

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

State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-107-B
Revised August 1, 2011

OIL CONSERVATION DIVISION
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.

APPLICATION FOR SURFACE COMMINGLING (DIVERSE OWNERSHIP)

OPERATOR NAME: OXY USA INC.
OPERATOR ADDRESS: PO BOX 4294, HOUSTON, TX, 77210
APPLICATION TYPE:

Pool Commingling Lease Commingling [X] Pool and Lease Commingling Off-Lease Storage and Measurement (Only if not Surface Commingled)

LEASE TYPE: Fee [X] State [X] Federal

Is this an Amendment to existing Order? [X] Yes [] No If "Yes", please include the appropriate Order No. _PLC 784A
Have the Bureau of Land Management (BLM) and State Land office (SLO) been notified in writing of the proposed commingling
[X] Yes [] No

(A) POOL COMMINGLING
Please attach sheets with the following information

Table with 6 columns: (1) Pool Names and Codes, Gravities / BTU of Non-Commingled Production, Calculated Gravities / BTU of Commingled Production, Calculated Value of Commingled Production, Volumes. Row 1: SEE ATTACHED

(2) Are any wells producing at top allowables? [] Yes [X] No
(3) Has all interest owners been notified by certified mail of the proposed commingling? [X] Yes [] No.
(4) Measurement type: [X] Metering [X] Other (Specify) WELL TESTS PER APPROVED COMMINGLE ORDERS
(5) Will commingling decrease the value of production? [] Yes [X] No If "yes", describe why commingling should be approved

(B) LEASE COMMINGLING
Please attach sheets with the following information

(1) Pool Name and Code.
(2) Is all production from same source of supply? [] Yes [] No
(3) Has all interest owners been notified by certified mail of the proposed commingling? [] Yes [] No
(4) Measurement type: [] Metering [] Other (Specify)

(C) POOL and LEASE COMMINGLING
Please attach sheets with the following information

(1) Complete Sections A and E.

(D) OFF-LEASE STORAGE and MEASUREMENT
Please attached sheets with the following information

(1) Is all production from same source of supply? [] Yes [] No
(2) Include proof of notice to all interest owners.

(E) ADDITIONAL INFORMATION (for all application types)
Please attach sheets with the following information

(1) A schematic diagram of facility, including legal location.
(2) A plat with lease boundaries showing all well and facility locations. Include lease numbers if Federal or State lands are involved.
(3) Lease Names, Lease and Well Numbers, and API Numbers.

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

SIGNATURE: [Signature] TITLE: REGULATORY ENGINEER DATE: 01/03/2022
TYPE OR PRINT NAME SANDRA MUSALLAM TELEPHONE NO.: 713-366-5106
E-MAIL ADDRESS: SANDRA_MUSALLAM@OXY.COM

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: CORRAL FLY 2-1 STATE #21H & MULTIPLE **API:** 30-015-44507 & MULTIPLE
Pool: PIERCE CROSSING; BONE SPRING, EAST & MULTIPLE **Pool Code:** 96473 & MULTIPLE

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

- 1) **TYPE OF APPLICATION:** Check those which apply for [A]
 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 AMENDMENT TO PLC 784A
 [II] Injection – Disposal – Pressure Increase – Enhanced Oil Recovery
 WFX PMX SWD IPI EOR PPR

FOR OCD ONLY

Notice Complete

Application Content Complete

- 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

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.

SANDRA MUSALLAM

Print or Type Name

01/03/2022
Date

713-366-5106
Phone Number

Signature

SANDRA_MUSALLAM@OXY.COM
e-mail Address

APPLICATION FOR POOL LEASE COMMINGLE & OFF-LEASE MEASUREMENT AND SALES Gas Production at Various Facilities in Corral Fly and Corral Canyon Area

OXY USA INC requests approval for an amendment to PLC 784A for a pool lease commingle and off-lease measurement and sales for gas production for the facilities listed below. Corral Fly 11 State #1 Battery is being added. The gas sales meter is located at K-01-25S-29E.

Each facility has a sales-quality orifice meter (BLM gas FMP or equivalent meter) that continuously measures gas volume before it leaves the facility. Any commingling of wells upstream of these meters has been approved according to the Commingle Orders for each individual facility (listed below).

This commingle request also includes *future wells within the same pools and leases/CAs of the wells listed below.*

Corral Fly 11 State #1 Battery (A 11 T25S R29E)

Single well facility so a Commingle Permit is not required at individual facility

CORRAL FLY 11 STATE #1 BATTERY		SINGLE WELL FACILITY	
WELL	API	POOL	
CORRAL FLY 11 STATE #1	30-015-28716	CORRAL CANYON;DELAWARE, NORTHWEST (96464)	

Corral Fly 35-26 Wells at Train #1

Corral Fly 35-26 Battery (B 02 T25S R29E)

Allocation by well test is approved per Order PLC 508

CORRAL FLY 35-26 TRAIN		PLC 508
WELL	API	
CORRAL FLY 35-26 FED COM #21H	30-015-44702	
CORRAL FLY 35-26 FED COM #22H	30-015-44703	
CORRAL FLY 35-26 FED COM #23H	30-015-44704	
CORRAL FLY 35-26 FED COM #24H	30-015-44705	
CORRAL FLY 35-26 FED COM #25H	30-015-44683	
CORRAL FLY 35-26 FED COM #26H	30-015-44684	
CORRAL FLY 35-26 FED COM #31H	30-015-44726	
CORRAL FLY 35-26 FED COM #32H	30-015-44727	
CORRAL FLY 35-26 FED COM #33H	30-015-44728	
CORRAL FLY 35-26 FED COM #34H	30-015-44729	
CORRAL FLY 35-26 FED COM #35H	30-015-44730	
CORRAL FLY 35-26 FED COM #36H	30-015-44731	

**Corral Fly 2-1 & Challenger Wells at Train #2
Corral Fly 35-26 Battery (B 02 T25S R29E)
Allocation by well test is approved per Order PLC 514A**

CORRAL FLY 2-1 TRAIN	PLC 514A
WELL	API
CHALLENGER 1 STATE #01H	30-015-36535
CHALLENGER 1 STATE #02H	30-015-37296
CORRAL FLY 2-1 STATE# 21H	30-015-44507
CORRAL FLY 2-1 STATE# 22H	30-015-44508
CORRAL FLY 2-1 STATE# 23H	30-015-44509
CORRAL FLY 2-1 STATE# 24H	30-015-44510
CORRAL FLY 2-1 STATE# 25H	30-015-44512
CORRAL FLY 2-1 STATE# 26H	30-015-44513
CORRAL FLY 2-1 STATE# 31H	30-015-44585
CORRAL FLY 2-1 STATE# 32H	30-015-44586
CORRAL FLY 2-1 STATE# 33H	30-015-44587
CORRAL FLY 2-1 STATE# 34H	30-015-44588
CORRAL FLY 2-1 STATE# 35H	30-015-44589
CORRAL FLY 2-1 STATE# 36H	30-015-44590

**Corral Canyon 36-25 Battery Train 1 (K 01 T25S R29E)
Allocation by well test is approved per train per Order PLC 513**

CORRAL CANYON 36-25 TRAIN 001	PLC 513
WELL	API
CORRAL CANYON 36-25 FED COM #21H	30-015-44631
CORRAL CANYON 36-25 FED COM #22H	30-015-44632
CORRAL CANYON 36-25 FED COM #23H	30-015-44633

**Corral Canyon 36-25 Battery Train 2 (K 01 T25S R29E)
Allocation by well test is approved per train per Order PLC 513**

CORRAL CANYON 36-25 TRAIN 002	PLC 513
WELL	API
CORRAL CANYON 36-25 FED COM #24H	30-015-44634
CORRAL CANYON 36-25 FED COM #25H	30-015-44635
CORRAL CANYON 36-25 FED COM #26H	30-015-44636
CORRAL CANYON 36-25 FED COM #34H	30-015-44644
CORRAL CANYON 36-25 FED COM #35H	30-015-44645
CORRAL CANYON 36-25 FED COM #36H	30-015-44646

**Corral Canyon 36-25 Battery Train 3 (K 01 T25S R29E)
Wells in same CA**

Off-lease measurement, storage and sales is approved per Order OLM 153

CORRAL CANYON 36-25 TRAIN 003	OLM 153
WELL	API
CORRAL CANYON 36-25 FED COM #31H	30-015-44640
CORRAL CANYON 36-25 FED COM #32H	30-015-44642
CORRAL CANYON 36-25 FED COM #33H	30-015-44643

Additional Application Components:

A map detailing the lease boundary and facility locations is attached.

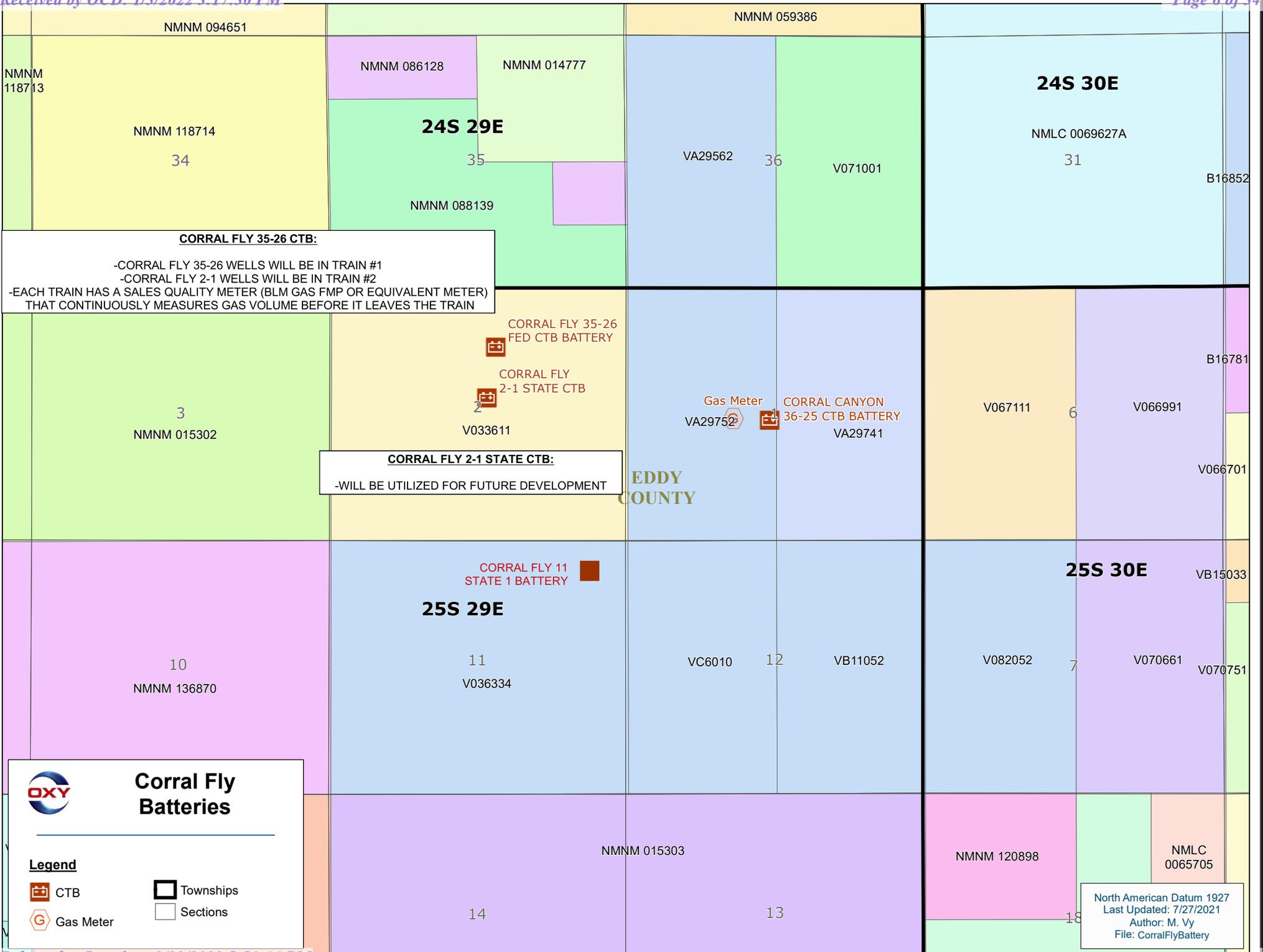
The gas meters will be calibrated on a regular basis per API, NMOCD and BLM specifications.

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 will not reduce the individual wells’ production value or otherwise adversely affect the interest owners. It is the most effective means of producing the reserves.

The surface commingle application will be submitted separately for approval per NMOCD, SLO 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.



CORRAL FLY 35-26 CTB:
 -CORRAL FLY 35-26 WELLS WILL BE IN TRAIN #1
 -CORRAL FLY 2-1 WELLS WILL BE IN TRAIN #2
 -EACH TRAIN HAS A SALES QUALITY METER (BLM GAS FMP OR EQUIVALENT METER) THAT CONTINUOUSLY MEASURES GAS VOLUME BEFORE IT LEAVES THE TRAIN

CORRAL FLY 2-1 STATE CTB:
 -WILL BE UTILIZED FOR FUTURE DEVELOPMENT

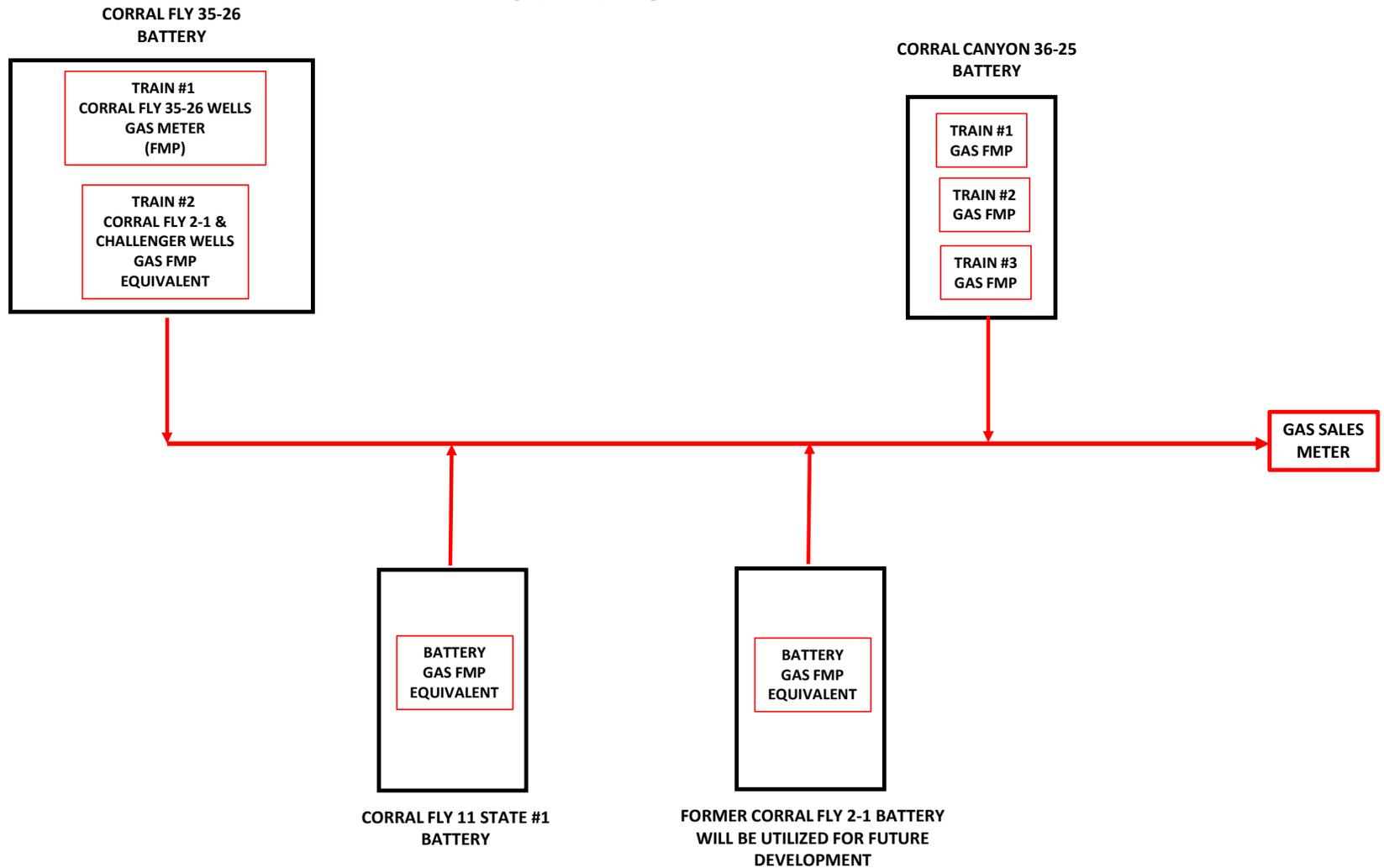
OXY
Corral Fly Batteries

Legend

- CTB
- Gas Meter
- Townships
- Sections

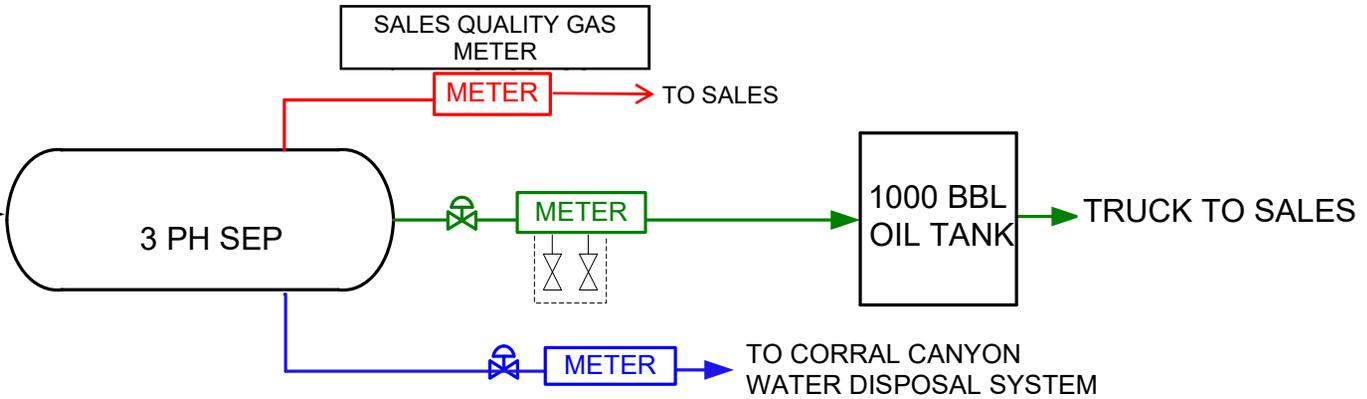
North American Datum 1927
 Last Updated: 7/27/2021
 Author: M. Vy
 File: CorralFlyBattery

GAS COMMINGLE FOR CORRAL FLY/CORRAL CANYON AREA FACILITY DIAGRAM



CORRAL FLY 11 STATE #1
BATTERY
A 11 T24S R29E

CORRAL FLY 11 STATE #1
30-015-28716



REVISION BLOCK

- PRODUCTION MIX
- OIL
- GAS
- WATER
- EQUIPMENT



PROCESS FLOW DIAGRAM
CORRAL FLY 11 STATE #1

Hobbs, NM 88241-1980

Instructions on back

DISTRICT II
P. O. Drawer DD
Artesia, NM 88211-0719

Submit to the Appropriate
District Office
State Lease - 4 copies
Fee Lease - 3 copies

OIL CONSERVATION DIVISION
P. O. Box 2088
Santa Fe, New Mexico 87504-2088

AMENDED REPORT

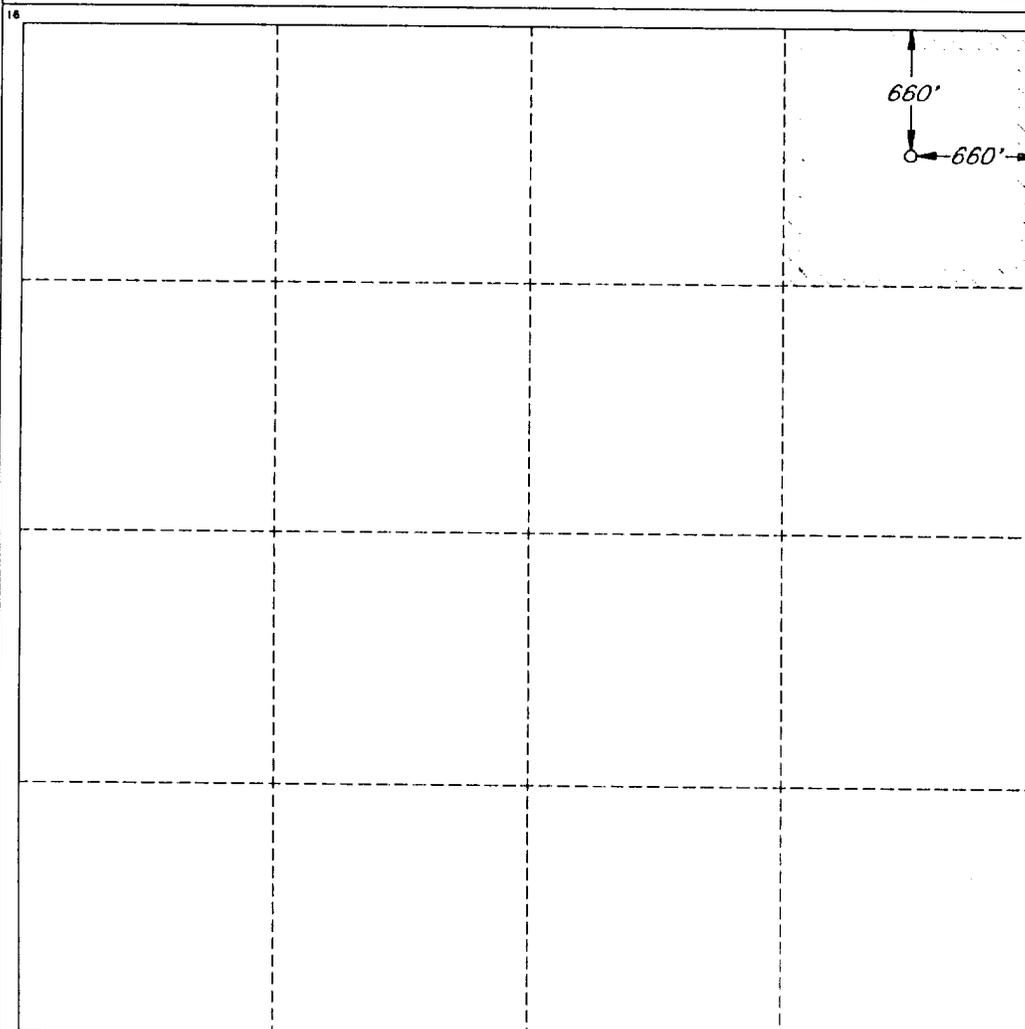
DISTRICT III
1000 Rio Brazos Rd.
Aztec, NM 87410

DISTRICT IV
P. O. Box 2088
Santa Fe, NM 87507-2088

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number 30-015-28716		² Pool Code		³ Pool Name					
⁴ Property Code		⁵ Property Name CORRAL FLY '11' STATE						⁶ Well Number 1	
⁷ OGRID No. 20305		⁸ Operator Name SANTA FE ENERGY RESOURCES, INC.						⁹ Elevation 3076'	
¹⁰ SURFACE LOCATION									
UL or lot no. A	Section 11	Township 25 SOUTH	Range 29 EAST, N.M.P.M.	Lot Ida	Feet from the 660'	North/South line NORTH	Feet from the 660'	East/West line EAST	County EDDY
"BOTTOM HOLE LOCATION IF DIFFERENT FROM SURFACE									
UL or lot no.	Section	Township	Range	Lot Ida	Feet from the	North/South line	Feet from the	East/West line	County
¹² Dedicated Acres 40		¹³ Joint or Infill		¹⁴ Consolidation Code		¹⁵ Order No.			

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



OPERATOR CERTIFICATION

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

Signature
James P. Phil Stinson

Printed Name
James P. "Phil" Stinson

Title
Agent for Santa Fe Energy

Date
12-26-95

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.

Date of Survey
DECEMBER 15, 1995

Signature and Seal of Professional Surveyor

Certified to be a true and correct copy of the original filed in the Office of the State Engineer, Santa Fe, N.M.

V. LYNN BEZNER, S.P.S. #7920

JOB #42910-1-23 NW / JSJ

STATE OF NEW MEXICO

ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

GARY E. JOHNSON
GOVERNOR

OIL CONSERVATION DIVISION
ARTESIA DISTRICT OFFICE

JENNIFER SALISBURY
CABINET SECRETARY

June 7, 1996

Santa Fe Energy Resources, Inc.
550 W. Texas, Suite 1330
Midland, Tx. 79701

Re: **Well Placed In Pool**

Gentlemen:

As the result of Division Order R-10591 the following described well has been placed in the pool shown below. This change in nomenclature has been made in our files. Please change your records to reflect the proper pool name. All subsequent reports must show this nomenclature until further notice.

Corral Canyon; Delaware, N.W. Oil Pool
Corral Fly "11" State #1
Unit A, Section 11, Township 25 South, Range 29 East, NMPM
Poolcode:96464

Transporters are advised, by copy of this letter, to change their records to reflect the pool name as established by this order, effective June 1, 1996.

Sincerely,



Bryan Arrant
District Geologist

cc: Texaco Trading and Transp.
Mae
Well File ✓
BLM
Santa Fe

**GAS BTU
CORRAL FLY & CORRAL CANYON AREA BATTERIES**

BATTERY	DRY BTU
CORRAL FLY 35-26 TRAIN #1	1312
CORRAL CANYON 36-25 BATTERY TRAIN 1	1288
CORRAL CANYON 36-25 BATTERY TRAIN 2	1303
CORRAL CANYON 36-25 BATTERY TRAIN 3	1320
CORRAL FLY 35-26 TRAIN #2 (CORRAL FLY 2-1 WELLS)	1316
CORRAL FLY 11 STATE #1 BATTERY	1275

MAILED 01/04/2022

To Company Name	To Name	To Address Line 1	To City	To State	To ZIP	TRACKING NUMBER
LISA PALERMO FORTSON- SUCC TRUSTEE	BEN J FORTSON III CHILDRENS TRUST	P O BOX 29	FORT WORTH	TX	76101	_9414811898765842308226
	BIRCH ROYALTIES LLC	P O BOX 660082	DALLAS	TX	75266	_9414811898765842308295
THE 2016 SAMANTHA BASS FAMILY LLC	BMT I BPEOR NM LLC	201 MAIN STREET SUITE 2750	FORT WORTH	TX	76102	_9414811898765842308240
THE 2016 HYATT BASS FAMILY TRUST	BMT II BPEOR NM LLC	201 MAIN STREET SUITE 2750	FORT WORTH	TX	76102	_9414811898765842308288
	C MARK WHEELER	PO BOX 248	ROUND ROCK	TX	78680	_9414811898765842308233
WILLIAM K BURTON - TRUSTEE	CCB 1998 TRUST	5 WESTOVER RD	FORT WORTH	TX	76107	_9414811898765842308271
	CHISOS MINERALS LLC	PO BOX 731112	DALLAS	TX	75373	_9414811898765842308851
	COG OPERATING LLC	P O BOX 849929	DALLAS	TX	75284	_9414811898765842308868
	COG OPERATING LLC	600 W ILLINOIS AVE	MIDLAND	TX	79701	_9414811898765842308820
	CONTANGO RESOURCES INC	301 NW 63RD ST STE 300	OKLAHOMA CITY	OK	73116	_9414811898765842308806
JOHN KYLE THOMA - TRUSTEE	CORNERSTONE FAMILY TRUST	P O BOX 558	PEYTON	CO	80831	_9414811898765842308899
	CURTIS W MEWBOURNE	PO BOX 7698	TYLER	TX	75711	_9414811898765842308882
WILLIAM K BURTON - TRUSTEE	DCB 1998 TRUST	5 WESTOVER RD	FORT WORTH	TX	76107	_9414811898765842308837
CURTIS A & EDNA I ANDERSON TTEES	EDNA & CURTIS ANDERSON REV TR	9314 CHERRY BROOK LANE	FRISCO	TX	75033	_9414811898765842308875
	ELEVEN SANDS EXPLORATION INC	P O BOX 31560	EDMOND	OK	73003	_9414811898765842308714
	EOG RESOURCES INC	PO BOX 2267	MIDLAND	TX	79702	_9414811898765842308752
JAMES B ONEILL II TRUSTEE	JAMES A ONEILL REV TR	P O BOX 942	FORT COLLINS	CO	80522	_9414811898765842308721
	JAMES E GEITGEY	P O BOX 51451	MIDLAND	TX	79710	_9414811898765842308707
GC O&G LLC	KEYSTONE CTAM BPEOR NM LLC	201 MAIN STREET SUITE 2750	FORT WORTH	TX	76102	_9414811898765842308790
CTAM O & G LLC	KEYSTONE RMB BPEOR NM LLC	201 MAIN STREET SUITE 2750	FORT WORTH	TX	76102	_9414811898765842308745
	KIMBELL ART FOUNDATION	301 COMMERCE ST SUITE 2300	FORT WORTH	TX	76102	_9414811898765842308783
A TEXAS LIMITED PARTNERSHIP	KONA LTD	1302 WEST AVENUE	AUSTIN	TX	78701	_9414811898765842308738
	L E OPPERMAN	1505 NEELY	MIDLAND	TX	79705	_9414811898765842308776
	LEGACY RESERVES OPERATING LP	P O BOX 207418	DALLAS	TX	75320	_9414811898765842308912
LMB/RSB GST EXEMPT DYNASTY 2016 TR	LMBI I BPEOR NM LLC	201 MAIN STREET SUITE 2750	FORT WORTH	TX	76102	_9414811898765842308950
LMB/RSB NON-EXEPMT 2016 TRUST	LMBI II BPEOR NM LLC	201 MAIN STREET SUITE 2750	FORT WORTH	TX	76102	_9414811898765842308967
	LOWE ROYALTY PARTNERS LP	P O BOX 4887 DEPT 4	HOUSTON	TX	77210	_9414811898765842308929
C/O MINERAL ACQUIS PARTNERS INC	MAP00-NET TX GENERAL PARTNERSHIP	PO BOX 268946	OKLAHOMA CITY	OK	73126	_9414811898765842308905
	MCMULLEN MINERALS LLC	PO BOX 470857	FORT WORTH	TX	76147	_9414811898765842308998
FEDERAL GOVERNMENT ROYALTY	MINERALS MANAGEMENT SERVICE	620 E GREENE ST	CARLSBAD	NM	88220	_9414811898765842308943
	MRC DELAWARE RESOURCES LLC	5400 LBJ FRWY STE 1500	DALLAS	TX	75240	_9414811898765842308936
WILLIAM K BURTON - TRUSTEE	MWB 1998 TRUST	5 WESTOVER RD	FORT WORTH	TX	76107	_9414811898765842308974
	NOBLE ROYALTIES ACCESS FUND IV LP	PO BOX 660082	DALLAS	TX	75266	_9414811898765842308615
	NOBLE ROYALTIES ACCESS FUND V LP	PO BOX 660082	DALLAS	TX	75266	_9414811898765842308653
	NOBLE ROYALTIES ACCESS FUND VI LP	P O BOX 660082	DALLAS	TX	75266	_9414811898765842308660
	PAUL R BARWIS	P O BOX 230	MIDLAND	TX	79702	_9414811898765842308622
	PEGASUS RESOURCES LLC	PO BOX 733980	DALLAS	TX	75373	_9414811898765842308608
	ROACH FOUNDATION INC	777 TAYLOR ST PII-J	FORT WORTH	TX	76102	_9414811898765842308691
	ROBERT C GRABLE	201 MAIN STREET STE 2500	FORT WORTH	TX	76102	_9414811898765842308646
THE 2016 SAMANTHA BASS FAMILY TR	SRBI I BPEOR NM LLC	201 MAIN STREET SUITE 2300	FORT WORTH	TX	76102	_9414811898765842308684
THE 2016 HYATT BASS FAMILY TRUST	SRBI II BPEOR NM LLC	201 MAIN STREET SUITE 2750	FORT WORTH	TX	76102	_9414811898765842308639
COMMISSIONER OF PUBLIC LANDS	STATE OF NEW MEXICO	P O BOX 1148	SANTA FE	NM	87504	_9414811898765842308677
	STILLWATER INVESTMENTS	5211 PRESTON DRIVE	MIDLAND	TX	79707	_9414811898765842308110

To Company Name	To Name	To Address Line 1	To City	To State	To ZIP	TRACKING NUMBER
	SUNDANCE MINERALS I	P O BOX 17744	FORT WORTH	TX	76102	_9414811898765842308158
	TARPON INDUSTRIES CORP	P O BOX 52002	MIDLAND	TX	79710	_9414811898765842308165
	THOMAS R SMITH	5705 PINEHURST	FARMINGTON	NM	87402	_9414811898765842308127
THE PHILECOLOGY FOUNDATION	THRU LINE BPEOR NM LLC	201 MAIN STREET SUITE 2750	FORT WORTH	TX	76102	_9414811898765842308103
FORTSON OIL COMPANY - AGENT	WILLIAM K BURTON	5 WESTOVER RD	FORT WORTH	TX	76107	_9414811898765842308141
	XTO DELAWARE BASIN LLC	22777 SPRINGWOODS VILLAGE PKWY LND DEPT LOC 115	SPRING	TX	77389	_9414811898765842308189



**OXY USA WTP Limited Partnership / OXY USA INC /
OCCIDENTAL PERMIAN LTD**
A subsidiary of Occidental Petroleum Corporation

5 Greenway Plaza, Suite 110, Houston, Texas 77046
P.O. Box 4294, Houston, Texas 77210-4294
Direct: 713.366.5106
Sandra_Musallam@oxy.com

January 4, 2022

Re: Request for Pool and Lease Commingling and Off-lease Measurement for Gas Production at Facilities in Corral Fly and Corral Canyon Area

Existing Batteries:

- Corral Fly 35-26 Battery – PLC 508
- Corral Canyon 36-25 Battery Train 1 – PLC 513
- Corral Canyon 36-25 Battery Train 2 – PLC 513
- Corral Canyon 36-25 Battery Train 3 – OLM 153
- Corral Fly 2-1 Battery – PLC 514A

Battery to Add:

- Corral Fly 11 State #1 Battery – not a commingle; single well battery

Dear Interest Owner:

This is to advise you that OXY USA INC is filing an application with the NMOCD to amend PLC 784A to commingle gas production at the facilities listed above. Each facility has a sales-quality orifice meter (BLM gas FMP or equivalent meter) that continuously measures gas volume before it leaves the facility. Any commingling of wells upstream of these meters has been approved according to the Orders for each individual facility (listed above).

This commingle request includes the *current and future* wells in the leases and pools listed in the application. A copy of the application submitted to the Division is attached.

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 Sandra Musallam at (713) 366-5106 or Sandra_Musallam@oxy.com.

Respectfully,

OXY USA INC
Sandra Musallam
Regulatory Engineer – Compliance Lead

WELL	API	POOL CODE	POOL
CORRAL FLY 35-26 FED COM #21H	30-015-44702	96473	PIERCE CROSSING;BONE SPRING, EAST
CORRAL FLY 35-26 FED COM #22H	30-015-44703	96473	PIERCE CROSSING;BONE SPRING, EAST
CORRAL FLY 35-26 FED COM #23H	30-015-44704	96473	PIERCE CROSSING;BONE SPRING, EAST
CORRAL FLY 35-26 FED COM #24H	30-015-44705	96473	PIERCE CROSSING;BONE SPRING, EAST
CORRAL FLY 35-26 FED COM #25H	30-015-44683	96473	PIERCE CROSSING;BONE SPRING, EAST
CORRAL FLY 35-26 FED COM #26H	30-015-44684	96473	PIERCE CROSSING;BONE SPRING, EAST
CORRAL FLY 35-26 FED COM #31H	30-015-44726	98220	PURPLE SAGE; WOLFCAMP (GAS)
CORRAL FLY 35-26 FED COM #32H	30-015-44727	98220	PURPLE SAGE; WOLFCAMP (GAS)
CORRAL FLY 35-26 FED COM #33H	30-015-44728	98220	PURPLE SAGE; WOLFCAMP (GAS)
CORRAL FLY 35-26 FED COM #34H	30-015-44729	98220	PURPLE SAGE; WOLFCAMP (GAS)
CORRAL FLY 35-26 FED COM #35H	30-015-44730	98220	PURPLE SAGE; WOLFCAMP (GAS)
CORRAL FLY 35-26 FED COM #36H	30-015-44731	98220	PURPLE SAGE; WOLFCAMP (GAS)
CORRAL CANYON 36-25 FED COM #21H	30-015-44631	96473	PIERCE CROSSING;BONE SPRING, EAST
CORRAL CANYON 36-25 FED COM #22H	30-015-44632	96473	PIERCE CROSSING;BONE SPRING, EAST
CORRAL CANYON 36-25 FED COM #23H	30-015-44633	96473	PIERCE CROSSING;BONE SPRING, EAST
CORRAL CANYON 36-25 FED COM #24H	30-015-44634	96473	PIERCE CROSSING;BONE SPRING, EAST
CORRAL CANYON 36-25 FED COM #25H	30-015-44635	96473	PIERCE CROSSING;BONE SPRING, EAST
CORRAL CANYON 36-25 FED COM #26H	30-015-44636	96473	PIERCE CROSSING;BONE SPRING, EAST
CORRAL CANYON 36-25 FED COM #34H	30-015-44644	98220	PURPLE SAGE; WOLFCAMP (GAS)
CORRAL CANYON 36-25 FED COM #35H	30-015-44645	98220	PURPLE SAGE; WOLFCAMP (GAS)
CORRAL CANYON 36-25 FED COM #36H	30-015-44646	98220	PURPLE SAGE; WOLFCAMP (GAS)
CORRAL CANYON 36-25 FED COM #31H	30-015-44640	98220	PURPLE SAGE; WOLFCAMP (GAS)
CORRAL CANYON 36-25 FED COM #32H	30-015-44642	98220	PURPLE SAGE; WOLFCAMP (GAS)
CORRAL CANYON 36-25 FED COM #33H	30-015-44643	98220	PURPLE SAGE; WOLFCAMP (GAS)
CORRAL FLY 2-1 STATE# 21H	30-015-44507	96473	PIERCE CROSSING;BONE SPRING, EAST
CORRAL FLY 2-1 STATE# 22H	30-015-44508	96473	PIERCE CROSSING;BONE SPRING, EAST
CORRAL FLY 2-1 STATE# 23H	30-015-44509	96473	PIERCE CROSSING;BONE SPRING, EAST
CORRAL FLY 2-1 STATE# 24H	30-015-44510	96473	PIERCE CROSSING;BONE SPRING, EAST
CORRAL FLY 2-1 STATE# 25H	30-015-44512	96473	PIERCE CROSSING;BONE SPRING, EAST
CORRAL FLY 2-1 STATE# 26H	30-015-44513	96473	PIERCE CROSSING;BONE SPRING, EAST
CORRAL FLY 2-1 STATE# 31H	30-015-44585	98220	PURPLE SAGE; WOLFCAMP (GAS)
CORRAL FLY 2-1 STATE# 32H	30-015-44586	98220	PURPLE SAGE; WOLFCAMP (GAS)
CORRAL FLY 2-1 STATE# 33H	30-015-44587	98220	PURPLE SAGE; WOLFCAMP (GAS)
CORRAL FLY 2-1 STATE# 34H	30-015-44588	98220	PURPLE SAGE; WOLFCAMP (GAS)
CORRAL FLY 2-1 STATE# 35H	30-015-44589	98220	PURPLE SAGE; WOLFCAMP (GAS)
CORRAL FLY 2-1 STATE# 36H	30-015-44590	98220	PURPLE SAGE; WOLFCAMP (GAS)
CHALLENGER 1 STATE #01H	30-015-36535	96464	CORRAL CANYON;DELAWARE, NORTHWEST
CHALLENGER 1 STATE #02H	30-015-37296	96464	CORRAL CANYON;DELAWARE, NORTHWEST
CORRAL FLY 11 STATE #1	30-015-28716	96464	CORRAL CANYON;DELAWARE, NORTHWEST

Carlsbad Current Argus.

PART OF THE USA TODAY NETWORK

Affidavit of Publication

Ad # 0005071695

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OXY USA INC
5 GREENWAY PLAZA OFFICE 29.076

HOUSTON, TX 77046

I, a legal clerk of the **Carlsbad Current Argus**, a newspaper published daily at the City of Carlsbad, in said county of Eddy, state of New Mexico and of general paid circulation in said county; that the same is a duly qualified newspaper under the laws of the State wherein legal notices and advertisements may be published; that the printed notice attached hereto was published in the regular and entire edition of said newspaper and not in supplement thereof in editions dated as follows:

01/06/2022



Legal Clerk

Subscribed and sworn before me this January 6, 2022:



State of WI, County of Brown
NOTARY PUBLIC
1-7-22

My commission expires

Notice of Application for Surface Commingling
OXY USA INC located at 5 Greenway Plaza, Suite 110 Houston TX 77046 is applying to the NMOCD to amend surface commingle permit PLC 784A for gas production for batteries in the Corral Fly area. The facilities are located in Eddy County in Sections 1, 2 and 11 in T25S R29E. Wells going to the batteries are located in Sections 1, 2 and 11 in T25S R29E and Sections 25, 26, 35 and 36 in T24S R29E. Production is from the Pierce Crossing; Bone Spring East, Corral Canyon; Delaware Northwest and Purple Sage; Wolfcamp Gas. Pursuant to Statewide Rule 19.15.12.10, interested parties must file objections or requests for hearing in writing with the division's Santa Fe office within 20 days after publication, or the NMOCD may approve the application. For questions pertaining to the application, please contact Sandra Musallam at (713) 366-5106. #0005071695, Current Argus, December 6, 2022

KATHLEEN ALLEN
Notary Public
State of Wisconsin

Ad # 0005071695
PO #: CORRAL FLY 11 STATE
of Affidavits 1

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**CORRAL FLY AREA BATTERIES
GAS COMMINGLE AMENDMENT 1/2022
BLM & SLO CONFIRMATION OF RECEIPT**

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SANTA FE, NM 87501

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From: [Engineer, OCD, EMNRD](#)
To: [Musallam, Sandra C](#)
Cc: [McClure, Dean, EMNRD](#); [Hawkins, James, EMNRD](#); [Powell, Brandon, EMNRD](#); [lisa@rwbyram.com](#); [Glover, James](#); [Paradis, Kyle O](#); [Walls, Christopher](#); [Dawson, Scott](#)
Subject: Approved Administrative Order PLC-784-B
Date: Wednesday, February 23, 2022 5:03:22 PM
Attachments: [PLC784B Order.pdf](#)

NMOCD has issued Administrative Order PLC-784-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
30-015-44702	Corral Fly 35 26 Federal Com #21H	W/2 W/2	26-24S-29E	96473
		W/2 W/2	35-24S-29E	
30-015-44703	Corral Fly 35 26 Federal Com #22H	E/2 W/2	26-24S-29E	96473
		E/2 W/2	35-24S-29E	
30-015-44704	Corral Fly 35 26 Federal Com #23H	E/2 W/2	26-24S-29E	96473
		E/2 W/2	35-24S-29E	
30-015-44705	Corral Fly 35 26 Federal Com #24H	W/2 E/2	26-24S-29E	96473
		W/2 E/2	35-24S-29E	
30-015-44683	Corral Fly 35 26 Federal Com #25H	E/2 E/2	26-24S-29E	96473
		E/2 E/2	35-24S-29E	
30-015-44684	Corral Fly 35 26 Federal Com #26H	E/2 E/2	26-24S-29E	96473
		E/2 E/2	35-24S-29E	
30-015-44726	Corral Fly 35 26 Federal Com #31H	W/2	26-24S-29E	98220
		W/2	35-24S-29E	
30-015-44727	Corral Fly 35 26 Federal Com #32H	W/2	26-24S-29E	98220
		W/2	35-24S-29E	
30-015-44728	Corral Fly 35 26 Federal Com #33H	W/2	26-24S-29E	98220
		W/2	35-24S-29E	
30-015-44729	Corral Fly 35 26 Federal Com #34H	E/2	26-24S-29E	98220
		E/2	35-24S-29E	
30-015-44730	Corral Fly 35 26 Federal Com #35H	E/2	26-24S-29E	98220
		E/2	35-24S-29E	
30-015-44731	Corral Fly 35 26 Federal Com #36H	E/2	26-24S-29E	98220
		E/2	35-24S-29E	
30-015-44631	Corral Canyon 36 25 Federal Com #21H	S/2 SW/4	24-24S-29E	96473
		W/2	25-24S-29E	
		W/2	36-24S-29E	
30-015-44632	Corral Canyon 36 25 Federal Com #22H	S/2 SW/4	24-24S-29E	96473
		W/2	25-24S-29E	
		W/2	36-24S-29E	
30-015-44633	Corral Canyon 36 25 Federal Com #23H	S/2 SW/4	24-24S-29E	96473
		W/2	25-24S-29E	
		W/2	36-24S-29E	
30-015-44634	Corral Canyon 36 25 Federal Com #24H	E/2	25-24S-29E	96473
		E/2	36-24S-29E	
30-015-44635	Corral Canyon 36 25 Federal Com #25H	E/2	25-24S-29E	96473
		E/2	36-24S-29E	
30-015-44636	Corral Canyon 36 25 Federal Com #26H	E/2	25-24S-29E	96473
		E/2	36-24S-29E	
30-015-44644	Corral Canyon 36 25 Federal Com #34H	E/2	25-24S-29E	98220
		E/2	36-24S-29E	
	Corral Canyon 36 25 Federal	E/2	25-24S-29E	

30-015-44645	Com #35H	E/2	36-24S-29E	98220
30-015-44646	Corral Canyon 36 25 Federal Com #36H	E/2 E/2	25-24S-29E 36-24S-29E	98220
30-015-44640	Corral Canyon 36 25 Federal Com #31H	W/2 W/2	25-24S-29E 36-24S-29E	98220
30-015-44642	Corral Canyon 36 25 Federal Com #32H	W/2 W/2	25-24S-29E 36-24S-29E	98220
30-015-44643	Corral Canyon 36 25 Federal Com #33H	W/2 W/2	25-24S-29E 36-24S-29E	98220
30-015-44507	Corral Fly 2 1 State# 21H	N/2 N/2 N/2 N/2	1-25S-29E 2-25S-29E	96473
30-015-44508	Corral Fly 2 1 State# 22H	N/2 N/2 N/2 N/2	1-25S-29E 2-25S-29E	96473
30-015-44509	Corral Fly 2 1 State# 23H	S/2 N/2 S/2 N/2	1-25S-29E 2-25S-29E	96473
30-015-44510	Corral Fly 2 1 State# 24H	N/2 S/2 N/2 S/2	1-25S-29E 2-25S-29E	96473
30-015-44512	Corral Fly 2 1 State# 25H	N/2 S/2 N/2 S/2	1-25S-29E 2-25S-29E	96473
30-015-44513	Corral Fly 2 1 State# 26H	S/2 SW/4 S/2 S/2	1-25S-29E 2-25S-29E	96473
30-015-44585	Corral Fly 2 1 State# 31H	N/2 N/2	1-25S-29E 2-25S-29E	98220
30-015-44586	Corral Fly 2 1 State# 32H	N/2 N/2	1-25S-29E 2-25S-29E	98220
30-015-44587	Corral Fly 2 1 State# 33H	N/2 N/2	1-25S-29E 2-25S-29E	98220
30-015-44588	Corral Fly 2 1 State# 34H	S/2 S/2	1-25S-29E 2-25S-29E	98220
30-015-44589	Corral Fly 2 1 State# 35H	S/2 S/2	1-25S-29E 2-25S-29E	98220
30-015-44590	Corral Fly 2 1 State# 36H	S/2 S/2	1-25S-29E 2-25S-29E	98220
30-015-36535	Challenger 1 State #1H	D W/2 W/2	1-25S-29E 1-25S-29E	96464 96473
30-015-37296	Challenger 1 State #2H	E/2 W/2	1-25S-29E	96464
30-015-28716	Corral Fly 11 State #1	A	11-25S-29E	96464

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: [Van Liew, Peter R](#)
To: [McClure, Dean, EMNRD](#); [Musallam, Sandra C](#)
Cc: [Laning, James B](#)
Subject: [EXTERNAL] RE: surface commingling application PLC-784-B
Date: Thursday, February 17, 2022 1:58:45 PM

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

Dean,

I wanted to follow up on this prior email to make sure I answered your questions regarding the Corral Fly 35-26 Fed Com W/2 Bone Spring CA. That CA has been submitted to the BLM for approval and the geographic boundaries still match the description you list below.

Please let me know if you have any questions or concerns related to this CA.

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: McClure, Dean, EMNRD <Dean.McClure@state.nm.us>
Sent: Monday, February 14, 2022 6:30 PM
To: Musallam, Sandra C <Sandra_Musallam@oxy.com>
Cc: Van Liew, Peter R <Peter_VanLiew@oxy.com>
Subject: [EXTERNAL] surface commingling application PLC-784-B

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

Ms. Musallam,

I am reviewing surface commingling application PLC-784-B which involves the commingling project that includes the Corral Fly 35 26 Battery, Corral Canyon 36 25 Battery, and Corral Fly 11 State 1

Battery and is operated by Oxy USA, Inc. (16696).

Please provide an update regarding the proposed CA for the Bone Spring formation within the following tract:

Pooled Area	UL or Q/Q	S-T-R	Acres
CA Bone Spring BLM	W/2	26-24S-29E	640
	W/2	35-24S-29E	

Attached is an email in which I had asked about this CA in September 2021 and Oxy's intent at that time was to submit an application matching the description above. Is this still the case?

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-784-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 gas production from the pools, leases, and wells identified in Exhibit A (“Application”).
2. Applicant proposed a method to allocate the gas production to the pools, leases, and wells to be commingled.
3. Applicant intends to segregate the gas production from each lease and from each pool within that lease as identified in Exhibit C from the gas production from all other pools and leases prior to measuring the production from each pool and lease with an allocation meter.
4. Applicant stated that it intends to keep the gas production from one or more group(s) of wells identified in Exhibit D segregated from the gas production from all other wells prior to measuring that production with an allocation meter.
5. 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.
6. To the extent that ownership is diverse, Applicant provided notice of the Application to all persons owning an interest in the gas 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.
7. Applicant provided notice of the Application to the Bureau of Land Management (“BLM”) or New Mexico State Land Office (“NMSLO”), as applicable.
8. Applicant certified the commingling of gas production from the pools, leases, and wells will not in reasonable probability reduce the value of the gas production to less than if it had remained segregated.
9. 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.

10. Applicant stated that it sought authorization to surface commingle and off-lease measure, as applicable, gas production from wells which have not yet been approved to be drilled, but will produce from a pool and lease identified in Exhibit A.
11. Applicant submitted or intends to submit one or more proposed communitization agreement(s) (“Proposed Agreement(s)”) to the BLM or NMSLO, as applicable, identifying the acreage of each lease to be consolidated into a single pooled area (“Pooled Area”), as described in Exhibit B.

CONCLUSIONS OF LAW

12. 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.
13. 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.
14. 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.
15. 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.
16. Commingling of gas 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.
17. 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.
18. 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 gas production from the pools, leases, and wells identified in Exhibit A.

Applicant is authorized to store and measure gas 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 gas 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 gas 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-784-A.
3. For each Pooled Area described in Exhibit B, Applicant shall submit a Proposed Agreement to the BLM or NMSLO, as applicable, prior to commencing gas production. If Applicant fails to submit the Proposed Agreement, this Order shall terminate on the following day.

No later than sixty (60) days after the BLM or NMSLO approves or denies a Proposed Agreement, Applicant shall submit Form C-103 to OCD with a copy of the decision and a description of the approved lands, as applicable. If Applicant withdraws or the BLM or NMSLO denies a Proposed Agreement, this Order shall terminate on the date of such action, and Applicant shall cease commingling the production from the Pooled Area. If the BLM or NMSLO approves but modifies the Proposed Agreement(s), Applicant shall comply with the approved Agreement(s), and no later than sixty (60) days after such decision, Applicant shall submit a new surface commingle application to OCD to conform this Order with the approved Agreement(s). If OCD denies the new surface commingle application, this Order shall terminate on the date of such action.

Applicant shall allocate the gas production to each lease within a Pooled Area in proportion to the acreage that each lease bears to the entire acreage of the Pooled Area described in Exhibit B until the Proposed Agreement which includes the Pooled Area is approved. After the Proposed Agreement is approved, the gas production from the Pooled Area shall be allocated as required by the BLM's or NMSLO's, as applicable, approval of the Agreement, including any production that had been allocated previously in accordance with this Order.

4. Each well identified in Exhibit C shall be exempt from the well test allocation requirements of this Order.
5. The allocation of gas 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 gas 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.
6. The allocation of gas production to each group of wells identified in Exhibit D shall be determined by separating and metering the production from each group as described by Train in Exhibit D prior to commingling that production with production from any other well.
7. The allocation of gas 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 gas 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 gas 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 gas 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 gas 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 gas 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.

8. Applicant shall measure and market the commingled gas at a well pad, central delivery point, central tank battery, or gas title transfer meter described in Exhibit A in accordance with this Order and 19.15.19.9. NMAC, provided however that if the gas is vented or flared, and regardless of the reason or authorization pursuant to 19.15.28.8.B. NMAC for such venting or flaring, Applicant shall measure or estimate the gas in accordance with 19.15.28.8.E. NMAC.
9. Applicant shall calibrate the meters used to measure or allocate gas production in accordance with 19.15.12.10.C.(2) NMAC.
10. If the commingling of gas production from any pool, lease, or well reduces the value of the commingled gas production to less than if it had remained segregated, no later than sixty (60)

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 gas 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.

- 11. 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.
- 12. 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 gas production to it.
- 13. Applicant shall not commence commingling oil or gas production from state, federal, or tribal leases until approved by the BLM or NMSLO, as applicable.
- 14. 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).
- 15. 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**



**ADRIENNE SANDOVAL
DIRECTOR**

DATE: 2/23/2022

State of New Mexico
Energy, Minerals and Natural Resources Department

Exhibit A

Order: PLC-784-B
Operator: Oxy USA, Inc. (16696)
Central Tank Battery: Corral Fly 35 26 Battery
Central Tank Battery Location: Unit B, Section 2, Township 25 South, Range 29 East
Central Tank Battery: Corral Canyon 36 25 Battery
Central Tank Battery Location: Unit K, Section 1, Township 25 South, Range 29 East
Central Tank Battery: Corral Fly 11 State 1 Battery
Central Tank Battery Location: Unit A, Section 11, Township 25 South, Range 29 East
Gas Title Transfer Meter Location: Unit K, Section 1, Township 25 South, Range 29 East

Pools

Pool Name	Pool Code
CORRAL CANYON; DELAWARE,NORTHWEST	96464
PIERCE CROSSING; BONE SPRING, EAST	96473
PURPLE SAGE; WOLFCAMP (GAS)	98220

Leases as defined in 19.15.12.7(C) NMAC

Lease	UL or Q/Q	S-T-R
CA Wolfcamp NMNM 143392	W/2	26-24S-29E
	W/2	35-24S-29E
CA Wolfcamp NMNM 139613	E/2	26-24S-29E
	E/2	35-24S-29E
CA Bone Spring NMNM 139007	E/2	26-24S-29E
	E/2	35-24S-29E
CA Wolfcamp NMNM 139608	W/2	25-24S-29E
	W/2	36-24S-29E
CA Wolfcamp NMNM 139609	E/2	25-24S-29E
	E/2	36-24S-29E
CA Bone Spring NMNM 142997	E/2	25-24S-29E
	E/2	36-24S-29E
CA Bone Spring NMNM 138720	S/2 SW/4	24-24S-29E
	W/2	25-24S-29E
	W/2	36-24S-29E
CA Wolfcamp NMSLO; PUN 1373200	N/2	1-25S-29E
	N/2	2-25S-29E
CA Wolfcamp NMSLO; PUN 1373197	S/2	1-25S-29E
	S/2	2-25S-29E
CA Bone Spring NMSLO; PUN 1369325	N/2 N/2	1-25S-29E
	N/2 N/2	2-25S-29E
CA Bone Spring NMSLO; PUN 1369377	S/2 N/2	1-25S-29E
	S/2 N/2	2-25S-29E
CA Bone Spring NMSLO; PUN 1369366	N/2 S/2	1-25S-29E
	N/2 S/2	2-25S-29E
CA Bone Spring NMSLO; PUN 1369354	S/2 SW/4	1-25S-29E
	S/2 S/2	2-25S-29E

VA 29750002	W/2	1-25S-29E
VO 36330004	All	11-25S-29E
NMNM 088138	NE/4 NW/4	26-24S-29E
NMNM 137803	NW/4 NW/4	26-24S-29E
NMNM 059387	S/2 NW/4	26-24S-29E
NMNM 014777	SW/4	26-24S-29E
NMNM 086128	N/2 NW/4	35-24S-29E
NMNM 088139	S/2 NW/4	35-24S-29E
NMNM 088139	SW/4	35-24S-29E

Wells

Well API	Well Name	UL or Q/Q	S-T-R	Pool
30-015-44702	Corral Fly 35 26 Federal Com #21H	W/2 W/2	26-24S-29E	96473
		W/2 W/2	35-24S-29E	
30-015-44703	Corral Fly 35 26 Federal Com #22H	E/2 W/2	26-24S-29E	96473
		E/2 W/2	35-24S-29E	
30-015-44704	Corral Fly 35 26 Federal Com #23H	E/2 W/2	26-24S-29E	96473
		E/2 W/2	35-24S-29E	
30-015-44705	Corral Fly 35 26 Federal Com #24H	W/2 E/2	26-24S-29E	96473
		W/2 E/2	35-24S-29E	
30-015-44683	Corral Fly 35 26 Federal Com #25H	E/2 E/2	26-24S-29E	96473
		E/2 E/2	35-24S-29E	
30-015-44684	Corral Fly 35 26 Federal Com #26H	E/2 E/2	26-24S-29E	96473
		E/2 E/2	35-24S-29E	
30-015-44726	Corral Fly 35 26 Federal Com #31H	W/2	26-24S-29E	98220
		W/2	35-24S-29E	
30-015-44727	Corral Fly 35 26 Federal Com #32H	W/2	26-24S-29E	98220
		W/2	35-24S-29E	
30-015-44728	Corral Fly 35 26 Federal Com #33H	W/2	26-24S-29E	98220
		W/2	35-24S-29E	
30-015-44729	Corral Fly 35 26 Federal Com #34H	E/2	26-24S-29E	98220
		E/2	35-24S-29E	
30-015-44730	Corral Fly 35 26 Federal Com #35H	E/2	26-24S-29E	98220
		E/2	35-24S-29E	
30-015-44731	Corral Fly 35 26 Federal Com #36H	E/2	26-24S-29E	98220
		E/2	35-24S-29E	
30-015-44631	Corral Canyon 36 25 Federal Com #21H	S/2 SW/4	24-24S-29E	96473
		W/2	25-24S-29E	
		W/2	36-24S-29E	
30-015-44632	Corral Canyon 36 25 Federal Com #22H	S/2 SW/4	24-24S-29E	96473
		W/2	25-24S-29E	
		W/2	36-24S-29E	
30-015-44633	Corral Canyon 36 25 Federal Com #23H	S/2 SW/4	24-24S-29E	96473
		W/2	25-24S-29E	
		W/2	36-24S-29E	
30-015-44634	Corral Canyon 36 25 Federal Com #24H	E/2	25-24S-29E	96473
		E/2	36-24S-29E	
		E/2	25-24S-29E	
30-015-44635	Corral Canyon 36 25 Federal Com #25H	E/2	25-24S-29E	96473
		E/2	36-24S-29E	

30-015-44636	Corral Canyon 36 25 Federal Com #26H	E/2 E/2	25-24S-29E 36-24S-29E	96473
30-015-44644	Corral Canyon 36 25 Federal Com #34H	E/2 E/2	25-24S-29E 36-24S-29E	98220
30-015-44645	Corral Canyon 36 25 Federal Com #35H	E/2 E/2	25-24S-29E 36-24S-29E	98220
30-015-44646	Corral Canyon 36 25 Federal Com #36H	E/2 E/2	25-24S-29E 36-24S-29E	98220
30-015-44640	Corral Canyon 36 25 Federal Com #31H	W/2 W/2	25-24S-29E 36-24S-29E	98220
30-015-44642	Corral Canyon 36 25 Federal Com #32H	W/2 W/2	25-24S-29E 36-24S-29E	98220
30-015-44643	Corral Canyon 36 25 Federal Com #33H	W/2 W/2	25-24S-29E 36-24S-29E	98220
30-015-44507	Corral Fly 2 1 State# 21H	N/2 N/2 N/2 N/2	1-25S-29E 2-25S-29E	96473
30-015-44508	Corral Fly 2 1 State# 22H	N/2 N/2 N/2 N/2	1-25S-29E 2-25S-29E	96473
30-015-44509	Corral Fly 2 1 State# 23H	S/2 N/2 S/2 N/2	1-25S-29E 2-25S-29E	96473
30-015-44510	Corral Fly 2 1 State# 24H	N/2 S/2 N/2 S/2	1-25S-29E 2-25S-29E	96473
30-015-44512	Corral Fly 2 1 State# 25H	N/2 S/2 N/2 S/2	1-25S-29E 2-25S-29E	96473
30-015-44513	Corral Fly 2 1 State# 26H	S/2 SW/4 S/2 S/2	1-25S-29E 2-25S-29E	96473
30-015-44585	Corral Fly 2 1 State# 31H	N/2 N/2	1-25S-29E 2-25S-29E	98220
30-015-44586	Corral Fly 2 1 State# 32H	N/2 N/2	1-25S-29E 2-25S-29E	98220
30-015-44587	Corral Fly 2 1 State# 33H	N/2 N/2	1-25S-29E 2-25S-29E	98220
30-015-44588	Corral Fly 2 1 State# 34H	S/2 S/2	1-25S-29E 2-25S-29E	98220
30-015-44589	Corral Fly 2 1 State# 35H	S/2 S/2	1-25S-29E 2-25S-29E	98220
30-015-44590	Corral Fly 2 1 State# 36H	S/2 S/2	1-25S-29E 2-25S-29E	98220
30-015-36535	Challenger 1 State #1H	D W/2 W/2	1-25S-29E 1-25S-29E	96464 96473
30-015-37296	Challenger 1 State #2H	E/2 W/2	1-25S-29E	96464
30-015-28716	Corral Fly 11 State #1	A	11-25S-29E	96464

State of New Mexico
Energy, Minerals and Natural Resources Department

Exhibit B

Order: **PLC-784-B**
Operator: **Oxy USA, Inc. (16696)**

Pooled Areas

Pooled Area	UL or Q/Q	S-T-R	Acres	Pooled Area ID
CA Bone Spring BLM	W/2	26-24S-29E	640	A
	W/2	35-24S-29E		

Leases Comprising Pooled Areas

Lease	UL or Q/Q	S-T-R	Acres	Pooled Area ID
NMNM 088138	NE/4 NW/4	26-24S-29E	40	A
NMNM 137803	NW/4 NW/4	26-24S-29E	40	A
NMNM 059387	S/2 NW/4	26-24S-29E	80	A
NMNM 014777	SW/4	26-24S-29E	160	A
NMNM 086128	N/2 NW/4	35-24S-29E	80	A
NMNM 088139	S/2 NW/4	35-24S-29E	80	A
NMNM 088139	SW/4	35-24S-29E	160	A

State of New Mexico
Energy, Minerals and Natural Resources Department

Exhibit C

Order: **PLC-784-B**
Operator: **Oxy USA, Inc. (16696)**

Pools

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

Leases as defined in 19.15.12.7(C) NMAC

Lease	UL or Q/Q	S-T-R
CA Wolfcamp NMNM 139608	W/2	25-24S-29E
VO 36330004	W/2	36-24S-29E
VO 36330004	All	11-25S-29E

Pools within each Lease

Lease	Pool Code	Group ID
CA Wolfcamp NMNM 139608	98220	AA
VO 36330004	96464	BB

Wells

Well API	Well Name	UL or Q/Q	S-T-R	Group ID
30-015-44640	Corral Canyon 36 25 Federal Com #31H	W/2	25-24S-29E	AA
30-015-44642	Corral Canyon 36 25 Federal Com #32H	W/2	25-24S-29E	AA
30-015-44643	Corral Canyon 36 25 Federal Com #33H	W/2	25-24S-29E	AA
30-015-28716	Corral Fly 11 State #1	A	11-25S-29E	BB

State of New Mexico
Energy, Minerals and Natural Resources Department

Exhibit D

Order: PLC-784-B
Operator: Oxy USA, Inc. (16696)

Wells				
Well API	Well Name	UL or Q/Q	S-T-R	Train
30-015-44702	Corral Fly 35 26 Federal Com #21H	W/2 W/2	26-24S-29E	A1
		W/2 W/2	35-24S-29E	
30-015-44703	Corral Fly 35 26 Federal Com #22H	E/2 W/2	26-24S-29E	A1
		E/2 W/2	35-24S-29E	
30-015-44704	Corral Fly 35 26 Federal Com #23H	E/2 W/2	26-24S-29E	A1
		E/2 W/2	35-24S-29E	
30-015-44705	Corral Fly 35 26 Federal Com #24H	W/2 E/2	26-24S-29E	A1
		W/2 E/2	35-24S-29E	
30-015-44683	Corral Fly 35 26 Federal Com #25H	E/2 E/2	26-24S-29E	A1
		E/2 E/2	35-24S-29E	
30-015-44684	Corral Fly 35 26 Federal Com #26H	E/2 E/2	26-24S-29E	A1
		E/2 E/2	35-24S-29E	
30-015-44726	Corral Fly 35 26 Federal Com #31H	W/2	26-24S-29E	A1
		W/2	35-24S-29E	
30-015-44727	Corral Fly 35 26 Federal Com #32H	W/2	26-24S-29E	A1
		W/2	35-24S-29E	
30-015-44728	Corral Fly 35 26 Federal Com #33H	W/2	26-24S-29E	A1
		W/2	35-24S-29E	
30-015-44729	Corral Fly 35 26 Federal Com #34H	E/2	26-24S-29E	A1
		E/2	35-24S-29E	
30-015-44730	Corral Fly 35 26 Federal Com #35H	E/2	26-24S-29E	A1
		E/2	35-24S-29E	
30-015-44731	Corral Fly 35 26 Federal Com #36H	E/2	26-24S-29E	A1
		E/2	35-24S-29E	
30-015-44507	Corral Fly 2 1 State# 21H	N/2 N/2	1-25S-29E	A2
		N/2 N/2	2-25S-29E	
30-015-44508	Corral Fly 2 1 State# 22H	N/2 N/2	1-25S-29E	A2
		N/2 N/2	2-25S-29E	
30-015-44509	Corral Fly 2 1 State# 23H	S/2 N/2	1-25S-29E	A2
		S/2 N/2	2-25S-29E	
30-015-44510	Corral Fly 2 1 State# 24H	N/2 S/2	1-25S-29E	A2
		N/2 S/2	2-25S-29E	
30-015-44512	Corral Fly 2 1 State# 25H	N/2 S/2	1-25S-29E	A2
		N/2 S/2	2-25S-29E	
30-015-44513	Corral Fly 2 1 State# 26H	S/2 SW/4	1-25S-29E	A2
		S/2 S/2	2-25S-29E	
30-015-44585	Corral Fly 2 1 State# 31H	N/2	1-25S-29E	A2
		N/2	2-25S-29E	
30-015-44586	Corral Fly 2 1 State# 32H	N/2	1-25S-29E	A2
		N/2	2-25S-29E	

30-015-44587	Corral Fly 2 1 State# 33H	N/2 N/2	1-25S-29E 2-25S-29E	A2
30-015-44588	Corral Fly 2 1 State# 34H	S/2 S/2	1-25S-29E 2-25S-29E	A2
30-015-44589	Corral Fly 2 1 State# 35H	S/2 S/2	1-25S-29E 2-25S-29E	A2
30-015-44590	Corral Fly 2 1 State# 36H	S/2 S/2	1-25S-29E 2-25S-29E	A2
30-015-36535	Challenger 1 State #1H	D W/2 W/2	1-25S-29E 1-25S-29E	A2
30-015-37296	Challenger 1 State #2H	E/2 W/2	1-25S-29E	A2
30-015-44631	Corral Canyon 36 25 Federal Com #21H	S/2 SW/4 W/2 W/2	24-24S-29E 25-24S-29E 36-24S-29E	B1
30-015-44632	Corral Canyon 36 25 Federal Com #22H	S/2 SW/4 W/2 W/2	24-24S-29E 25-24S-29E 36-24S-29E	B1
30-015-44633	Corral Canyon 36 25 Federal Com #23H	S/2 SW/4 W/2 W/2	24-24S-29E 25-24S-29E 36-24S-29E	B1
30-015-44634	Corral Canyon 36 25 Federal Com #24H	E/2 E/2	25-24S-29E 36-24S-29E	B2
30-015-44635	Corral Canyon 36 25 Federal Com #25H	E/2 E/2	25-24S-29E 36-24S-29E	B2
30-015-44636	Corral Canyon 36 25 Federal Com #26H	E/2 E/2	25-24S-29E 36-24S-29E	B2
30-015-44644	Corral Canyon 36 25 Federal Com #34H	E/2 E/2	25-24S-29E 36-24S-29E	B2
30-015-44645	Corral Canyon 36 25 Federal Com #35H	E/2 E/2	25-24S-29E 36-24S-29E	B2
30-015-44646	Corral Canyon 36 25 Federal Com #36H	E/2 E/2	25-24S-29E 36-24S-29E	B2
30-015-44640	Corral Canyon 36 25 Federal Com #31H	W/2 W/2	25-24S-29E 36-24S-29E	B3
30-015-44642	Corral Canyon 36 25 Federal Com #32H	W/2 W/2	25-24S-29E 36-24S-29E	B3
30-015-44643	Corral Canyon 36 25 Federal Com #33H	W/2 W/2	25-24S-29E 36-24S-29E	B3
30-015-28716	Corral Fly 11 State #1	A	11-25S-29E	C1

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

District IV
 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 69998

CONDITIONS

Operator: OXY USA INC P.O. Box 4294 Houston, TX 772104294	OGRID: 16696
	Action Number: 69998
	Action Type: [C-107] Surface Commingle or Off-Lease (C-107B)

CONDITIONS

Created By	Condition	Condition 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 contact me.	2/23/2022