### Received by OCD: 5/26/2022 9:53:52 AM

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

> **Oil Conservation Division** 1220 South St. Francis Dr. Santa Fe, New Mexico 87505

Revised August 1, 2011 APPLICATION TYPE \_Single Well Establish Pre-Approved Pools EXISTING WELLBORE

X Yes No

Х

Form C-107A

## APPLICATION FOR DOWNHOLE COMMINGLING

OXY USA INC.		5 Greenway Plaza, Suite 110, Ho	ouston, TX
Operator		Address	
CAL MON 35 FEDERAL	#176H	A-35-23S-31E	EDDY
Lease	Well No.	Unit Letter-Section-Township-Range	County

## OGRID No. 16696 Property Code 314855 API No. 30-015-45525 Lease Type: X Federal State Fee

DATA ELEMENT	UPPER ZONE	INTERMEDIATE ZONE	LOWER ZONE
Pool Name	Cotton Draw; Bone Spring		WC-015 G-08 S233135D; WOLFCAMP
Pool Code	13367		98236
Top and Bottom of Pay Section (Perforated or Open-Hole Interval)	11579' - 11789'		11819'-16569'
Method of Production (Flowing or Artificial Lift)	Artificial Lift		Artificial Lift
Bottomhole Pressure (Note: Pressure data will not be required if the bottom perforation in the lower zone is within 150% of the depth of the top perforation in the upper zone)	Not Required, Pre-Approved Pool		Not Required, Pre-Approved Pool
Oil Gravity or Gas BTU (Degree API or Gas BTU)	Not Required, Pre-Approved Pool		Not Required, Pre-Approved Pool
Producing, Shut-In or New Zone	New Zone (Adding Perfs)		Producing
Date and Oil/Gas/Water Rates of Last Production. (Note: For new zones with no production history, applicant shall be required to attach production estimates and supporting data.)	Date: Rates: 31.65 BOD 69.62BWD 79.12MCFD	Date: Rates:	Date: Rates: 105.17BO GOR 2500 CF/Bb WOR 2.2 BW/BO
Fixed Allocation Percentage (Note: If allocation is based upon something other than current or past production, supporting data or explanation will be required.)	Oil Gas 23.1 23.1 % %	Oil Gas % %	Oil Gas 76.9 76.9 % %

### ADDITIONAL DATA

Are all working, royalty and overriding royalty interests identical in all commingled zones? If not, have all working, royalty and overriding royalty interest owners been notified by certified mail?	Yes_X Yes	No No
Are all produced fluids from all commingled zones compatible with each other?	YesX	No
Will commingling decrease the value of production?	Yes	No <u>X</u>
If this well is on, or communitized with, state or federal lands, has either the Commissioner of Public Lands or the United States Bureau of Land Management been notified in writing of this application?	Yes	No <u>X</u>
NMACD Defense Correlia to the smalle		

NMOCD Reference Case No. applicable to this well:

Attachments:

C-102 for each zone to be commingled showing its spacing unit and acreage dedication.

Production curve for each zone for at least one year. (If not available, attach explanation.)

For zones with no production history, estimated production rates and supporting data.

Data to support allocation method or formula.

Notification list of working, royalty and overriding royalty interests for uncommon interest cases.

Any additional statements, data or documents required to support commingling.

#### PRE-APPROVED POOLS

If application is to establish Pre-Approved Pools, the following additional information will be required:

List of other orders approving downhole commingling within the proposed Pre-Approved Pools List of all operators within the proposed Pre-Approved Pools Proof that all operators within the proposed Pre-Approved Pools were provided notice of this application. Bottomhole pressure data.

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

SIGNATURE Leslie I.	Recves <sub>TITLE</sub> REGULATORY ADVISOR	DATE 5/26/20222

TYPE OR PRINT NAME LESLIE REEVES

TELEPHONE NO. (713 <u>) 497-</u>2492

E-MAIL ADDRESS LESLIE\_REEVES@OXY.COM

District I 1625 N. French Dr., Hobbs, NM 88240 Phone: (375) 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

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													
	AP	I Number			Pool C	ode				Pool Name			
30-015				98236			W	/C-015 C	G-08 S233	3135D; W	/OLFC	AMP	
Prope	erty Code	,					Property	Name				И	Vell Number
314855					CA	L-MO	N "3	5" FEDE	RAL			-	176H
OGI	RID No.						Operator	Name					Elevation
16696						ОХ	Y US	SA INC.				3	471.1'
	Surface Location												
UL or lot no.	Section	Township		Ran	ige		Lot Idn	Feet from the	North/South line	Feet from the	East/We	est line	County
A	35	23 SOUTH		31 EAST,	N. M.	Р. М.		110'	NORTH	580'	EAS	ST	EDDY
				Bottom 1	Hole	Locatio	on If I	Different H	From Surfac	e			
UL or lot no.	Section	Township		Ran	ige		Lot Idn	Feet from the	North/South line	Feet from the	East/We	est line	County
Р	35	23 SOUTH		31 EAST, N.M.P.M.				20'	SOUTH	311'	EAST		EDDY
Dedicated	Acres	Joint or Infill	Con	solidation Cod	le	Order No.							
160													

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.

		<sup>(8'</sup> 61'	
SUPEA	CE LOCATION	374	OPERATOR CERTIFICATION
NEW 1	IEXICO EAST	383 1	hereby certify that the information contained herein is true and
Y=4610 X=724	88.66 US FT 533.16 US FT	580' 00	mplete to the best of my knowledge and belief, and that this
LAT.: N LONG.: W	32.2678723° 103.7419259°	or	rganization either owns a working interest or unleased mineral
		in	terest in the land including the proposed bottom hole location or
	<u>= 76°16'19"</u>	ha	as a right to drill this well at this location pursuant to a contract
			ith an owner of such a mineral or working interest, or to a
КСК		N1	luntary pooling agreement or a compulsory pooling order
NEW N	IEXICO EAST	TT he	retofore entered by the division.
Y=461 X=724	49.66 US FT 82.84 US FT		Leslie I. Reeves5/25/22
LAT.: N	32.2680362* 103.7411170*	- Si	gnature Date
		8 VI -	LESLIE REEVES
	TAKE POINT	Pa 17	ESLIE REEVES@OXY.COM
. N/	D 1983 99.66 US FT 83.11 US FT		mail Address
LAT.: N	32.2678987*		
LONG.: W	103.7411171*	179°41'48"	SURVEYOR CERTIFICATION
			hereby certify they the well location shown on this
	AKE POINT		plat was plotted from field notes of actual surveys
NA	D 1983 22.77 US FT 09.97 US FT		ade by me or under my supervision, and that the ame is true and correction the best of my belief.
X=7244	09.97 US FT 32.2539433* 103.7411208*		ଞ୍ଚି (15079) କ୍ରି
LONG.: W	103.7411208	GRID	FEBRUARX 14 2018
	— — <u>}</u> —		Pate of Survey
		Si	ignature and Scalor SSIONAL LAN
			rolessional Surveyor. SSION
	OLE LOCATION		
NA	EXICO EAST 0 1983		T allele
	42.77 US FT 10.39 US FT 32.2537234	302	Long ( las 2/3/2019
LÕNG.: W	103.7411208		ertificate Number 15079
		311	WO# 171107WL-b (Rev. C) (KA)

#### Released to Imaging: 6/3/2022 1:17:02 PM

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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

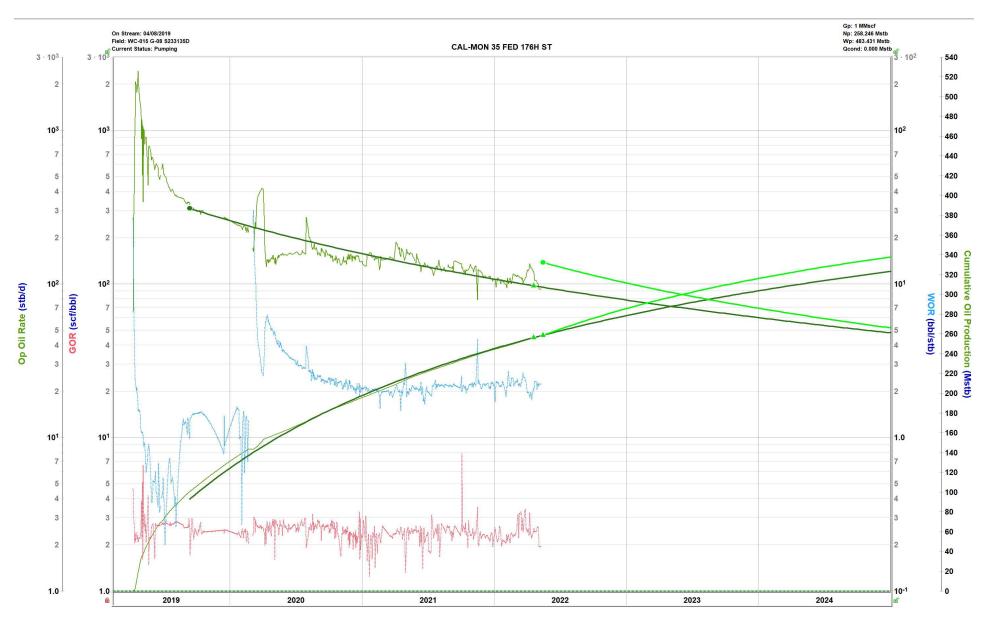
#### AMENDED REPORT

				ELL I				ACH	REAGE D	EDICATIO	NPLAT			
	AP	I Number				Pool C	Code				Pool Name			
30-015				13	367			C	OTTON	DRAW; E	SONE SP	RING		
Propo	erty Code	,						Property	v Name				И	Vell Number
314855						CA	AL-MO	N "3	5"FEDE	RAL				176H
	RID No.							Operator	r Name					Elevation
16696							OX	Y US	SA INC.				3	471.1 <sup>'</sup>
[							Surfa		ocation					
UL or lot no.	Section	Tow	mship		Ran	nge		Lot Idn	Feet from the	North/South line	Feet from the	East/We	est line	County
A	35	23 S	SOUTH	31	EAST,	N. M.	. Р. М.		110'	NORTH	580'	EAS	ST	EDDY
				Bot	ttom 1	Hole	Locatio	on If l	Different F	From Surfac	e			
UL or lot no.	Section	Town	mship		Ran	nge		Lot Idn	Feet from the	North/South line	Feet from the	East/We	est line	County
Р	35	23 S	OUTH	31	EAST,	N. M.	. Р. М.		20'	SOUTH	311'	EAS	ST	EDDY
Dedicated	Acres	Joint o	or Infill	Consolida	ation Coo	de	Order No.							
160														

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.

	378	61'	
	Autor 110-201	374	OPERATOR CERTIFICATION
SURFACE LOCATION NEW MEXICO EAST NAD 1983		383'	I hereby certify that the information contained herein is true and
Y=461688.66 US FT X=724133.16 US FT	§ ∕ / / ⊢	580'	complete to the best of my knowledge and belief, and that this
LAT.: N 32.2678723* LONG.: W 103.7419259*			organization either owns a working interest or unleased mineral
			interest in the land including the proposed bottom hole location or
<u>GRID AZ = 76°16'19"</u> 257.02'	× / /		has a right to drill this well at this location pursuant to a contract
			with an owner of such a mineral or working interest, or to a
KICK OFF POINT			voluntary pooling agreement or a compulsory pooling order
NEW MEXICO EAST NAD 1983	ALL		heretofore entered by the division.
Y=461749.66 US FT X=724382.84 US FT			Leslie I. Reeves 5/25/22
LAT.: N 32.2680362* LONG.: W 103.7411170*	9		Signature Date
	5206.96		LESLIE REEVES
FIRST TAKE POINT NEW MEXICO EAST	52(		Printed Name LESLIE REEVES@OXY.COM
NAD 1983 Y=461699.66 US FT X=724383.11 US FT		INI	E-mail Address
LAT.: N 32.2678987*			
LONG.: W 103.7411171*	//////////////////////////////////////	ACING	SURVEYOR CERTIFICATION
	P.6.	L SP	I hereby certify that the well location shown on this
LAST TAKE POINT NEW MEXICO EAST	12 12	HORIZONTAL	plat was plotted from field notes of actual surveys
NAD 1983 Y=456622.77 US FT X=724409.97 US FT	1	RIZO	made by me or under my supervision, and that the same is true and correct to the best of my belief.
X=724409.97 US FT LAT.: N 32.2539433* LONG.: W 103.7411208*	42	Ē	ି ସ୍ଥି (15079) <u>କ</u>
LONG.: W 103.7411208	GRID		FEBRUARY 14 2018
	<u>}</u>		Date of Survey
			Signature and Scal Of Professional Surveyor SSIONAL LAW
			Professional Surveyor-05/01
BOTTOM HOLE LOCATION			
NAD 1983			a allele
Y=456542.77 US FT X=724410.39 US FT LAT.: N 32.2537234*		302	Long (les 45/2019
LONG.: W 103.7411208*			Certificate Number 15079
	176	311	WO# 171107WL-b (Rev. C) (КА)

#### Released to Imaging: 6/3/2022 1:17:02 PM



The attached production plots showing the historical data with the estimated uplift. The estimated uplift is based on current type curve for Wolfcamp/3BSS wells (both formations use the same type curve) so it was estimated proportional to the length of rock to stimulate. GOR and WOR are expected to be the same on both formations therefore % for oil, water and gas are the same.

#### Cal-Mon 176H

#### Step 1

New Production (% per zone): Uplift Proportionally to pay zone length to add

Estimated Uplift	40.22	BOD
GOR	2500	CF/Bb
WOR	2.2	BW/BO
Additional Pay		

zone		
3BSS	192	ft
Wolfcamp	52	ft

Uplift per zone

	Oil		Water		Gas	
3BSS	31.65	BOD	69.62	BWD	79.12	MCFD
Wolfcamp	8.57	BOD	18.86	BWD	21.43	MCFD

#### Step 2

Total well Production Distribution

Current Oil	96.6	BOD
GOR	2500	CF/Bb
WOR	2.2	BW/BO

Total Production 136.8 BOD

	Oil	Water	Gas	
3BSS	23.1%	23.1%	23.1%	
Wolfcamp	76.9%	76.9%	76.9%	

Form 3160-4				UNI	TED S	TATES	NM	OCD-R	EC'D: 0	3/20/2	020		FOF	RM API	PROVED
August 2007	)		DEPAR BUREAU	TMEN	T OF	THE IN									004-0137 y 31, 2010
	WELL	COMPL	ETION C	RRE	CON	IPLET	ION R	EPORT	AND LC	)G			ease Serial I IMNM1919		
1a. Type o	_	Oil Well	🗖 Gas '		D Di		Other					6. If	Indian, Allo	ottee o	r Tribe Name
b. Type o	of Completion	n 🛛 No Other		U Wo	rk Ove	r 🖸	Deepen	🗖 Plug	g Back (	Diff. R	lesvr.	7. U	nit or CA A	greem	ent Name and No.
	JSÁ INCOR				.ESLIE	Contact: E_REEV	LESLIE 'ES@OX	REEVES Y.COM				C		35 FE	ell No. DERAL 176H
		N, TX 77	046-0521				Ph	: 713-497		irea code)	)		PI Well No.	30-0	15-45525-00-S1
	n of Well (Re	•							)*			10. I V	Field and Po VILDCAT-V	ool, or NOLF	Exploratory CAMP
At surf	ace NENE		580FEL 32			,			03 7/1120	WLop		11. S	Sec., T., R., r Area Sec	M., or c 35 T	Block and Survey 23S R31E Mer NMP
1	1	1	. 311FEL 3					,	03.741120				County or Pa	arish	13. State NM
14. Date S 12/30/	pudded		15. Da	ate T.D. /12/201	Reach			16. Date	Completed A 🛛 🕅 R 7/2019	eady to P	rod.	17. I	Elevations (1 347	DF, K 72 GL	B, RT, GL)*
18. Total I	Depth:	MD TVD	16725 11758		19. F	lug Back	: T.D.:	MD TVD	167 <sup>-</sup> 1175		20. Dep	th Bri	dge Plug Se		MD TVD
21. Type I GAMM	Electric & Ot IARAY CBL	her Mechan			nit coj	by of eac	h)	112		22. Was was l	well corect DST run? tional Sur		🛛 No	□ Yes	s (Submit analysis) s (Submit analysis) s (Submit analysis)
23. Casing a	and Liner Rec	ord (Repo	rt all strings						I		1	-			
Hole Size	Size/O	Grade	Wt. (#/ft.)	To (MI	* I	Bottom (MD)	U U	Cementer Depth	No. of Type of		Slurry (BB		Cement		Amount Pulled
14.75 9.87		750 J-55 625 L-80	45.5 26.4		0	<u>8</u> 106	48 09	4979		850 2210		206 816		0	
6.75		00 P-110	20.4		0	117		4010		900		218		10105	
6.75	0 4.5	00 P-110	13.5	1	1785	167	15			900		218	1	10105	
24. Tubing	a Decord														
Size	Depth Set (1	MD) Pa	cker Depth	(MD)	Size	e De	epth Set (	MD) P	acker Deptl	n (MD)	Size	De	epth Set (MI	D)	Packer Depth (MD)
25. Produc	ing Intervals						26. Perfor	ation Reco	ord						
F	Formation		Тор		Bott		]	Perforated			Size		No. Holes		Perf. Status
A) B)	WOLF		1	1819		16569		1	1819 TO <sup>-</sup>	6569	0.3	70	524	ACT	IVE
C)															
D) 27. Acid, F	Fracture, Trea	tment, Cerr	nent Squeeze	, Etc.											
	Depth Interv								mount and 7	Гуре of M	Iaterial				
	118	19 TO 165	69 5949132	2G SLIC	KWAT	ER W/72	24534# S.	AND							
28 Produc	tion - Interva	1 A													
Date First	Test	Hours	Test	Oil		as	Water	Oil Gr		Gas		Product	ion Method		
Produced 04/08/2019		Tested 24	Production	BBL 2424		ICF 5052.0	BBL 3636	.0	nri	Gravity			FLOV	VS FR	OM WELL
Choke lize	Tbg. Press. Flwg.	Csg. Press.	24 Hr. Rate	Oil BBL	М	as ICF	Water BBL	Gas:O Ratio		Well S					
128/128 28a Produ	SI ction - Interv	1212.0 al B		242	4	5052	363	6	2084	F	POW				
28a. Produ Date First Produced	Test Date	Hours Tested	Test Production	Oil BBL		as ICF	Water BBL	Oil Gr Corr. J		Gas Gravity	ý	Product	ion Method		
Choke	Tbg. Press.	Csg.	24 Hr.	Oil		as	Water	Gas:O	il	Well S					
Size	Flwg.	Press.	Rate	BBL	1.4	ICF	BBL	Ratio		1					

28b. Produ	ction - Interva	al C									
Date First Produced	Test Date	Hours Tested	Test Production	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr. API		as ravity	Production Method	
Choke Size	Tbg. Press. Flwg. SI	Csg. Press.	24 Hr. Rate	Oil BBL	Gas MCF	Water BBL	Gas:Oil Ratio	W	ell Status		
28c. Produ	Iction - Interva	al D									
Date First Produced	Test Date	Hours Tested	Test Production	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr. API		as ravity	Production Method	
Choke Size	Tbg. Press. Flwg. SI	Csg. Press.	24 Hr. Rate	Oil BBL	Gas MCF	Water BBL	Gas:Oil Ratio	W	Vell Status		
29. Dispos SOLD		Sold, use	d for fuel, vent	ed, etc.)							
Show a	all important z	ones of	Include Aquife	ontents there					31. For	mation (Log) Markers	
	coveries.	n interva	Î tested, cushic	n usea, ume	tool open,	nowing and	snut-in pressu	res	_		
	Formation		Тор	Bottom		Descriptio	ns, Contents, e	etc.		Name	Top Meas. Depth
BELL CAN CHERRY ( BRUSHY ( BONE SPI BONE SPI BONE SPI	CANYON CANYON RING RING 1ST RING 2ND		4489 5411 6562 8315 9079 9640 10488	5410 6561 8314 9078 9639 10487 11813	OIL OIL OIL OIL	, GAS, WA , GAS, WA , GAS, WA , GAS, WA , GAS, WA , GAS, WA	TER TER TER TER TER		SAI CAS LAM BEI CH BR	STLER LADO STILE MAR LL CANYON ERRY CANYON USHY CANYON NE SPRING	786 1085 2973 4460 4489 5411 6562 8315
32. Additio 52. FC	onal remarks ( DRMATION (	(include LOG) N	plugging proce	edure): DNTD.					•		
2ND E	ONE SPRIN BONE SPRIN BONE SPRIN	IG 96	79' MD 40' MD 488' MD								
	were mailed										
1. Elec		nical Log	gs (1 full set re			<ol> <li>Geologic</li> <li>Core Ana</li> </ol>	-		<ol> <li>DST Rep</li> <li>Other:</li> </ol>	port 4. Directio	nal Survey
34. I hereb	y certify that	the foreg					rect as determ			records (see attached instruction	ons):
				For O	XY USA II	NCORPOR	ATED, sent t ORAH HAM	o the Car	lsbad		
Name	(please print)	LESLIE	REEVES				Title	REGUL	ATORY AD	VISOR	
Signat	ure	(Electro	onic Submissi	on)			Date	08/01/20	)19		
										to make to any department or a	igency
of the Unit	ted States any	talse, fie	ctitious or frad	uient statem	ents or repre	esentations a	s to any matter	r within its	s jurisdiction		

\*\* REVISED \*\*

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#### Additional data for transaction #476273 that would not fit on the form

#### 32. Additional remarks, continued

Log Header, Directional Survey, As-Drilled Amended C-102 plat & WBD are attached.

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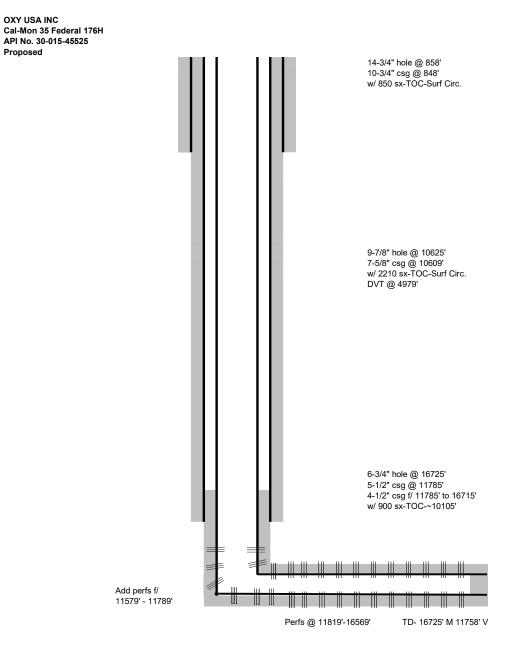
## Revisions to Operator-Submitted EC Data for Well Completion #476273

	Operator Submitted	BLM Revised (AFMSS)
Lease:	NMNM19199	NMNM19199
Agreement:		
Operator:	OXY USA INC. P.O. BOX 4294 HOUSTON, TX 77210 Ph: 713-497-2492	OXY USA INCORPORATED 5 GREENWAY PLAZA SUITE 110 HOUSTON, TX 77046-0521 Ph: 713.350.4816
Admin Contact:	LESLIE REEVES REGULATORY ADVISOR E-Mail: LESLIE_REEVES@OXY.COM Ph: 713-497-2492	LESLIE REEVES REGULATORY ADVISOR E-Mail: LESLIE_REEVES@OXY.COM Cell: 281-733-0824 Ph: 713-497-2492
Tech Contact:	LESLIE REEVES REGULATORY ADVISOR E-Mail: LESLIE_REEVES@OXY.COM Ph: 713-497-2492	LESLIE REEVES REGULATORY ADVISOR E-Mail: LESLIE_REEVES@OXY.COM Cell: 281-733-0824 Ph: 713-497-2492
Well Name: Number:	CAL-MON 35 FEDERAL 176H	CAL-MON 35 FEDERAL 176H
Location: State: County: S/T/R: Surf Loc:	NM EDDY Sec 35 T23S R31E Mer NMP NENE 110FNL 580FEL 32.267872 N Lat, 103.741925	NM EDDY Sec 35 T23S R31E Mer NMP WNENE 110FNL 580FEL 32.267872 N Lat, 103.741925 W Lon
Field/Pool:	WC-015 G-08 S233135D; WOL	WILDCAT-WOLFCAMP
Logs Run:	GAMMA RAY, CBL	GAMMARAY CBL
Producing Intervals	s - Formations: WOLFCAMP	WOLFCAMP
Porous Zones:	BELL CANYON CHERRY CANYON BRUSHY CANYON BONE SPRING 1ST BONE SPRING 2ND BONE SPRING 3RD BONE SPRING	BELL CANYON CHERRY CANYON BRUSHY CANYON BONE SPRING BONE SPRING 1ST BONE SPRING 2ND BONE SPRING 3RD
Markers:	RUSTLER SALADO CASTILE LAMAR BELL CANYON CHERRY CANYON BRUSHY CANYON BONE SPRING	RUSTLER SALADO CASTILE LAMAR BELL CANYON CHERRY CANYON BRUSHY CANYON BONE SPRING

OXY USA INC Cal-Mon 35 Federal 176H API No. 30-015-45525 Current

14-3/4" hole @ 858' 10-3/4" csg @ 848' w/ 850 sx-TOC-Surf Circ. 9-7/8" hole @ 10625' 7-5/8" csg @ 10609' w/ 2210 sx-TOC-Surf Circ. DVT @ 4979' 6-3/4" hole @ 16725' 5-1/2" csg @ 11785' 4-1/2" csg f/ 11785' to 16715' w/ 900 sx-TOC-~10105' Ш Perfs @ 11819'-16569' TD- 16725' M 11758' V Proposed

.





OXY USA Inc. 5 Greenway Plaza, Suite 110 Houston, TX 77046

May 26, 2022

Dean McClure New Mexico Oil Conservation Division 1220 South Francis Drive Santa Fe, New Mexico 87505

RE: Application for Downhole Commingling -OXY USA Inc. Cal Mon 35 Federal #176H 30-015-45525 B-35-23S-31E 110' FNL 580'FEL

Dear Mr. McClure:

Oxy USA Inc. respectfully seeks approval to downhole commingle the subject well; Cotton Draw; Bone Spring pool (13367) and the WC-015 G-08 S233135D; Wolfcamp pool (98236). I attest that adding perforations into the Bone Spring pool will not reduce the total remaining production's value. It is Oxy's responsibility as a prudent operator to maximize lateral length and minimize reserves left in the ground.

Sincerel elmo Gil Chacon Eng Advisory Prod Ops - ORCM Ops Del AM NM East Prod



OXY USA Inc. 5 Greenway Plaza, Suite 110 Houston, TX 77046

May 26, 2022

Dean McClure New Mexico Oil Conservation Division 1220 South Francis Drive Santa Fe, New Mexico 87505

RE: Application for Downhole Commingling – Identical Ownership Statement OXY USA Inc. Cal Mon 35 Federal #176H 30-015-45525 A-35-23S-31E 110' FNL 580'FEL

Dear Mr. McClure:

OXY USA Inc. respectfully seeks approval to downhole commingle the subject well; Cotton Draw; Bone Spring pool (13367) and the WC-015 G-08 S233135D; Wolfcamp pool (98236). The working, royalty and overriding royalty interests are identical across both pools.

Sincerely,

Matthew Cole Advisor Land Negotiator Sr – Land ORCM NM TX Delaware

Received by OCD: 5/26/2022 9:53:52 AM U.S. Department of the Interior BUREAU OF LAND MANAGEMENT		Sundry Print Report
Well Name: CAL-MON 35 FEDERAL	Well Location: T23S / R31E / SEC 35 / NENE / 32.2678723 / -103.7419259	County or Parish/State: EDDY / NM
Well Number: 176H	Type of Well: OIL WELL	Allottee or Tribe Name:
Lease Number: NMNM19199	Unit or CA Name:	Unit or CA Number:
US Well Number: 300154552500S1	Well Status: Producing Oil Well	<b>Operator:</b> OXY USA INCORPORATED

**Notice of Intent** 

Sundry ID: 2673134

Type of Submission: Notice of Intent

Date Sundry Submitted: 05/24/2022

Date proposed operation will begin: 05/17/2022

Type of Action: Workover Operations Time Sundry Submitted: 12:43

**Procedure Description:** OXY USA Inc. respectfully request approval on the subject well to perform the following heel frac workover operations: There is a rig on this well. • MIRU PU, 10K BOP and 5K annular BOP. • Hot Water Tubing. • Pull Packer, GL Mandrels and DHG. • PU 5-1/2" scraper and run to 11,785' • PU 3-3/4" bit and 4-1/2" scraper. Run to 11,810'. • PU 5 1/2" 10K RBP and 10K packer. RIH and set RBP at 10,651' and set Packer at 10,631'. • Pressure test casing to 8,000 psi for 30 mints. Record test. • ND 10K BOP and annular and rig floor • RDMO PU and handover well to completion team. • MIRU Frac Crew. Add 1 new stage in the heel section, 11579'-11789'. • Install Conventional Gas lift and return well to production.

**Surface Disturbance** 

Is any additional surface disturbance proposed?: No

Re	well Name: CAL-MON 35 FEDERAL	Well Location: T23S / R31E / SEC 35 / NENE / 32.2678723 / -103.7419259	County or Parish/State: EDD // of 2 NM
	Well Number: 176H	Type of Well: OIL WELL	Allottee or Tribe Name:
	Lease Number: NMNM19199	Unit or CA Name:	Unit or CA Number:
	US Well Number: 300154552500S1	Well Status: Producing Oil Well	<b>Operator:</b> OXY USA INCORPORATED

## Operator

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

**Operator Electronic Signature: LESLIE REEVES** 

Signed on: MAY 24, 2022 12:43 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 Name: Street Address: City: State: Phone: Email address:

Zip:

RECEIVED:	REVIEWER:	TYPE:	APP NO:	
		ABOVE THIS TABLE FOR OCD DIV	SION USE ONLY	
	- Geolog	<b>CO OIL CONSERVA</b> ical & Engineering irancis Drive, Santa	Bureau -	
THIS	CHECKLIST IS MANDATORY FOR	RATIVE APPLICATIC ALL ADMINISTRATIVE APPLICAT REQUIRE PROCESSING AT THE E	IONS FOR EXCEPTIONS TO DIVISION	RULES AND
Applicant: <u>OXY US</u>	SA INC.		OGRID Numl	
	MON 35 FEDERAL #176H		API: <u>30-015-45525</u>	
<b>OOOI:</b> WC-015 G-08 S2	33135D; WOLFCAMP		Pool Code: 9	98236
1) <b>TYPE OF APPL</b> A. Locatior	. <b>ICATION:</b> Check those n – Spacing Unit <u>–</u> Simu	INDICATED BELO		
[ I ] Con [ [ II ] Inje	one only for [1] or [1] nmingling – Storage – N DHC CTB I ction – Disposal – Press WFX PMX S	PLC PC OI sure Increase – Enha	nced Oil Recovery	FOR OCD ONLY
A. Offse B. Roya C. Appl D. Notifi E. Notifi F. Surfa G. For a	N REQUIRED TO: Check t operators or lease ho lty, overriding royalty o ication requires publish cation and/or concur cation and/or concur ce owner Il of the above, proof o otice required	olders owners, revenue owr ned notice rent approval by SLC rent approval by BLN	ners	Notice Complete Application Content Complete
	5 5		mitted with this applicat e best of my knowledge	

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.

LESLIE REEVES

Print or Type Name

Eeslie T. Reeves

Signature

5/26/2022 Date

713-497-2492

Phone Number

LESLIE\_REEVES@OXY.COM e-mail Address

Released to Imaging: 6/3/2022 1:17:02 PM

From:	Engineer, OCD, EMNRD
То:	Reeves, Leslie T
Cc:	McClure, Dean, EMNRD; Wrinkle, Justin, EMNRD; Powell, Brandon, EMNRD; lisa@rwbyram.com; Glover, James; Paradis, Kyle O; Walls, Christopher
Subject:	Approved Administrative Order DHC-5200
Date:	Friday, June 3, 2022 11:17:19 AM
Attachments:	DHC5200 Order.pdf

NMOCD has issued Administrative Order DHC-5200 which authorizes Oxy USA, Inc. (16696) to downhole commingle production within the following well:

## Well Name: Cal Mon 35 Federal #176H Well API: 30-015-45525

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:	Reeves, Leslie T
То:	McClure, Dean, EMNRD
Subject:	[EXTERNAL] RE: RE: Downhole Commingle Permit Timing - (2) DHC Submitted
Date:	Thursday, May 26, 2022 1:20:43 PM
Attachments:	CalMon35Federal174H_BLMSundryFiled5-24-22.pdf CalMon35Federal176H_BLMSundryFiled5-24-22.pdf

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Here are the attached sundry notices and the below explanation from our reservoir engineer.

Leslie,

Adding Paul as he can speak more about the workflow but the uplift number is proportional to the type curve IP, in other words we are expecting the new stimulated rock to behave as a new well in proportion to the length that we are adding, then we downgraded that production slightly to account for potential depletion.

Given number is in the first Month and is expected to decline similar to a new well.

#### Leslie T. Reeves

Regulatory Advisor | Permian Resources – New Mexico Office: (713) 497-2492 | 29.072 | Cell: (281) 733-0824 Email: <u>Leslie\_Reeves@oxy.com</u>

From: McClure, Dean, EMNRD <Dean.McClure@state.nm.us>
Sent: Thursday, May 26, 2022 2:14 PM
To: Reeves, Leslie T <Leslie\_Reeves@oxy.com>
Subject: RE: [EXTERNAL] RE: RE: Downhole Commingle Permit Timing - (2) DHC Submitted

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

I apologize for forgetting to mention it earlier, but I will also need a copy of the sundry you submitted to the BLM regarding this work for each of these jobs as indication that the BLM has been notified.

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

From: McClure, Dean, EMNRD

Sent: Thursday, May 26, 2022 1:06 PM
To: Reeves, Leslie T <<u>Leslie\_Reeves@oxy.com</u>>
Subject: RE: [EXTERNAL] RE: RE: Downhole Commingle Permit Timing - (2) DHC Submitted

Leslie,

I may have done a poor job of asking my question. Do you know at what point along the x-axis on the type curve the production was calculated? As an example, a type curve may depict 2000 bbl/day per 10,000 ft at 2 months, but at 2 years it may depict 200 bbl/day per 10,000 ft. Based off the quantity of uplift, I am speculating that it is being computed at initial time with the initial production value being used, but I am hoping to have that either confirmed or corrected.

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

From: Reeves, Leslie T <Leslie\_Reeves@oxy.com>
Sent: Thursday, May 26, 2022 12:56 PM
To: McClure, Dean, EMNRD <Dean.McClure@state.nm.us>
Subject: [EXTERNAL] RE: RE: Downhole Commingle Permit Timing - (2) DHC Submitted

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Here are the Admin Checklists for the two downhole commingle permits.

Also the uplift was calculated using the type curve trend. For example, if a 10000' lateral type curve shows we were to produce 3000 bbls of oil for the next month and we are adding another 100' of lateral length then they calculated the additional 100' would add 30bbls/d.

I hope that helps in your review. Thank you!

#### Leslie T. Reeves

Regulatory Advisor | Permian Resources – New Mexico Office: (713) 497-2492 | 29.072 | Cell: (281) 733-0824 Email: <u>Leslie\_Reeves@oxy.com</u>

From: Reeves, Leslie T
Sent: Thursday, May 26, 2022 10:57 AM
To: McClure, Dean, EMNRD <<u>Dean.McClure@state.nm.us</u>>
Cc: Montgomery, Kelley A <<u>Kelley\_Montgomery@oxy.com</u>>
Subject: RE: [EXTERNAL] RE: Downhole Commingle Permit Timing - (2) DHC Submitted
Importance: High

Morning Dean -

I have submitted the two DHC permits for the below two wells, I also included their action IDs. Our rig wants to complete the heel fracs next week finishing ~June 3<sup>rd</sup>, do you think these could be completed by then?

I also have the workover perforation sundry pushing with the BLM. I did use the same HSU for both pools since it is all one federal lease, same interest. Then the allocation of production is proportionate to the lateral length.

Call me if you need anything. Thank you so much for the help!

- Cal Mon 35 Federal 174H 30-015-45523 (DHC Action ID: 110825)
- Cal Mon 35 Federal 176H 30-015-45525 (DHC Action ID: 110887)

#### Leslie T. Reeves

Regulatory Advisor | Permian Resources – New Mexico Office: (713) 497-2492 | 29.072 | Cell: (281) 733-0824 Email: <u>Leslie\_Reeves@oxy.com</u>

From: McClure, Dean, EMNRD <<u>Dean.McClure@state.nm.us</u>>
Sent: Wednesday, May 25, 2022 5:50 PM
To: Reeves, Leslie T <<u>Leslie\_Reeves@oxy.com</u>>
Cc: Montgomery, Kelley A <<u>Kelley\_Montgomery@oxy.com</u>>
Subject: RE: [EXTERNAL] RE: Downhole Commingle Permit Timing

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

#### Leslie,

It is within Oxy's discretion to propose an allocation method which the Division will then review. However, for consideration, in the past when there were different portions of a lateral in different formations with identical ownership, the operator had taken historical production from near by production, normalized it for length, and then computed a fixed percentage between the pools based off completed lateral length within each formation.

Having said that, my concern here based off your description is that in the past an HSU was created for each formation but both contained the same tract of land. In the situation that you describe, I wonder how the discussion has went regarding the dedication of acreage to each of the HSUs. For example, would the wolfcamp have a 2 mile long HSU, but the bone spring only have a half mile long HSU? This would need to considered in the determination of whether ownership is identical; for instance if the bone spring had a shorter CA, would ownership between the CAs still be identical?

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

From: Reeves, Leslie T <Leslie\_Reeves@oxy.com>
Sent: Wednesday, May 25, 2022 7:50 AM
To: McClure, Dean, EMNRD <Dean.McClure@state.nm.us>
Cc: Montgomery, Kelley A <Kelley\_Montgomery@oxy.com>
Subject: [EXTERNAL] RE: Downhole Commingle Permit Timing

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Thank you Dean. Once I get it filed today, I will reach out with the Action IDs. These are two horizontal wells with the lateral drilled/completed in the wolfcamp pool.

Our team wants to perforate up the heel into the vertical to bring in and downhole commingle the bonespring pool along with the wolfcamp perfs currently producing.

I did confirm with our land group and the interest is identical between the two pools.

I appreciate your quick response.

#### **Leslie T. Reeves**

Regulatory Advisor | Permian Resources – New Mexico Office: (713) 497-2492 | 29.072 | Cell: (281) 733-0824 Email: <u>Leslie\_Reeves@oxy.com</u>

From: McClure, Dean, EMNRD <<u>Dean.McClure@state.nm.us</u>>
Sent: Tuesday, May 24, 2022 3:58 PM
To: Reeves, Leslie T <<u>Leslie\_Reeves@oxy.com</u>>
Subject: RE: [EXTERNAL] Downhole Commingle Permit Timing

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

There is quite a back log associated with the downhole commingling similar to surface commingling. Having said that, we have been trying to expediate applications which impact operational schedules.

You will want to email me with the action ID once submitted.

Some initial questions which could be helpful for Oxy proposing an allocation method:

- Are we talking about a horizontal well which the well bore mistakenly entered both pools?
- Is ownership identical between the 2 pools?

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

From: Reeves, Leslie T <Leslie\_Reeves@oxy.com>
Sent: Tuesday, May 24, 2022 2:53 PM
To: McClure, Dean, EMNRD <Dean.McClure@state.nm.us>
Subject: [EXTERNAL] Downhole Commingle Permit Timing
Importance: High

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

HI Dean-

I hope you are well. Do you know the current NMOCD downhole commingle permit approval timing? I am planning to file a downhole commingle permit for the bonespring pool and wolfcamp pool.

Thank you,

#### Leslie T. Reeves

Regulatory Advisor | Permian Resources – New Mexico Office: (713) 497-2492 | 29.072 | Cell: (281) 733-0824 Email: <u>Leslie\_Reeves@oxy.com</u>

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

## **APPLICATION FOR DOWNHOLE COMMINGLING SUBMITTED BY OXY USA, INC.**

## **ORDER NO. DHC-5200**

## <u>ORDER</u>

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

## FINDINGS OF FACT

- 1. Oxy USA, Inc. ("Applicant") submitted a complete application ("Application") to downhole commingle the pools described in Exhibit A ("the Pools") within the well bore of the well identified in Exhibit A ("the Well").
- 2. Applicant proposed a method to allocate the oil and gas production from the Well to each of the Pools that is satisfactory to the OCD and protective of correlative rights.
- 3. Applicant has certified that all produced fluids from all the Pools are compatible with each other.
- 4. Applicant has certified that downhole commingling the Pools will not decrease the value of the oil and gas production.
- 5. To the extent that ownership is identical, Applicant submitted a certification by a licensed attorney or qualified petroleum landman that ownership in the Pools is identical as defined by 19.15.12.7(B) NMAC.
- 6. To the extent that ownership is diverse, Applicant identified all owners of interest in the Pools, provided evidence a copy of the Application was given to each person, 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.

## **CONCLUSIONS OF LAW**

- 8. OCD has jurisdiction to issue this Order pursuant to the Oil and Gas Act, NMSA 1978, Sections 70-2-6, 70-2-11, 70-2-12, 70-2-16, 70-2-17, and 19.15.12 NMAC.
- 9. The downhole commingling of the Pools is common, or Applicant has provided evidence that the fluids are compatible and will not damage the Pools in accordance with 19.15.12.11(A)(1) NMAC.
- 10. The bottom perforation of the lower zone is within one hundred fifty percent (150%) of the depth of the top perforation in the upper zone or Applicant has provided evidence that the

Order No. DHC-5200

proposed commingling of the Pools shall not result in shut-in or flowing well bore pressure in excess of the commingled pool's fracture parting pressure in accordance with 19.15.12.11(A)(3) NMAC.

- 11. Applicant's proposed method of allocation, as modified herein, complies with 19.15.12.11(A)(8) NMAC.
- 12. To the extent that ownership is diverse, Applicant identified all owners of interest in the Pools and provided evidence the application was given to those persons in accordance with 19.15.12.11(C)(1)(b) NMAC.
- 13. By granting the Application with the conditions specified below, this Order prevents waste and protects correlative rights, public health, and the environment.

## <u>ORDER</u>

- 1. Applicant is authorized to downhole commingle the Pools described in Exhibit A within the well bore of the well identified in Exhibit A.
- 2. Applicant shall allocate a fixed percentage of the oil and gas production from the Well to each of the Pools as described in Exhibit A.
- 3. If an alteration is made to the Well or a condition within the Well changes which may cause the allocation of production to the Pools as approved within this Order to become inaccurate, then no later than sixty (60) days after that event, Applicant shall submit Form C-103 to the OCD Engineering Bureau describing the event and include a revised allocation plan. If OCD denies the revised allocation plan, this Order shall terminate on the date of such action.
- 4. If any of the pools being commingled is prorated, or the Well's production has been restricted by an OCD order in any manner, the allocated production from each producing pool in the commingled well bore shall not exceed the top oil or gas allowable rate for a well in that pool or rate restriction applicable to the well.
- 5. If the Well is deepened, then no later than forty-five (45) days after the Well is deepened, Applicant shall conduct and provide logs to OCD that are sufficient for OCD to determine which pool(s) each new completed interval of the Well will produce from.
- 6. If the downhole commingling of the Pools reduces the value of the oil and 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 downhole commingling application to OCD to amend this Order to remove the pool that 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.
- 7. If a completed interval of the Well is altered from what is submitted within the Application as identified in Exhibit A, then no later than sixty (60) days after the alteration, Applicant shall submit Form C-103 to the OCD Engineering Bureau detailing the alteration and completed interval.

Order No. DHC-5200

- 8. 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).
- 9. 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



DATE: Jun 3, 2022

ADRIENNE E. SANDOVAL DIRECTOR

EII	ergy, Minerals and Natural Resourc	es Department	
	Exhibit A		
	Order: DHC-5200		
	Operator: Oxy USA, Inc. (166	96)	
	Well Name: Cal Mon 35 Federa	al #176H	
	Well API: 30-015-45525		
	Pool Name: COTTON DRAW;B0	ONE SPRING	
Upper Zone	Pool ID: 13367	Current:	New: X
Opper Zone	Allocation: Fixed Percent	Oil: 23.1%	Gas: 23.1%
	Interval: Perforations	Top: 11,579	Bottom: 11,789
	Pool Name:		
Intermediate Zone	Pool ID:	Current:	New:
Intermediate zone	Allocation:	Oil:	Gas:
	Interval:	Тор:	Bottom:
Bottom of Interv	val within 150% of Upper Zone's To	p of Interval:	
	Pool Name: WC-015 G-08 S233	135D;WOLFCAMP	
Lower Zone	Pool ID: 98236	Current: X	New:
LOWEI ZOIIE	Allocation: Fixed Percent	Oil: 76.9%	Gas: 76.9%
	Interval: Perforations	Top: 11,819	Bottom: 16,569
Bottom of Interv	val within 150% of Upper Zone's To	p of Interval: YES	

## State of New Mexico Energy, Minerals and Natural Resources Department

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

Operator:	OGRID:
OXY USA INC	16696
P.O. Box 4294	Action Number:
Houston, TX 772104294	110887
	Action Type:
	[C-107] Down Hole Commingle (C-107A)

#### 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.	6/3/2022

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Action 110887