serial Number: NMNM-- - 141234

Page 1 Of 1

DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT CASE RECORDATION

Run Date/Time: 9/14/2021 17:10 PM

(MASS) Serial Register Page

Total Acres: 640.000

Serial Number NMNM 141235

01 02-25-1920;041STAT0437;30USC181 Case Type318310: O&G COMMUNITZATION AGRMT

Commodity 459: OIL & GAS

Case Disposition: CLOSED

Case File Juris:

Serial Number: NMNM-- - 141235

Name & Address					Int Rel	% Interest
BLM NMSO	301 DINOSAUR TRL	SANTA FE	NM	875081560	OFFICE OF RECORD	0.000000000
OXY USA INC	5 GREENWAY PLZ STE 110	HOUSTON	TX	770460521	OPERATOR	100.000000000

					Seriai Nui	mber: Nivinivi 141235
Mer	Twp Rng	Sec SType	Nr Suff Subdivision	District/ Field Office	County	Mgmt Agency
23	0240S 0290E	008 ALIQ	W2;	CARLSBAD FIELD OFFICE	EDDY	BUREAU OF LAND MGMT
23	0240S 0290E	017 ALIQ	W2;	CARLSBAD FIELD OFFICE	EDDY	BUREAU OF LAND MGMT

Serial Number: NMNM-- - 141235 Relinquished/Withdrawn Lands

Serial Number: NMNM-- - 141235

Act Date	Act Co	ode Action Txt	Action Remarks	Pending Off	
11/01/2019	387	CASE ESTABLISHED			
11/01/2019	516	FORMATION	BONE SPRING;		
12/10/2019	580	PROPOSAL RECEIVED	CA RECD;		
09/08/2021	125	APLN REJ/DENIED			
09/08/2021	970	CASE CLOSED			
09/08/2021	974	AUTOMATED RECORD VERIF	EMR		

Serial Number: NMNM-- - 141235 **Line Number Remark Text**



5 Greenway Plaza, Suite 110, Houston, Texas 77046-0521 P.O. Box 27570, Houston, Texas 77227-7570 Direct: 713.985.6972 Fax: 713.985.1278 Peter_Vanliew@oxy.com

October 4, 2021

SENT VIA E-MAIL

New Mexico Oil Conservation Division Energy, Minerals and Natural Resources Department 1220 South Francis Drive Santa Fe, New Mexico 87505 Attn: Dean McClure

RE: Vagabond CC 8-17 Federal Com Landman Statement

Dear Mr. McClure,

OXY USA Inc. ("OXY") submitted applications for surface commingling to your office for our Vagabond CC 8-17 Federal Com #22H, #23H, #24H and #25H wells located within Section 8 and the N/2 of Section 17, T24S-R29E, Eddy County, New Mexico. During your review of the relevant facts, you requested that we provide a Landman's statement regarding the pooling authority found within each of our contributed fee leases.

Therefore, I hereby submit this statement as proof that the several fee leases covering acreage within this Vagabond development provide Oxy the authority to voluntary pool the proposed 240 acre horizontal spacing units, as described below.

Proposed Horizontal Spacing Units

Vagabond CC 8-17 Federal Com #22H: W/2W/2 Section 8 and W/2NW/4 Section 17, T24S-R29E Vagabond CC 8-17 Federal Com #23H: E/2W/2 Section 8 and E/2NW/4 Section 17, T24S-R29E Vagabond CC 8-17 Federal Com #24H: W/2E/2 Section 8 and W/2NE/4 Section 17, T24S-R29E Vagabond CC 8-17 Federal Com #25H: E/2E/2 Section 8 and E/2NE/4 Section 17, T24S-R29E

If you have any questions or concerns with this statement, please feel free to call or email.

Sincerely,

OXY USA Inc.

Peter Van Liew, RPL Senior Land Negotiator From: Engineer, OCD, EMNRD

To: <u>Musallam, Sandra C; Schenkel, Beth V</u>

Cc: McClure, Dean, EMNRD; Hawkins, James , EMNRD; Powell, Brandon, EMNRD; lisa@rwbyram.com; Glover, James; Paradis,

Kyle O; Walls, Christopher

Subject: Approved Administrative Order PLC-660-B Date: Thursday, October 7, 2021 5:49:00 PM

Attachments: PLC660B Order.pdf

NMOCD has issued Administrative Order PLC-660-B which authorizes Oxy USA, Inc. (16696) to surface commingle or off-lease measure, as applicable, the following wells:

Well API	Well Name	UL or Q/Q	S-T-R	Pool Code
20 015 45092	Oxbow CC 17 08 Federal Com	W/2	8-24S-29E	98220
30-015-45083	#31H	W/2	17-24S-29E	98220
20 015 45094	Oxbow CC 17 08 Federal Com	W/2	8-24S-29E	09220
30-015-45084	#32H	W/2	17-24S-29E	98220
30-015-46400	Oxbow CC 17 08 Federal Com	W/2	8-24S-29E	00220
	#37H	W/2	17-24S-29E	98220
	Oxbow CC 17 08 Federal Com #33H	NW/4	8-24S-29E	11520
30-015-45085		SW/4	8-24S-29E	96473
		W/2	17-24S-29E	50371
	V 1 10004FF 1 10	W/2 NW/4	8-24S-29E	11520
30-015-47978	Vagabond CC 8 17 Federal Com	W/2 SW/4	8-24S-29E	96473
	#22H	W/2 NW/4	17-24S-29E	50371
	V 1 10004FF 1 10	E/2 NW/4	8-24S-29E	11520
30-015-47975	Vagabond CC 8 17 Federal Com	E/2 SW/4	8-24S-29E	96473
	#23H	E/2 NW/4	17-24S-29E	50371

The administrative order is attached to this email and can also be found online at OCD Imaging.

Please review the content of the order to ensure you are familiar with the authorities granted and any conditions of approval. If you have any questions regarding this matter, please contact me.

Dean McClure
Petroleum Engineer, Oil Conservation Division
New Mexico Energy, Minerals and Natural Resources Department
(505) 469-8211

From: Schenkel, Beth V

To: McClure, Dean, EMNRD

Cc: <u>Musallam, Sandra C</u>; <u>Van Liew, Peter R</u>

Subject: [EXTERNAL] RE: RE: surface commingling application PLC-660-B

Date: Thursday, September 16, 2021 2:28:32 PM

Attachments: OxbowCC17-8FedCom35H PoolChqSundrySub9-16-21.pdf
OxbowCC17-8FedCom33H PoolChqSundrySub 9-16-21.pdf

CAUTION: This email originated outside of our organization. Exercise caution prior to clicking on links or opening attachments.

Dean,

Please see attached BLM sundry submittals for the updated pools on the Oxbow wells to match the pools for the Vagabond wells. Oxbow 33H is in Train 3 (PLC-660-B), and Oxbow 35H is in Train 4 (PLC-661-B).

Thanks,

Beth Schenkel | Sr Facilities Engineer | Regulatory Compliance O: 713.497.2055 | C: 713.557.4141

From: Schenkel, Beth V

Sent: Wednesday, September 15, 2021 5:29 PM

To: McClure, Dean, EMNRD < Dean. McClure@state.nm.us>

Cc: Musallam, Sandra C <Sandra Musallam@oxy.com>; Van Liew, Peter R <Peter VanLiew@oxy.com>

Subject: RE: [EXTERNAL] RE: surface commingling application PLC-660-B

Hi Dean,

Thank you for talking with us this afternoon. I'm glad we were able to clarify things.

I've copied Peter on this email. He will provide you with the documentation we discussed.

Additionally, I will send you the BLM sundry submittals for the updated pools on the Oxbow wells once they are submitted, hopefully tomorrow.

Thanks,

Beth Schenkel | Sr Facilities Engineer | Regulatory Compliance O: 713.497.2055 | C: 713.557.4141

From: McClure, Dean, EMNRD < Dean.McClure@state.nm.us>

Sent: Wednesday, September 15, 2021 2:03 PMTo: Schenkel, Beth V < Beth_Schenkel@oxy.comCc: Musallam, Sandra C < Sandra_Musallam@oxy.com

Subject: RE: [EXTERNAL] RE: surface commingling application PLC-660-B

WARNING - This message is from an EXTERNAL SENDER - be CAUTIOUS, particularly

with links and attachments.

Hello Beth,

I'm a little confused. Is the production from the Vagabond wells being allocated to NMNM 141235? If all the owners are being paid per the HSU for each well, this would seem to indicate that the production from the Vagabond wells are not being allocated to NMNM 141235 unless the com agreement that formed it has provisions for such. If such provisions exist, then that implies that it is being treated as an unit with PAs rather than a com agreement.

When you reference that all the interest owners have been notified, are you referring to them being notified of this commingling application or of the manner in which the wells are being allocated to the leases contained in NMNM 141235? There may be a bit of confusion, as the reason for my line of questioning on this topic is to ensure that the correct leases qualify for and are granted approval to be commingled.

Regarding the pools; yes please proceed with adjusting the pools for Oxbow #33H to match those provided by Kate.

Dean McClure
Petroleum Engineer, Oil Conservation Division
New Mexico Energy, Minerals and Natural Resources Department
(505) 469-8211

From: Schenkel, Beth V < Bent: Wednesday, September 15, 2021 8:49 AM

To: McClure, Dean, EMNRD < <u>Dean.McClure@state.nm.us</u>> **Cc:** Musallam, Sandra C < <u>Sandra Musallam@oxy.com</u>>

Subject: [EXTERNAL] RE: surface commingling application PLC-660-B

CAUTION: This email originated outside of our organization. Exercise caution prior to clicking on links or opening attachments.

Hi Dean,

Thanks for reaching out. Kate Pickford set the pools for the new Vagabond wells. If needed, OXY can submit a new C-102 for the Oxbow to match the new pools.

As for the CA, the CA actually only pertains to BLM royalty payment. All other owners will be paid per each well's HSU. All owners in the entire CA boundaries were notified by certified mail, along with newspaper notice, so that covers all of the wells' HSUs.

Additionally, OXY just recently submitted new C-102s for these wells – please see attached. These were submitted to the OCD after original notice and commingling application submittal.

This is a similar situation to Salt Flat CTB Train 4. I can respond to that submittal email with the new C-102s for those Vagabond wells.

I can give you a call later today to walk through this, or if you have availability, please feel free to call me.

Thanks,

Beth Schenkel | Sr Facilities Engineer | Regulatory Compliance O: 713.497.2055 | C: 713.557.4141

From: McClure, Dean, EMNRD < Dean.McClure@state.nm.us>

Sent: Tuesday, September 14, 2021 6:21 PMTo: Schenkel, Beth V < Beth_Schenkel@oxy.comCc: Musallam, Sandra C < Sandra_Musallam@oxy.com

Subject: [EXTERNAL] surface commingling application PLC-660-B

WARNING - This message is from an EXTERNAL SENDER - be CAUTIOUS, particularly with links and attachments.

Ms. Schenkel,

I am reviewing surface commingling application PLC-660-B which involves the Salt Flat Central Tank Battery (Train 3) operated by Oxy USA, Inc. (16696).

It looks like there is an inconsistently regarding the correct bone spring pools for the 2 sections in this application. I have an email into district 3's geologist who is also overseeing district 2 asking what the correct pool(s) should be for these wells. Once I hear back, then either 1 or 2 of these wells will need to be corrected.

20.015.45005	Oxbow CC 17 08 Federal Com	W/2	8-24S-29E	E02E1
30-015-45085	#33H	W/2	17-24S-29E	50371
	Vagabond CC 8 17 Federal Com #22H	NW/4	8-24S-29E	11520
30-015-47978		SW/4	8-24S-29E	96473
		NW/4	17-24S-29E	50371
	V 1 100017F1 10	NW/4	8-24S-29E	11520
30-015-47975	Vagabond CC 8 17 Federal Com #23H	SW/4	8-24S-29E	96473
		NW/4	17-24S-29E	50371

Additionally, the CAs I have on record are for the W/2 of sections 8 and 17 of township 24 South range 29 East. However, the bone spring wells being requested to be added to this permit have spacing units which exclude the SW/4 of section 17 township 24 south range 29 east. Is Oxy seeking to establish a new CA for this tract? I am not seeing anything within the BLM system for it and as such, if so I will need to see the packet for this proposed CA.

Dean McClure
Petroleum Engineer, Oil Conservation Division
New Mexico Energy, Minerals and Natural Resources Department
(505) 469-8211

From: Schenkel, Beth V

To: <u>McClure, Dean, EMNRD</u>; <u>Van Liew, Peter R</u>

Cc: Musallam, Sandra C

Subject: [EXTERNAL] RE: RE: surface commingling application PLC-660-B

Date:Wednesday, September 22, 2021 10:27:10 AMAttachments:VagabondCC8 17FdCom22H C102.pdf

SundrySubmitted EmailConfirmation8-23-21.pdf VagabondCc8 17FdCom23H C102.pdf SundrySubmitted EmailConfirmation8-23-21.pdf VagabondCC8 17FdCom24H C102.pdf SundrySubmitted Emailconfirmation8-23-21.pdf

CAUTION: This email originated outside of our organization. Exercise caution prior to clicking on links or opening attachments.

Dean,

Please see attached C-102s and BLM AFMSS sundry submittal confirmations for the Vagabond 22H, 23H, and 24H. These reflect the new 240 acre spacing. The 25H updated C-102 has already been submitted to the OCD.

Thanks,

Beth Schenkel | Sr Facilities Engineer | Regulatory Compliance O: 713.497.2055 | C: 713.557.4141

From: McClure, Dean, EMNRD < Dean. McClure@state.nm.us>

Sent: Tuesday, September 21, 2021 6:01 PM

To: Van Liew, Peter R < Peter VanLiew@oxy.com>; Schenkel, Beth V < Beth Schenkel@oxy.com>

Cc: Musallam, Sandra C <Sandra_Musallam@oxy.com>

Subject: RE: [EXTERNAL] RE: RE: surface commingling application PLC-660-B

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Sandra,

Please see the following citations per our phone conversation:

19.15.16.7.H. NMAC; while silent on whether this applies to wells with shorter completed laterals than the defining well, current interpretation by the Division is that it does and that would allow for the Vagabond wells to have the same spacing unit as the Oxbow CAs.

H. "Infill horizontal well" means a horizontal well the completed interval or intervals of which are located wholly within the horizontal spacing unit dedicated to a previously drilled or proposed horizontal well in the same pool and that the operator designates as an infill horizontal well on form C-102. For the purposes of this definition, "proposed" means that an APD has been submitted to a regulatory agency.

19.15.16.15.B.(9)(b) NMAC; this is the rule which allows for a spacing unit to be contained by another spacing unit and outlines the requirements to do so.

(b) Subsequent wells in existing spacing units. Subject to the terms of any

applicable operating agreement, or to 19.15.13 NMAC or any applicable compulsory pooling order as to any compulsory pooled interests:

(i) a horizontal well that will have a completed interval partially in an

existing well's spacing unit, and in the same pool or formation, may be drilled only with the approval of, or, in the absence of approval, after notice to, all operators and working interest owners of record or known to the applicant in the existing and new well's spacing units:

(ii) any subsequent well, horizontal or otherwise, with a completed interval

located wholly within an existing well's horizontal spacing unit, and in the same pool or formation, if not designated as an infill horizontal well, may be drilled only with the approval of, or, in the absence of approval, after notice to, all operators and working interest owners of record or known to the applicant in the existing and new well's spacing units; and

(iii) the notice procedures of Subsection B of 19.15.15.12 NMAC shall

apply to notices required pursuant to Items (i) or (ii) of Subparagraph (b) of Paragraph (9) of Subsection B of 19.15.16.15 NMAC.

Dean McClure

Petroleum Engineer, Oil Conservation Division New Mexico Energy, Minerals and Natural Resources Department (505) 469-8211

From: Van Liew, Peter R < Peter VanLiew@oxy.com>

Sent: Tuesday, September 21, 2021 3:03 PM

To: Schenkel, Beth V <Beth_Schenkel@oxy.com>; McClure, Dean, EMNRD <Dean.McClure@state.nm.us>

Cc: Musallam, Sandra C < Sandra Musallam@oxy.com >

Subject: [EXTERNAL] RE: RE: surface commingling application PLC-660-B

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Dean,

I am forwarding Apache's written understanding of Oxy's agreement with the BLM re: Vagabond wells. They support these wells being considered infill wells for the purposes of BLM royalty payment and CAs. Please let me know if you have any further concerns or questions.

Sincerely,

Peter R. Van Liew, RPL

Senior Land Negotiator Occidental Petroleum Corporation 5 Greenway Plaza, Suite 110 Houston, Texas 77046 713.985.6972 (o) 832.627.6880 (c)

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From: Van Liew, Peter R

Sent: Thursday, September 16, 2021 5:10 PM

To: Schenkel, Beth V <Beth Schenkel@oxy.com>; McClure, Dean, EMNRD <Dean.McClure@state.nm.us>

Cc: Musallam, Sandra C < <u>Sandra_Musallam@oxy.com</u>>

Subject: RE: [EXTERNAL] RE: surface commingling application PLC-660-B

Dean,

I am attaching the communication with the BLM where they agreed to classify Vagabond wells as "infill" and report production to the existing CAs. We planned both our Oxbow and Vagabond developments around the guidance they provided to us regarding CAs.

I reviewed my communications with Apache and realized we have no written explanation to them for this unique BLM agreement regarding infill wells. We discussed it via telephone conversations though so I sent an email to their landman and am just waiting for a response confirming they have no objection. Once I receive that response, I will be sure to forward for your files.

If you have any questions or concerns, please call or email and we can discuss.

Sincerely,

Peter R. Van Liew, RPL

Senior Land Negotiator Occidental Petroleum Corporation 5 Greenway Plaza, Suite 110 Houston, Texas 77046 713.985.6972 (o) 832.627.6880 (c)

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From: Schenkel, Beth V < Beth_Schenkel@oxy.com>

Sent: Thursday, September 16, 2021 3:28 PM

To: McClure, Dean, EMNRD < <u>Dean.McClure@state.nm.us</u>>

Cc: Musallam, Sandra C < Sandra Musallam@oxy.com >; Van Liew, Peter R < Peter VanLiew@oxy.com >

Subject: RE: [EXTERNAL] RE: surface commingling application PLC-660-B

Dean,

Please see attached BLM sundry submittals for the updated pools on the Oxbow wells to match the pools for the Vagabond wells. Oxbow 33H is in Train 3 (PLC-660-B), and Oxbow 35H is in Train 4 (PLC-661-B).

Thanks,

Beth Schenkel | Sr Facilities Engineer | Regulatory Compliance

O: 713.497.2055 | C: 713.557.4141

From: Schenkel, Beth V

Sent: Wednesday, September 15, 2021 5:29 PM

To: McClure, Dean, EMNRD < Dean. McClure@state.nm.us>

Cc: Musallam, Sandra C <<u>Sandra_Musallam@oxy.com</u>>; Van Liew, Peter R <<u>Peter_VanLiew@oxy.com</u>>

Subject: RE: [EXTERNAL] RE: surface commingling application PLC-660-B

Hi Dean,

Thank you for talking with us this afternoon. I'm glad we were able to clarify things.

I've copied Peter on this email. He will provide you with the documentation we discussed.

Additionally, I will send you the BLM sundry submittals for the updated pools on the Oxbow wells once they are submitted, hopefully tomorrow.

Thanks,

Beth Schenkel | Sr Facilities Engineer | Regulatory Compliance O: 713.497.2055 | C: 713.557.4141

From: McClure, Dean, EMNRD < Dean.McClure@state.nm.us>

Sent: Wednesday, September 15, 2021 2:03 PMTo: Schenkel, Beth V < Beth_Schenkel@oxy.comCc: Musallam, Sandra C < Sandra_Musallam@oxy.com

Subject: RE: [EXTERNAL] RE: surface commingling application PLC-660-B

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Hello Beth,

I'm a little confused. Is the production from the Vagabond wells being allocated to NMNM 141235? If all the owners are being paid per the HSU for each well, this would seem to indicate that the production from the Vagabond wells are not being allocated to NMNM 141235 unless the com agreement that formed it has provisions for such. If such provisions exist, then that implies that it is being treated as an unit with PAs rather than a com agreement.

When you reference that all the interest owners have been notified, are you referring to them being notified of this commingling application or of the manner in which the wells are being allocated to the leases contained in NMNM 141235? There may be a bit of confusion, as the reason for my line of questioning on this topic is to ensure that the correct leases qualify for and are granted approval to be commingled.

Regarding the pools; yes please proceed with adjusting the pools for Oxbow #33H to match those provided by Kate.

Dean McClure
Petroleum Engineer, Oil Conservation Division
New Mexico Energy, Minerals and Natural Resources Department
(505) 469-8211

From: Schenkel, Beth V < Bent: Wednesday, September 15, 2021 8:49 AM

To: McClure, Dean, EMNRD < <u>Dean.McClure@state.nm.us</u>> **Cc:** Musallam, Sandra C < <u>Sandra Musallam@oxy.com</u>>

Subject: [EXTERNAL] RE: surface commingling application PLC-660-B

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Hi Dean,

Thanks for reaching out. Kate Pickford set the pools for the new Vagabond wells. If needed, OXY can submit a new C-102 for the Oxbow to match the new pools.

As for the CA, the CA actually only pertains to BLM royalty payment. All other owners will be paid per each well's HSU. All owners in the entire CA boundaries were notified by certified mail, along with newspaper notice, so that covers all of the wells' HSUs.

Additionally, OXY just recently submitted new C-102s for these wells – please see attached. These were submitted to the OCD after original notice and commingling application submittal.

This is a similar situation to Salt Flat CTB Train 4. I can respond to that submittal email with the new C-102s for those Vagabond wells.

I can give you a call later today to walk through this, or if you have availability, please feel free to call me.

Thanks,

Beth Schenkel | Sr Facilities Engineer | Regulatory Compliance O: 713.497.2055 | C: 713.557.4141

From: McClure, Dean, EMNRD < Dean. McClure@state.nm.us>

Sent: Tuesday, September 14, 2021 6:21 PM **To:** Schenkel, Beth V < Beth_Schenkel@oxy.com **Cc:** Musallam, Sandra C < Sandra_Musallam@oxy.com

Subject: [EXTERNAL] surface commingling application PLC-660-B

WARNING - This message is from an EXTERNAL SENDER - be CAUTIOUS, particularly with links and attachments.

Ms. Schenkel,

I am reviewing surface commingling application PLC-660-B which involves the Salt Flat Central Tank Battery (Train 3) operated by Oxy USA, Inc. (16696).

It looks like there is an inconsistently regarding the correct bone spring pools for the 2 sections in this application. I have an email into district 3's geologist who is also overseeing district 2 asking what the correct pool(s) should be for these wells. Once I hear back, then either 1 or 2 of these wells will need to be corrected.

20 015 45005	Oxbow CC 17 08 Federal Com	W/2	8-24S-29E	50271
30-015-45085	#33H	W/2	17-24S-29E	50371
	V	NW/4	8-24S-29E	11520
30-015-47978	Vagabond CC 8 17 Federal Com #22H	SW/4	8-24S-29E	96473
		NW/4	17-24S-29E	50371
	V 1 10001#F 1 10	NW/4	8-24S-29E	11520
30-015-47975	Vagabond CC 8 17 Federal Com	SW/4	8-24S-29E	96473
	#23H	NW/4	17-24S-29E	50371

Additionally, the CAs I have on record are for the W/2 of sections 8 and 17 of township 24 South range 29 East. However, the bone spring wells being requested to be added to this permit have spacing units which exclude the SW/4 of section 17 township 24 south range 29 east. Is Oxy seeking to establish a new CA for this tract? I am not seeing anything within the BLM system for it and as such, if so I will need to see the packet for this proposed CA.

Dean McClure
Petroleum Engineer, Oil Conservation Division
New Mexico Energy, Minerals and Natural Resources Department
(505) 469-8211

From: <u>Mullin, Leslie</u>
To: <u>Van Liew, Peter R</u>

Subject: [EXTERNAL] RE: Vagabond Development - Response Requested

Date: Tuesday, September 21, 2021 1:58:33 PM

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Peter,

Yes, Apache is in agreement with the 480 acre spacing for the Vagabond 22H and 23H wells for the reasons outlined below and that they will be classified as infill wells under the 640 acre BLM communitized areas. We understand that this results in an Apache working interest of 0.096898% WI and 0.083857% NRI and that the BLM royalty will still be calculated on a 640 acre unit area for the Vagabond wells.

Please let me know if you need anything further from us to proceed with NMOCD.

Thanks!

Leslie

LESLIE E. MULLIN

IANDMAN

From: Van Liew, Peter R < Peter_VanLiew@oxy.com>

Sent: Tuesday, September 21, 2021 2:31 PM

To: Mullin, Leslie <Leslie.Mullin@apachecorp.com>

Subject: [EXTERNAL] RE: Vagabond Development - Response Requested

Hey Leslie,

Could we get an affirmative response to the email?—you can state that it's subject to the final letter agreement to be drafted. I just want to make sure the NMOCD has an answer in writing.

Sincerely,

Peter R. Van Liew, RPL

Senior Land Negotiator Occidental Petroleum Corporation 5 Greenway Plaza, Suite 110 Houston, Texas 77046 713.985.6972 (o)

832.627.6880 (c)

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From: Mullin, Leslie < Leslie.Mullin@apachecorp.com >

Sent: Tuesday, September 21, 2021 8:05 AM **To:** Van Liew, Peter R < Peter_VanLiew@oxy.com>

Subject: [EXTERNAL] RE: Vagabond Development - Response Requested

WARNING - This message is from an EXTERNAL SENDER - be CAUTIOUS, particularly with links and attachments.

Peter,

Reviewed with my boss this am and I think we will be able to get on board pretty quickly, just have to follow up questions:

- 1. What is it that you mean specifically by "trains". Is that like product takeaway facilities?
- 2. How does it work to change the contract area under the pooling that was 640 acres to 480 without doing a separate pooling?

Thanks!! Leslie

LESLIE E. MULLIN

LANDMAN

From: Van Liew, Peter R < Peter VanLiew@oxy.com>

Sent: Monday, September 20, 2021 4:49 PM

To: Mullin, Leslie < Leslie.Mullin@apachecorp.com > Cc: Schenkel, Beth V < Beth Schenkel@oxy.com >

Subject: [EXTERNAL] Vagabond Development - Response Requested

Importance: High

Leslie,

Thank you for taking my call this afternoon regarding our Vagabond development. As we discussed, Oxy received BLM permission to classify our 1.5 mile Vagabond wells (All of Section 8 & N/2 Section 17, T24S-R29E) as "infill" wells and report production to the already existing CAs that we established in our 2 mile Oxbow wells (All of Section 8 & 17, T24S-R29E), shown below. The BLM and Oxy both had motivations in creating this solution—the BLM wanted to reduce surface disturbances related to federal royalty trains and Oxy wanted to reduce federal royalty trains to lower cost of development for all working interest owners. As a result, Oxy will pay the BLM on a 640 acre basis that matches the royalty percentage that we pay them on the Oxbow wells. All other parties are paid on a 480 acres basis that matches the HSUs filed for the Vagabond wells, including Apache who is kept whole in this process.

Oxy recently submitted our commingle application to the NMOCD and they asked to review our communitization agreements, which is their standard procedure. When we explained the CA infill situation, they requested that we confirm that working interest parties are aware of this agreement between the BLM and Oxy. Apache is the only other working interest party in the Vagabond wells (W/2 only) whose interest is derived from NMLC-065970-C. Apache benefits from this agreement because it eliminates additional federal royalty trains and results in a slightly higher NRI with the BLM being paid on a 640 acre basis.

I have listed the WI/NRI comparisons for Apache, the map outline of the Oxbow CAs and the Communitization Agreement drafts (signed copies are located in our offices which are restricted access at this point) for your review.

Oxy would like to submit proof of Apache's understanding as soon as possible to avoid any delays with first production—we expect to complete the wells soon and will need an approved commingle before production can flow. We ask that you respond by the end of this week in order to avoid any delays. If you should have any questions or concerns, please feel free to reach out and we can plan a

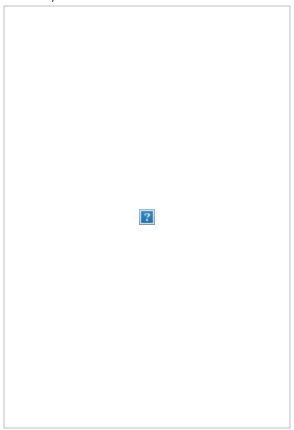
call to discuss.

Apache WI/NRI

Non-Infill Scenario: 0.096898% WI, 0.082848% NRI Infill Scenario: 0.096898% WI, 0.083857% NRI Oxbow Communitization Agreement Drafts

Proposed Communitization Outlines

Green – W/2 Section 8 & 17 Blue – E/2 Section 8 & 17



Sincerely,

Peter R. Van Liew, RPL

Senior Land Negotiator
Occidental Petroleum Corporation
5 Greenway Plaza, Suite 110
Houston, Texas 77046
713.985.6972 (o)
832.627.6880 (c)

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From: <u>Van Liew, Peter R</u>

To: <u>Schenkel, Beth V; McClure, Dean, EMNRD</u>

Cc: <u>Musallam, Sandra C</u>

Subject: [EXTERNAL] RE: RE: surface commingling application PLC-660-B

Date: Tuesday, September 21, 2021 3:04:01 PM

Attachments: EXTERNAL RE Vagabond Development - Response Requested.msg

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Dean,

I am forwarding Apache's written understanding of Oxy's agreement with the BLM re: Vagabond wells. They support these wells being considered infill wells for the purposes of BLM royalty payment and CAs. Please let me know if you have any further concerns or questions.

Sincerely,

Peter R. Van Liew, RPL

Senior Land Negotiator Occidental Petroleum Corporation 5 Greenway Plaza, Suite 110 Houston, Texas 77046 713.985.6972 (o) 832.627.6880 (c)

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From: Van Liew, Peter R

Sent: Thursday, September 16, 2021 5:10 PM

To: Schenkel, Beth V <Beth Schenkel@oxy.com>; McClure, Dean, EMNRD <Dean.McClure@state.nm.us>

Cc: Musallam, Sandra C <Sandra_Musallam@oxy.com>

Subject: RE: [EXTERNAL] RE: surface commingling application PLC-660-B

Dean,

I am attaching the communication with the BLM where they agreed to classify Vagabond wells as "infill" and report production to the existing CAs. We planned both our Oxbow and Vagabond developments around the guidance they provided to us regarding CAs.

I reviewed my communications with Apache and realized we have no written explanation to them for this unique BLM agreement regarding infill wells. We discussed it via telephone conversations though so I sent an email to their landman and am just waiting for a response confirming they have no objection. Once I receive that response, I will be sure to forward for your files.

If you have any questions or concerns, please call or email and we can discuss.

Sincerely,

Peter R. Van Liew, RPL

Senior Land Negotiator Occidental Petroleum Corporation 5 Greenway Plaza, Suite 110 Houston, Texas 77046 713.985.6972 (o) 832.627.6880 (c)

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Subject: RE: [EXTERNAL] RE: surface commingling application PLC-660-B

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Please see attached BLM sundry submittals for the updated pools on the Oxbow wells to match the pools for the Vagabond wells. Oxbow 33H is in Train 3 (PLC-660-B), and Oxbow 35H is in Train 4 (PLC-661-B).

Thanks,

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Subject: RE: [EXTERNAL] RE: surface commingling application PLC-660-B

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Subject: RE: [EXTERNAL] RE: surface commingling application PLC-660-B

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Regarding the pools; yes please proceed with adjusting the pools for Oxbow #33H to match those provided by Kate.

Dean McClure

Petroleum Engineer, Oil Conservation Division New Mexico Energy, Minerals and Natural Resources Department (505) 469-8211

From: Schenkel, Beth V < Bent: Wednesday, September 15, 2021 8:49 AM

To: McClure, Dean, EMNRD < <u>Dean.McClure@state.nm.us</u>> **Cc:** Musallam, Sandra C < <u>Sandra Musallam@oxy.com</u>>

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Hi Dean,

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Additionally, OXY just recently submitted new C-102s for these wells – please see attached. These were submitted to the OCD after original notice and commingling application submittal.

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Subject: [EXTERNAL] surface commingling application PLC-660-B

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Ms. Schenkel,

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It looks like there is an inconsistently regarding the correct bone spring pools for the 2 sections in this application. I have an email into district 3's geologist who is also overseeing district 2 asking what the correct pool(s) should be for these wells. Once I hear back, then either 1 or 2 of these wells will need to be corrected.

30-015-45085	Oxbow CC 17 08 Federal Com #33H	W/2 W/2	8-24S-29E 17-24S-29E	50371
	V 1 100015F 1 10	NW/4	8-24S-29E	11520
30-015-47978	Vagabond CC 8 17 Federal Com #22H	SW/4	8-24S-29E	96473
		NW/4	17-24S-29E	50371
	Vagabond CC 8 17 Federal Com #23H	NW/4	8-24S-29E	11520
30-015-47975		SW/4	8-24S-29E	96473
	π2311	NW/4 1'	17-24S-29E	50371

Additionally, the CAs I have on record are for the W/2 of sections 8 and 17 of township 24 South range 29 East. However, the bone spring wells being requested to be added to this permit have spacing units which

exclude the SW/4 of section 17 township 24 south range 29 east. Is Oxy seeking to establish a new CA for this tract? I am not seeing anything within the BLM system for it and as such, if so I will need to see the packet for this proposed CA.

Dean McClure
Petroleum Engineer, Oil Conservation Division
New Mexico Energy, Minerals and Natural Resources Department
(505) 469-8211

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

APPLICATION FOR SURFACE COMMINGLING SUBMITTED BY OXY USA, INC.

ORDER NO. PLC-660-B

ORDER

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

FINDINGS OF FACT

- 1. Oxy USA, Inc. ("Applicant") submitted a complete application to surface commingle the oil production from the pools, leases, and wells identified in Exhibit A ("Application").
- 2. Applicant proposed a method to allocate the oil production to the pools, leases, and wells to be commingled.
- 3. To the extent that ownership is identical, Applicant submitted a certification by a licensed attorney or qualified petroleum landman that the ownership in the pools, leases, and wells to be commingled is identical as defined in 19.15.12.7.B. NMAC.
- 4. To the extent that ownership is diverse, Applicant provided notice of the Application to all persons owning an interest in the oil production to be commingled, including the owners of royalty and overriding royalty interests, regardless of whether they have a right or option to take their interests in kind, and those persons either submitted a written waiver or did not file an objection to the Application.
- 5. Applicant provided notice of the Application to the Bureau of Land Management ("BLM") or New Mexico State Land Office ("NMSLO"), as applicable.
- 6. Applicant certified the commingling of oil production from the pools, leases, and wells will not in reasonable probability reduce the value of the oil production to less than if it had remained segregated.
- 7. Applicant in the notice for the Application stated that it sought authorization to add additional pools, leases, and wells and identified the parameters to make such additions.
- 8. Applicant stated that it sought authorization to surface commingle and off-lease measure, as applicable, 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

9. 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, 70-2-16, and 70-2-17, 19.15.12. NMAC, and 19.15.23. NMAC.

Order No. PLC-660-B

- 10. Applicant satisfied the notice requirements for the Application in accordance with 19.15.12.10.A.(2) NMAC, 19.15.12.10.C.(4)(c) NMAC, and 19.15.12.10.C.(4)(e) NMAC, as applicable.
- 11. Applicant satisfied the notice requirements for the Application in accordance with 19.15.23.9.A.(5) NMAC and 19.15.23.9.A.(6) NMAC, as applicable.
- 12. Applicant's proposed method of allocation, as modified herein, complies with 19.15.12.10.B.(1) NMAC or 19.15.12.10.C.(1) NMAC, as applicable.
- 13. Commingling of oil production from state, federal, or tribal leases shall not commence until approved by the BLM or NMSLO, as applicable, in accordance with 19.15.12.10.B.(3) NMAC and 19.15.12.10.C.(4)(h) NMAC.
- 14. Applicant satisfied the notice requirements for the subsequent addition of pools, leases, and wells in the notice for the Application, in accordance with 19.15.12.10.C.(4)(g) NMAC. Subsequent additions of pools, leases, and wells within Applicant's defined parameters, as modified herein, will not, in reasonable probability, reduce the commingled production's value or otherwise adversely affect the interest owners in the production to be added.
- 15. 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 surface commingle oil production from the pools, leases, and wells identified in Exhibit A.

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 surface commingle oil production from wells not included in Exhibit A but that produce from a pool and lease identified 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. This Order supersedes Order PLC-660-A.
- 3. The allocation of oil production to wells not included in Exhibit A but that produce from a pool and lease identified in Exhibit A shall be determined in the same manner as to wells identified in Exhibit A that produce from that pool and lease, provided that if more than one allocation method is being used or if there are no wells identified in Exhibit A that produce from the pool and lease, then allocation of oil production to each well not included in Exhibit A shall be determined by OCD prior to commingling production from it with the production from another well.

Order No. PLC-660-B Page 2 of 4

4. The allocation of oil production shall be based on the production life of each well as measured for three periods: (a) the initial production period shall be measured from the first production until the earlier of either the peak production rate or thirty (30) days after the first production; (b) the plateau period shall be measured from the end of the initial production period to the peak decline rate; and (c) the decline period shall be measured from the end of the plateau period until the well is plugged and abandoned.

During the initial production period, the oil production for each well identified in Exhibit A shall be allocated using a production curve calculated from a minimum of ten (10) well tests per month, except that any day in which a well test cannot achieve an accurate result due to a temporary change in oil production shall not be included in the computation of time determining the well test schedule. The production curve shall be calculated by interpolating daily production for each day using the known daily production obtained by well tests and shall use a method of interpolation that is at minimum as accurate as maintaining a constant rate of change for each day's production between the known daily production values.

During the plateau period, the oil production for each well identified in Exhibit A shall be allocated using a minimum of three (3) well tests per month.

During the decline period, the oil production for each well identified in Exhibit A shall be allocated as follows: (a) a minimum of three (3) well tests per month when the decline rate is greater than twenty-two percent (22%) per month; (b) a minimum of two (2) well tests per month when the decline rate is between twenty-two percent (22%) and ten percent (10%) per month; and (c) a minimum of one (1) well test per month when the decline rate is less than ten percent (10%) per month.

Upon OCD's request, Applicant shall submit a Form C-103 to the OCD Engineering Bureau that contains the decline rate curve and other relevant information demonstrating the production life of a well.

Applicant shall conduct a well test by separating and metering the oil production from that well for either (a) a minimum of twenty-four (24) consecutive hours; or (b) a combination of nonconsecutive periods that meet the following conditions: (i) each period shall be a minimum of six (6) hours; and (ii) the total duration of the nonconsecutive periods shall be a minimum of eighteen (18) hours.

The well test requirements of this Order shall be suspended for any well shut-in for a period that continues for more than fifteen (15) days until the well commences production.

- 5. 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.
- 6. Applicant shall calibrate the meters used to measure or allocate oil production in accordance with 19.15.12.10.C.(2) NMAC.
- 7. If the commingling of oil production from any pool, lease, or well reduces the value of the commingled oil production to less than if it had remained segregated, no later than sixty (60)

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days after the decrease in value has occurred Applicant shall submit a new surface commingling application to OCD to amend this Order to remove the pool, lease, or well whose oil production caused the decrease in value. If Applicant fails to submit a new application, this Order shall terminate on the following day, and if OCD denies the application, this Order shall terminate on the date of such action.

- 8. Applicant may submit an application to amend this Order to add pools, leases, and subsequently drilled wells with spacing units adjacent to or within the tracts commingled by this Order by submitting a Form C-107-B in accordance with 19.15.12.10.C.(4)(g) NMAC.
- 9. 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 or commingling oil or gas production from it with the production from another well. The Form C-103 shall reference this Order and identify the well and proposed method to determine the allocation of oil production to it.
- 10. Applicant shall not commence commingling oil or gas production from state, federal, or tribal leases until approved by the BLM or NMSLO, as applicable.
- 11. If OCD determines that Applicant has failed to comply with any provision of this Order, OCD may take any action authorized by the Oil and Gas Act or the New Mexico Administrative Code (NMAC).
- 12. 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

ASRIENNE SANDOVAL	D . 1977	10/07/2021
	DATE:	10/07/2021
ALRIENNE SANDOVAL		

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DIRECTOR

State of New Mexico Energy, Minerals and Natural Resources Department

Exhibit A

Order: PLC-660-B

Operator: Oxy USA, Inc. (16696)

Central Tank Battery: Salt Flat Central Tank Battery (Train 3)

Central Tank Battery Location: N/2 NW/4 Section 20, Township 24 South, Range 29 East

Gas Title Transfer Meter Location:

Pools

Pool Name	Pool Code
CEDAR CANYON; BONE SPRING	11520
PIERCE CROSSING; BONE SPRING	50371
PIERCE CROSSING; BONE SPRING, EAST	96473
PURPLE SAGE; WOLFCAMP (GAS)	98220

Leases as defined in 19.15.12.7(C) NMAC

Leases as defined in 19:13:12:7(C) 111111C			
UL or Q/Q	S-T-R		
W/2	8-24S-29E		
W/2	17-24S-29E		
W/2	8-24S-29E		
W/2	17-24S-29E		
W/2 NW/4	8-24S-29E		
W/2 W/2	17-24S-29E		
E/2 NW/4	8-24S-29E		
E/2 W/2	17-24S-29E		
	W/2 W/2 W/2 W/2 W/2 W/2 W/2 W/2 NW/4 W/2 W/2 E/2 NW/4		

Wells

Well API	Well Name	UL or Q/Q	S-T-R	Pool
30-015-45083	Oxbow CC 17 08 Federal Com #31H	W/2	8-24S-29E	98220
		W/2	17-24S-29E	
30-015-45084	Oxbow CC 17 08 Federal Com #32H	W/2	8-24S-29E	98220
		W/2	17-24S-29E	
30-015-46400	Oxbow CC 17 08 Federal Com #37H	W/2	8-24S-29E	98220
		W/2	17-24S-29E	
30-015-45085	Oxbow CC 17 08 Federal Com #33H	NW/4	8-24S-29E	11520
		SW/4	8-24S-29E	96473
		W/2	17-24S-29E	50371
30-015-47978	Vagabond CC 8 17 Federal Com #22H	W/2 NW/4	8-24S-29E	11520
		W/2 SW/4	8-24S-29E	96473
		W/2 NW/4	17-24S-29E	50371
30-015-47975	Vagabond CC 8 17 Federal Com #23H	E/2 NW/4	8-24S-29E	11520
		E/2 SW/4	8-24S-29E	96473
		E/2 NW/4	17-24S-29E	50371

District I
1625 N. French Dr., Hobbs, NM 88240
Phone: (575) 393-6161 Fax: (575) 393-0720

District II 811 S. First St., Artesia, NM 88210 Phone:(575) 748-1283 Fax:(575) 748-9720

District III 1000 Rio Brazos Rd., Aztec, NM 87410 Phone:(505) 334-6178 Fax:(505) 334-6170

1220 S. St Francis Dr., Santa Fe, NM 87505 Phone:(505) 476-3470 Fax:(505) 476-3462

State of New Mexico Energy, Minerals and Natural Resources Oil Conservation Division 1220 S. St Francis Dr. **Santa Fe, NM 87505**

CONDITIONS

Action 38780

CONDITIONS

Operator:	OGRID:
OXY USA INC	16696
P.O. Box 4294	Action Number:
Houston, TX 772104294	38780
	Action Type:
	[C-107] Surface Commingle or Off-Lease (C-107B)

CONDITIONS

Created	Condition	Condition
Ву		Date
dmcclure	Please review the content of the order to ensure you are familiar with the authorities granted and any conditions of approval. If you have any questions regarding this matter, please	10/13/2021
	contact me.	