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State		Form C-107-B		
Energy, Minerals and	Revised	August 1, 2011		
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		DION		the original the Santa Fe
			office with one	e copy to the
			appropriate Dis	strict Office.
	COMMINGLING	G (DIVERSE	OWNERSHIP)	
	X 77010			
BOX 4294, HOUSTON, 12	X , 77210			
mingling Pool and Lease Co	mmingling Off-Lease	Storage and Measu	rement (Only if not Surfac	e Commingled)
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		the appropriate (Order No. <u>CTB 1103</u>	
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(C) DOOL and	I FASE COMMIN			
	5			
(D) OFF-LEASE ST	ORAGE and MEA	SUREMENT		
arce of supply? Yes N	lo			
terest owners.				
		application t	vnes)	
E) ADDITIONAL INFO Plages attach shoot			JPC ⁽³⁾	
	DRMATION (for all ts with the following in		, p (3)	
Please attach sheet r, including legal location. owing all well and facility location	s with the following in	nformation		
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Please attach sheet r, including legal location. owing all well and facility location	ts with the following in	nformation ers if Federal or St		
	Santa Fe, ON FOR SURFACE (Y USA INC. BOX 4294, HOUSTON, TZ mingling ☐Pool and Lease Co ☐ State ☐ Fede Order? ☐Yes ☐No If ement (BLM) and State Land (A) POO Please attach sheet	ON FOR SURFACE COMMINGLING Y USA INC. BOX 4294, HOUSTON, TX, 77210 mingling Pool and Lease Commingling Off-Lease State Federal Order? Yes No If "Yes", please include to the ment (BLM) and State Land office (SLO) been notoen the following in the f	Santa Fe, New Mexico 87505 ON FOR SURFACE COMMINGLING (DIVERSE Y USA INC. BOX 4294, HOUSTON, TX, 77210 mingling @Pool and Lease Commingling	Santa Fe, New Mexico 87505 office with one appropriate Diappropriate Diappropriate Diappropriate Diappropriate Diappropriate Diappropriate NC. ON FOR SURFACE COMMINGLING (DIVERSE OWNERSHIP) Y USA INC. BOX 4294, HOUSTON, TX, 77210

 TYPE OR PRINT NAME_ERIC FORTIER
 TELEPHONE NO.: 713-497-2203

E-MAIL ADDRESS: ____ERIC_FORTIER@OXY.COM____

RECEIVED:	REVIEWER:	TYPE:	APP NO:	
		ABOVE THIS TABLE FOR OCD DIVI	sion use only	
	- Geolog	CO OIL CONSERVA ical & Engineering rancis Drive, Santa	Bureau –	
		RATIVE APPLICATIC		
THIS CH		ALL ADMINISTRATIVE APPLICAT REQUIRE PROCESSING AT THE D		
Applicant: <u>OXY USA I</u>	NC.		OGI	RID Number: 16696
Vell Name: <u>SAKER 6</u>	7 FED COM #33H & OTHE	RS	API:	30-025-48934 & OTHERS
ool: ANTELOPE RIDGE	WOLFCAMP & OTHERS		Poo	Code: 2220 & OTHERS
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H. No notion 3) CERTIFICATION: administrative c	ce required I hereby certify that Ipproval is accurate	t the information sub and complete to th	mitted with this le best of my kr	s application for

Note: Statement must be completed by an individual with managerial and/or supervisory capacity.

ERIC FORTIER

Print or Type Name

Fin

Signature

8/1/2024 Date

713-497-2203

Phone Number

ERIC_FORTIER@OXY.COM e-mail Address

Released to Imaging: 11/19/2024 4:11:54 PM

APPLICATION FOR POOL AND LEASE COMMINGLING, OFF-LEASE MEASUREMENT, STORAGE AND SALES Commingling proposal for oil production for Saker Wells at the Falcon Ridge CPF Train #2

OXY USA INC requests approval for an amendment to CTB 1103 for oil production at the Falcon Ridge CPF Train #2 (H-01-T24S-R34E). The wells feeding the train are listed below. *This request also includes future wells within the same pools and leases/PAs of wells listed below.*

New Wells to be included in Falcon Ridge CPF Train #2

POOL: Antelope Ridge; Bone Spring (2200) - CA PENDING 62.5% BLM 12.5% NRI (NMNM014164) & 37.5% FEE

Well Name	ΑΡΙ	Est Date Online	Est Oil (bpd)	Est Gravity API	Est Gas (MSCFD)	Est BTU/cf	Est Water (bpd)
SAKER 6_7 FED COM 4H	30-025-50472	12/1/2024	1204	42	1976	1250	2362
SAKER 6_7 FED COM 5H	30-025-49457	12/1/2024	1204	42	1976	1250	2362
SAKER 6_7 FED COM 6H	30-025-49458	12/1/2024	1204	42	1976	1250	2362
SAKER 6_7 FED COM 13H	30-025-49461	12/1/2024	1204	42	1976	1250	2362
SAKER 6_7 FED COM 14H	30-025-49462	12/1/2024	1204	42	1976	1250	2362
SAKER 6_7 FED COM 26H	30-025-49465	12/1/2024	1204	42	1976	1250	2362

Existing Wells included in Falcon Ridge CPF Train #2

POOL: Antelope Ridge; Wolfcamp (2220) - CA PENDING 62.5% BLM 12.5% NRI (NMNM014164) & 37.5% FEE

Well Name	ΑΡΙ	Est Date Online	Est Oil (bpd)	Est Gravity API	Est Gas (MSCFD)	Est BTU/cf	Est Water (bpd)
SAKER 6_7 FED COM 33H	30-025-48934	10/1/2023	1400	42	2399	1250	2758
SAKER 6_7 FED COM 37H	30-025-48938	10/1/2023	1400	42	2399	1250	2758
SAKER 6_7 FED COM 38H	30-025-48939	10/1/2023	1400	42	2399	1250	2758

Production estimates are average of first 6-month volumes

Process Description:

Production will flow to one of two three-phase production separators. Oil will then flow through an economizer then to an in-line heater before being sent to a VRT. It will then be pumped through LACTs, which will serve as the FMPs for BLM royalty payments and OXY's sales point.

Oil and gas production will be allocated back to each well based on well test. For testing purposes, the facility will be equipped with two permanent three-phase test separators. Each test vessel will be equipped with oil turbine meters, gas orifice meters and water turbine meters.

All wells will be tested daily prior to Range 1 of decline and will be tested at least three times per month during Range 1 of decline. When Range 2 decline is started, the wells will be tested at least twice per month. Wells will be tested at least once per month when Range 3 of decline is started.

Gas production will be measured at the orifice meters off the production and test separators and will be allocated back to the wells using the aforementioned well testing guidelines. These meters will serve as the BLM gas FMPs for the purpose of BLM royalty payment, and then sent to sales. Gas Production will be handled by an amendment to PLC 913.

All water will be sent to the Falcon Ridge Water Disposal System.

Received by OCD: 8/7/2024 8:35:25 AM

Additional Application Components:

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

The oil and 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 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.

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 District I

 1625 N. French Dr., Hobbs, NM 88240

 Phone: (575) 393-6161

 Fax: (575) 393-0720

 District II

 811 S. First St., Artesia, NM 88210

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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

30-025- 30-025-50472 2200 ^{2 Pool Code}				AN	ITELOPE RIDGE	, BONE SPR	^{ame} NG				
⁴ Property (Code				⁵ Propert SAKER 6_7	y Name 7 FED COM				⁶ Well Number 4H	
⁷ OGRID 1 16696						Operator Name XY USA INC.			⁹ Elevation 3453.2' (NAVD 88)		
¹⁰ Surface Location											
UL or lot no. 1	Section 6	Township 24S	Range 35E	Lot Idn	Feet from the 180	North/South line NORTH	Feet from the 590	East/W EA		County LEA	
"Bottom Hole Location If Different From Surface											
UL or lot no. O	Section 7	Township 24S	Range 35E	Lot Idn	Feet from the 20	North/South line SOUTH	Feet from the 2200	East/W EA		County LEA	
12 Dedicated Acres 13 Joint or Infill 14 Consolidation Code 1 640.06 1		¹⁵ Order N		-			-				



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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 ¹ API Number ² Pool Code ANTELOPE RIDGE, BONE SPRING 2200 30-025-49457 ⁴ Property Code ⁵ Property Name ⁵ Well Number 330848 SAKER 6 7 FED COM 5H OGRID No. ⁸ Operator Name ⁹ Elevation 16696 OXY USA INC 3453.7' (NAVD 88) ¹⁰Surface Location East/West line UL or lot no. Section Township Range Lot Idn Feet from the North/South line Feet from the County NORTH 24S 180 6 35E 555 EAST LEA 1 ¹¹Bottom Hole Location If Different From Surface UL or lot no. Lot Idn Feet from the North/South line East/West line Section Township Range Feet from the County SOUTH Ρ 24S 35Ē 20 1260 EAST LEA 12 Dedicated Acres ¹³ Joint or Infill 14 Consolidation Code 15 Order No. 640.06



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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

WELL LOCATION AND ACREAGE DEDICATION PLAT ¹ API Number ² Pool Code ANTELOPE RIDGE, BONE SPRING 2200 30-025-49458 ⁴ Property Code 330848 ⁵ Property Name ⁵ Well Number SAKER 6 7 FED COM 6H OGRID No. ⁸ Operator Name ⁹ Elevation OXY USA INC 16696 3453.9' (NAVD 88) ¹⁰ Surface Location UL or lot no. Section Township Range Lot Idn Feet from the North/South line Feet from the East/West line County NORTH 24S 180 6 35E 520 EAST LEA 1 ¹¹Bottom Hole Location If Different From Surface UL or lot no. Lot Idn Feet from the North/South line East/West line Section Township Range Feet from the County 35Ĕ SOUTH Ρ 24S 20 331 EAST LEA 12 Dedicated Acres ¹³ Joint or Infill 14 Consolidation Code 15 Order No. 640.06



 District I

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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

WELL LOCATION AND ACREAGE DEDICATION PLAT ² Pool Code 30-025-49461 ANTELOPE RIDGE, BONE SPRING 2200 ⁵ Property Name Well Number Property Code 330848 SAKER 6 7 FED COM 13H OGRID No. ⁸ Operator Name ⁹ Elevation OXY USA INC 16696 3448.7' (NAVD 88) ¹⁰Surface Location East/West line UL or lot no. Section Township Range Lot Idn Feet from the North/South line Feet from the County NORTH 24S 710 1393 EAST 2 6 35E LEA ¹¹Bottom Hole Location If Different From Surface UL or lot no. Lot Idn Feet from the North/South line East/West line Section Township Range Feet from the County SOUTH 0 24S 35Ē 20 2306 EAST LEA 12 Dedicated Acres ¹³ Joint or Infill 14 Consolidation Code 15 Order No. 640.06



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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

WELL LOCATION AND ACREAGE DEDICATION PLAT ¹ API Number ² Pool Code ANTELOPE RIDGE, BONE SPRING 30-025-49462 2200 ⁴ Property Code 330848 ⁵ Property Name Well Number SAKER 6 7 FED COM 14H ⁷ OGRID No. ⁸ Operator Name ⁹ Elevation 16696 OXY USA INC 3448.4' (NAVD 88) ¹⁰Surface Location UL or lot no. Section Township Range Lot Idn Feet from the North/South line Feet from the East/West line County NORTH 24S 710 1358 EAST 2 6 35E LEA ¹¹Bottom Hole Location If Different From Surface UL or lot no. Lot Idn Feet from the North/South line East/West line Section Township Range Feet from the County SOUTH Ρ 24S 35Ē 20 986 EAST LEA 12 Dedicated Acres ¹³ Joint or Infill 14 Consolidation Code 15 Order No. 640.06



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

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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

WELL LOCATION AND ACREAGE DEDICATION PLAT ¹ API Number ² Pool Code ANTELOPE RIDGE, BONE SPRING 2200 30-025-49465 Property Code 330848 ⁵ Property Name Well Number SAKER 6 7 FED COM 26H ⁷ OGRID No. ⁸ Operator Name ⁹ Elevation OXY USA INC 16696 3448.7' (NAVD 88) ¹⁰Surface Location East/West line UL or lot no. Section Township Range Lot Idn Feet from the North/South line Feet from the County NORTH 24S EAST 2 6 35E 710 1653 LEA ¹¹Bottom Hole Location If Different From Surface UL or lot no. Lot Idn Feet from the North/South line East/West line Section Township Range Feet from the County SOUTH Ρ 24S 35Ē 20 1000 EAST LEA 12 Dedicated Acres ¹³ Joint or Infill 14 Consolidation Code 15 Order No. 640.06





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: 713.497.2203 Eric_Fortier@oxy.com

August 7, 2024

Re: Application for Pool and Lease Commingle Permit with Off-Lease Storage, Measurement, and Sales for Wells at Falcon Ridge CPF Train #2 in Lea County, New Mexico.

Dear Interest Owner:

This is to advise you that OXY USA INC is filing to surface commingle wells at the Falcon Ridge CPF Train #2. A copy of the application submitted to the Division is attached. *This request also includes future wells within the same pools and leases/CAs of wells listed in the attached application.*

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 Eric Fortier at (713) 497-2203.

Respectfully,

OXY USA INC Eric Fortier Regulatory Engineer Eric_Fortier@oxy.com

MAILED ON AUGUST 7, 2024

To Name RUBIE CROSBY BELL FAMILY LLC BRYAN BELL FAMILY LLC OAK VALLEY MINERAL & LAND LP CHARMAR LLC REBECCA ANN ALLISON RANDALL BATES ALLISON RICHARD C DEASON THOMAS D DEASON SAP LLC VIPER ENERGY PARTNERS LLC CROWNROCK MINERALS LP TD MINERALS LLC LESLIE CAROL EPPS SMITH ANGIE MOAD MERPEL LLC AR MIDLAND LP CATHLEEN ANN ADAMS REV TR HATCH ROYALTY LLC PEGASUS RESOURCES II LLC SORTIDA RESOURCES LLC POST OAK MAVROS II LLC ECOPETROL PERMIAN LLC WEST BEND ENERGY PARTNERS IV LLC ELK RANGE ROYALTIES II LP SAXUM PERMIAN I LLC SITIO PERMIAN LP DEX ROYALTY LLC A R MIDLAND LP GPGMILC ROBERT N ENFIELD IRR TR B ASHER LAND & MINERALS LLC BIG CEDAR RESOURCES LLC ARROTT FAMILY MINERALS LLC

To Address Line 1 To Address Line2 P O BOX 24591 P O BOX 24591 4000 N BIG SPRING STE 310 4815 VISTA DEL OSO COURT NE 1635 LYTLE COVE RD 202 CONTERA CT 1301 N HAVENHURST DR NO 217 1428 HIGH MESA RD 4901 WHITNEY LANE 900 NW 63D ST STE 200 P O BOX 51933 8111 WESTCHESTER DR STE 900 2200 ASPEN DR 320 VIRGIL DRIVE 855 TEXAS ST NO 100 2100 ROSS AVE STE 1870 LB 9 PO BOX 45807 600 W 5TH ST STE 1250 PO BOX 731077 PO BOX 50820 34 S WYNDEN DR STE 210 2800 2800 POST OAK BLVD STE 4600 1320 SOUTH UNIVERSITY DR STE 701 2110 FARRINGTON ST 5949 SHERRY LN STE 1010 1401 LAWRENCE ST STE 1750 2100 ROSS AVE STE 1870 2100 ROSS AVE STE 1870 320 GOLD AVE SW STE 200 P O BOX 1588 4071 BUENA VISTA STEET 3936 SPYGLASS RD PO BOX 6022

To City	To State	To ZIP PIC
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NEW ORLEANS	LA	70184 _9414811898765463007799
MIDLAND	ТΧ	79705 _9414811898765463007782
ALBUQUERQUE	NM	87109 _9414811898765463007737
ABILENE	ТΧ	79602 _9414811898765463007775
ABILENE	ТΧ	79602 _9414811898765463007911
WEST HOLLYWOOD	CA	90046 _9414811898765463007959
ALTO	NM	88312 _9414811898765463007966
ROSWELL	NM	88203 _9414811898765463007928
OKLAHOMA CITY	OK	73116 _9414811898765463007904
MIDLAND	ТΧ	79710 _9414811898765463007997
DALLAS	ТΧ	75225 _9414811898765463007942
PAMPA	ТΧ	79065 _9414811898765463007980
ODESSA	ТΧ	79764 _9414811898765463007973
FORT WORTH	ТΧ	76102 _9414811898765463007614
DALLAS	ТΧ	75201 _9414811898765463007669
RIO RANCHO	NM	87174 _9414811898765463007621
AUSTIN	ТΧ	78701 _9414811898765463007690
FORT WORTH	ТΧ	75373 _9414811898765463007683
MIDLAND	ТΧ	79710 _9414811898765463007638
HOUSTON	TX	77056 _9414811898765463007119
HOUSTON	TX	77056 _9414811898765463007157
FORT WORTH	ТΧ	76107 _9414811898765463007164
DALLAS	TX	75207 _9414811898765463007126
DALLAS	ТΧ	75225 _9414811898765463007102
DENVER	CO	80202 _9414811898765463007195
DALLAS	ТΧ	75201 _9414811898765463007140
DALLAS	ТΧ	75201 _9414811898765463007188
ALBUQUERQUE	NM	87102 _9414811898765463007133
TULSA	OK	74101 _9414811898765463007171
DALLAS	ТΧ	75204 _9414811898765463007317
OKLAHOMA CITY	OK	73120 _9414811898765463007355
CRAZY HORSE	SD	57730 _9414811898765463007362

From:	McClure, Dean, EMNRD on behalf of Engineer, OCD, EMNRD
To:	Fortier, Eric; Musallam, Sandra C
Cc:	McClure, Dean, EMNRD; Lowe, Leonard, EMNRD; Kautz, Paul, EMNRD; Wrinkle, Justin, EMNRD; Powell, Brandon, EMNRD; Paradis, Kyle O; Walls, Christopher
Subject:	Approved Administrative Order PLC-943
Date:	Tuesday, November 19, 2024 4:00:05 PM
Attachments:	PLC943 Order.pdf

NMOCD has issued Administrative Order PLC-943 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	
20 025 50472	Saker 6 7 Federal Com #4H	E/2	6-24S-35E	2200	
30-025-50472	Saker o / rederal Colli #4H	E/2	7-24S-35E	2200	
30-025-49457	Saker 6 7 Federal Com #5H	E/2	6-24S-35E	2200	
30-023-49437	Saker 0 / rederal Colli #5H	E/2	7-24S-35E	2200	
20 025 40459	Saker 6 7 Federal Com #6H	E/2	6-24S-35E	2200	
30-025-49458	Saker o / Federal Colli #on	E/2	7-24S-35E	2200	
30-025-49461	Saker 6 7 Federal Com #13H	E/2	6-24S-35E	2200	
30-023-49401		E/2	7-24S-35E	2200	
30-025-49462	Saker 6 7 Federal Com #14H	E/2	6-24S-35E	2200	
30-023-49402	Saker 0 / Federal Colli #14H	E/2	7-24S-35E	2200	
30-025-49465	Salar (7 Faland Care #201	E/2	6-24S-35E	2200	
30-023-49403	Saker 6 7 Federal Com #26H	E/2	7-24S-35E	2200	
30-025-48934	Saker 6 7 Federal Com #33H	E/2	6-24S-35E	2220	
30-023-48934	Saker 0 / Federal Colli #35H	E/2	7-24S-35E	2220	
20 025 49039	Saker 6 7 Federal Com #37H	E/2	6-24S-35E	2220	
30-025-48938	Saker 0 / Feueral Colli #3/H	E/2	7-24S-35E	2220	
30-025-48939	Saker 6 7 Federal Com #38H	E/2	6-24S-35E	2220	
30-023-40739	Saker 0 / Feueral Colli #38H	E/2	7-24S-35E	2220	

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 Sundry Print Report.

•	•125%
WAFMSS	
U.S. Department of the Interior	
BUREAU OF LAND MANAGEMENT	

Well Name	Well Number	US Well Number	Lease Number	Case Number	C
SAKER 6-7	13H	3002549461	NMNM014164	NMNM014164	C
SAKER 6-7	5H	3002549457	NMNM014164	NMNM014164	C
SAKER 6-7	14H	3002549462	NMNM014164	NMNM014164	C
SAKER 6-7	33H	3002548934	NMNM14164	NMNM14164	C
SAKER 6-7	6H	3002549458	NMNM014164	NMNM014164	C
SAKER 6-7	37H	3002548938	NMNM14164	NMNM14164	C
SAKER 6-7	38H	3002548939	NMNM14164	NMNM14164	C
SAKER 6-7	4H	3002550472	NMNM014164	NMNM014164	C
SAKER 6-7	26H	3002549465	NMNM014164	NMNM014164	C

Notice of Intent

Sundry ID: 2804253

Type of Submission: Notice of Intent

Date Sundry Submitted: 08/01/2024

Date proposed operation will begin: 12/01/2024

Type of Action: Commingling (Surface) a Lease Measurement Time Sundry Submitted: 12:12

search report

Sundry Print

Procedure Description: OXY requests approval according to 43 CFR 3173.14(a)(1)(iii) to commir production at the Falcon Ridge CPF Train #2. Train #2 has all CAs with the same proportion of fc fixed royalty rate of 12.5%. Statement that CAA will not negatively affect royalty revenue of fec government: Commingling will not reduce the individual wells' production value or otherwise no affect the royalty revenue of the federal government. It is the most effective means of producir reserves.

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Saker 6_7 Fed Com 4H, 5H, 6H, 13H, 14H, and 26H

Federal Communitization Agreement

Contract No. ____

THIS AGREEMENT entered into as of the 1st day of July 2024, by and between the parties subscribing, ratifying, or consenting hereto, such parties being hereinafter referred to as "parties hereto."

WITNESSETH:

WHEREAS, the Act of February 25, 1920 (41 Stat. 437), as amended and supplemented, authorizes communitization or drilling agreements communitizing or pooling a Federal oil and gas lease, or any portion thereof, with other lands, whether or not owned by the United States, when separate tracts under such Federal lease cannot be independently developed and operated in conformity with an established well-spacing program for the field or area and such communitization or pooling is determined to be in the public interest; and

WHEREAS, the parties hereto own working, royalty or other leasehold interests, or operating rights under the oil and gas leases and lands subject to this agreement which cannot be independently developed and operated in conformity with the well-spacing program established for the field or area in which said lands are located; and

WHEREAS, the parties hereto desire to communitize and pool their respective mineral interests in lands subject to this agreement for the purpose of developing and producing communitized substances in accordance with the terms and conditions of this agreement:

NOW, THEREFORE, in consideration of the premises and the mutual advantages to the parties hereto, it is mutually covenanted and agreed by and between the parties hereto as follows:

1. The lands covered by this agreement (hereinafter referred to as "communitized area") are described as follows:

Township 24 South, Range 35 East, N.M.P. M.

Lots 1 and 2, S/2NE/4, and SE/4 of Section 6, Lea County, New Mexico E/2 of Section 7, Lea County, New Mexico

Containing 640.06 acres, and this agreement shall include only the <u>Bone Spring</u> <u>Formation</u> underlying said lands and the crude oil and associated natural gas hereafter referred to as "communitized substances," producible from such formation.

- 2. Attached hereto, and made a part of this agreement for all purposes is Exhibit "A", a plat designating the communitized area and, Exhibit "B", designating the operator of the communitized area and showing the acreage, percentage and ownership of oil and gas interests in all lands within the communitized area, and the authorization, if any, for communitizing or pooling any patented or fee lands within the communitized area.
- 3. The Operator of the communitized area shall be <u>OXY USA Inc., 5 Greenway</u> <u>Plaza, Suite 110, Houston, TX 77046</u>. All matters of operations shall be governed by the operator under and pursuant to the terms and provisions of this agreement. A successor operator may be designated by the owners of the working interest in the communitized area and four (4) executed copies of a designation of successor operator shall be filed with the Authorized Officer.
- 4. Operator shall furnish the Secretary of the Interior, or his authorized representative, with a log and history of any well drilled on the communitized area, monthly reports of operations, statements of oil and gas sales and royalties and such other reports as are deemed necessary to compute monthly the royalty due the United States, as specified in the applicable oil and gas operating regulations.
- 5. The communitized area shall be developed and operated as an entirety, with the understanding and agreement between the parties hereto that all communitized substances produced there from shall be allocated among the leaseholds comprising said area in the proportion that the acreage interest of each leasehold bears to the entire acreage interest committed to this agreement.

If the communitized area approved in this Agreement contains unleased Federal lands, the value of 1/8th or 12 ¹/₂ percent for Federal lands, of the production that would be allocated to such Federal lands, described above, if such lands were leased, committed and entitled to participation, shall be payable as compensatory royalties to the Federal government. The remaining $7/8^{\text{th}}$ should be placed into an escrow account set up by the operator. Parties to the Agreement holding working interest in committed leases within the applicable communitized area are responsible for such royalty payments on the volume of the production reallocated from the unleased Federal lands to their communitized tracts as set forth in Exhibit "B" attached hereto. The value of such production subject to the payment of said royalties shall be determined pursuant to the method set forth in 30 CFR Part 1206 for unleased Federal lands. Payment of compensatory royalties on the production reallocated from the unleased Federal lands to the committed tracts within the communitized area shall fulfill the Federal royalty obligation for such production. Payment of compensatory royalties, as provided herein, shall accrue from the date the committed tracts in the communitized area that includes unleased Federal land receive a production allocation, and shall be due and payable by the last day of the calendar month next following the calendar month of actual production. Payment due under this provision shall end when the

Federal tract is leased or when production of communitized substances ceases within the communitized area and the Communitization Agreement is terminated, whichever occurs first.

Any party acquiring a Federal lease of the unleased Federal lands included in the communitized area established hereunder, will be subject to this Agreement as of the effective date of the Federal leases to said party (ies). Upon issuance of the Federal lease and payment of its proportionate cost of the well, including drilling, completing and equipping the well, the acquiring party (ies) shall own the working interest described in the Tract, as described on Exhibit "B", and shall have the rights and obligations of said working interest as to the effective date of the Federal lease.

- 6. The royalties payable on communitized substances allocated to the individual leases comprising the communitized area and the rentals provided for in said leases shall be determined and paid on the basis prescribed in each of the individual leases. Payments of rentals under the terms of leases subject to this agreement shall not be affected by this agreement except as provided for under the terms and provisions of said leases or as may herein be otherwise provided. Except as herein modified and changed, the oil and gas leases subject to this agreement shall remain in full force and effect as originally made and issued. It is agreed that for any Federal lease bearing a sliding- or step-scale rate of royalty, such rate shall be determined separately as to production from each communitization agreement to which such lease may be committed, and separately as to any noncommunitized lease production, provided, however, as to leases where the rate of royalty for gas is based on total lease production per day, such rate shall be determined by the sum of all communitized production allocated to such a lease plus any noncommunitized lease production.
- 7. There shall be no obligation on the lessees to offset any well or wells completed in the same formation as covered by this agreement on separate component tracts into which the communitized area is now or may hereafter be divided, nor shall any lessee be required to measure separately communitized substances by reason of the diverse ownership thereof, but the lessees hereto shall not be released from their obligation to protect said communitized area from drainage of communitized substances by a well or wells which may be drilled offsetting said area.
- 8. The commencement, completion, continued operation, or production of a well or wells for communitized substances on the communitized area shall be construed and considered as the commencement, completion, continued operation, or production on each and all of the lands within and comprising said communitized area, and operations or production pursuant to this agreement shall be deemed to be operations or production as to each lease committed hereto.
- 9. Production of communitized substances and disposal thereof shall be in conformity with allocation, allotments, and quotas made or fixed by any duly

- 10. The date of this agreement is August 1, 2023, and it shall become effective as of this date or from the onset of production of communitized substances, whichever is earlier upon execution by the necessary parties, notwithstanding the date of execution, and upon approval by the Secretary of the Interior or by his duly authorized representative, and shall remain in force and effect for a period of 2 years and for as long as communitized substances are, or can be, produced from the communitized area in paying quantities: Provided, that prior to production in paying quantities from the communitized area and upon fulfillment of all requirements of the Secretary of the Interior, or his duly authorized representative, with respect to any dry hole or abandoned well, this agreement may be terminated at any time by mutual agreement of the parties hereto. This agreement shall not terminate upon cessation of production if, within 60 days thereafter, reworking or drilling operations on the communitized area are commenced and are thereafter conducted with reasonable diligence during the period of nonproduction. The 2year term of this agreement will not in itself serve to extend the term of any Federal lease which would otherwise expire during said period.
- 11. The covenants herein shall be construed to be covenants running with the land with respect to the communitized interests of the parties hereto and their successors in interests until this agreement terminates and any grant, transfer, or conveyance of any such land or interest subject hereto, whether voluntary or not, shall be and hereby is conditioned upon the assumption of all obligations hereunder by the grantee, transferee, or other successor in interest, and as to Federal land shall be subject to approval by the Secretary of the Interior, or his duly authorized representative.
- 12. It is agreed between the parties hereto that the Secretary of the Interior, or his duly authorized representative, shall have the right of supervision over all Fee and State mineral operations within the communitized area to the extent necessary to monitor production and measurement, and assure that no avoidable loss of hydrocarbons occur in which the United States has an interest pursuant to applicable oil and gas regulations of the Department of the Interior relating to such production and measurement.
- 13. This agreement shall be binding upon the parties hereto and shall extend to and be binding upon their respective heirs, executors, administrators, successors, and assigns.

- **Page 22 of 57**
- 14. This agreement may be executed in any number of counterparts, no one of which needs to be executed by all parties, or may be ratified or consented to by separate instrument, in writing, specifically referring hereto, and shall be binding upon all parties who have executed such a counterpart, ratification or consent hereto with the same force and effect as if all parties had signed the same document.
- 15. <u>Nondiscrimination</u>. In connection with the performance of work under this agreement, the operator agrees to comply with all the provisions of Section 202(1) to (7) inclusive, of Executive Order 11246 (30 C.F.R. 12319), as amended, which are hereby incorporated by reference in this agreement.

IN WITNESS WHEREOF, the parties hereto have executed this agreement as of the day and year first above written and have set opposite their respective names the date of execution.

OXY USA Inc.

By: ____

James Laning Attorney-in-Fact

ACKNOWLEDGMENT

STATE OF TEXAS § § ss. COUNTY OF HARRIS §

Date

This instrument was acknowledged before me on ______, 20____, by JAMES LANING, Attorney-in-fact of OXY USA INC., a Delaware corporation, on behalf of said corporation.

(SEAL)

OXY USA INC.

NAME: James Laning Name of Authorized Agent

TITLE: <u>Attorney-In-Fact</u> Title of Authorized Agent

ACKNOWLEDGMENT

STATE OF <u>Texas</u> § COUNTY OF <u>Harris</u>

The foregoing instrument was acknowledged before me on this the _____ day of _____, 20____, by JAMES LANING, Attorney-in-fact of OXY USA INC., a Delaware corporation, on behalf of said corporation.

Notary Public in and for the State of ______ My commission expires ______

OCCIDENTAL PERMIAN LIMITED PARTNERSHIP

BY:

Signature of Authorized Agent

NAME: James Laning Name of Authorized Agent

TITLE: <u>Attorney-In-Fact</u> Title of Authorized Agent

ACKNOWLEDGMENT

STATE OF TEXAS)) COUNTY OF HARRIS)

The foregoing instrument was acknowledged before me on this the _____ day of _____, 20____, by JAMES LANING, Attorney-in-fact of OCCIDENTAL PERMIAN LIMITED PARTNERSHIP, a Texas limited partnership.

OXY Y-1 COMPANY

BY:

Signature of Authorized Agent

)

)

NAME: James Laning Name of Authorized Agent

TITLE: <u>Attorney-In-Fact</u> Title of Authorized Agent

ACKNOWLEDGMENT

STATE OF TEXAS COUNTY OF HARRIS

The foregoing instrument was acknowledged before me on this the _____ day of _____, 20____, by James Laning, Attorney-in-fact of OXY Y-1 COMPANY, a New Mexico corporation, on behalf of said corporation.

OXY USA WTP Limited Partnership

BY:

Signature of Authorized Agent

NAME: James Laning Name of Authorized Agent

TITLE: <u>Attorney-In-Fact</u> Title of Authorized Agent

ACKNOWLEDGMENT

STATE OF TEXAS)) COUNTY OF HARRIS)

The foregoing instrument was acknowledged before me on this the ______ day of _____, 20____, by James Laning, Attorney-in-fact of OXY USA WTP LIMITED PARTNERSHIP, a Delaware limited partnership, on behalf of said partnership.

COG OPERATING LLC

BY:

Signature of Authorized Agent

ACKNOWLEDGMENT

STATE OF _____§ COUNTY OF _____

The foregoing instrument was acknowledged before me on this the _____ day of

_____, 20___, by _____, Attorney-in-fact of COG Operating

LLC, a _____, on behalf of said _____.

Notary Public in and for the State of My commission expires _____

Saker 6_7 Fed Com 4H, 5H, 6H, 13H, 14H, and 26H

EXHIBIT "A"

Attached to and made a part of that Communitization Agreement dated July 1st, 2024.

Plat of communitized area covering **640.06** acres in Lots 1 and 2, S/2NE/4 and SE/4 of Section 6 and E/2 of Section 7, Township 24 South, Range 35 East, Lea County New Mexico.

Saker 6_7 Fed Com 4H, 5H, 6H, 13H, 14H, 26H

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Saker 6_7 Fed Com 4H, 5H, 6H, 13H, 14H, and 26H

EXHIBIT "B"

To Communitization Agreement Dated July 1st, 2024 embracing the following described land in E/2 of Section 6 and E/2 of Section 7, Township 24 South, Range 35 East, Lea County New Mexico.

Operator of Communitized Area: OXY USA INC.

Lease Serial Number:

DESCRIPTION OF LEASES COMMITTED

Tract No. 1

NMNM-14164

Description of Land Committed:	Township 24 South, Range 35 East, NMPM, Section 6: Lots 1 and 2, S/2NE/4. Section 7: W/2SE/4
Current Lessee of Record:	OXY USA Inc. COG Operating LLC
Number of Acres:	400.06 acres
Name and Percent of WI Owners:	OXY USA INC. – 69.642777% Occidental Permian Limited Partnership – 15.178611% OXY USA WTP Limited Partnership – 8.010934% OXY Y-1 Company – 7.167678%
<u>Tr</u>	ract No. 2
Lease Serial No.:	Fee
Description of Land Committed:	Township 24 South, Range 35 East, NMPM, Section 7: NE/4, E/2SE/4
Number of Acres:	240

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Saker 6_7 Fed Com 4H, 5H, 6H, 13H, 14H, and 26H

Authority for Pooling:

Lease Owner:

Name and Percent of WI Owners:

Lease No. 1

Lessor: Original Lessee: Date of Lease: Authority for Pooling:

Lease No. 2

Lessor: Lessee: Date of Lease: Authority for Pooling:

Lease No. 3

Lessor: Lessee: Date of Lease: Authority for Pooling:

Lease No. 4

Lessor: Lessee: Date of Lease: Authority for Pooling:

Lease No. 5

Lessor: Lessee: Date of Lease: Authority for Pooling:

Lease No. 6

Lessor: Lessee: Date of Lease: Authority for Pooling: See Below

OXY USA Inc. – 98.976% OXY Y-1 Company – .2418% OXY USA WTP LP – .27% Occidental Permian Limited Partnership – .512%

Rebecca Ann Allison Sugar Creek Resources, LLC March 5, 2020 Leases contain pooling clause

Leases contain pooling clause

Randall Bates Allison Sugar Creek Resources, LLC March 5, 2020 Leases contain pooling clause

Leslie Carol Allison Epps Smith Sugar Creek Resources, LLC March 5, 2020 Leases contain pooling clause

Angie Dawn Moad Sugar Creek Resources, LLC March 5, 2020 Leases contain pooling clause

Gary Noel Allison OXY USA Inc. October 13, 2021 Leases contain pooling clause

Shannon Wayne Allison OXY USA Inc. September 26, 2021 Leases contain pooling clause

Saker 6_7 Fed Com 4H, 5H, 6H, 13H, 14H, and 26H

Lease No. 7

Lessor: Lessee: Date of Lease: Authority for Pooling:

Lease No. 8

Lessor:

Lessee: Date of Lease: Authority for Pooling:

Lease No. 9 Lessor:

Lessee: Date of Lease: Authority for Pooling:

Lease No. 10

Lessor: Lessee: Date of Lease: Authority for Pooling:

Lease No. 11 Lessor:

Lessee: Date of Lease: Authority for Pooling:

Lease No. 12 Lessor:

Lessee: Date of Lease: Authority for Pooling: JC Resources, LP OXY USA Inc. March 17, 2022 Leases contain pooling clause

Bessie Ann Prather and husband, Paul D. Prather Robert E. Landreth October 29, 1993 Leases contain pooling clause

Dorthy Louis Howard and husband, Frankie Howard Robert E. Landreth October 29, 1993 Leases contain pooling clause

Diane Allison Robert E. Landreth October 29, 1993 Leases contain pooling clause

Mrs. Lela Roberta Hice and husband, John Hice Robert E. Landreth October 29, 1993 Leases contain pooling clause

Thomas L. Allison, Jr. and wife, Mary Alice Allison Robert E. Landreth October 29, 1993 Leases contain pooling clause

RECAPITULATION

Tract No.	<u>No. of Acres</u> <u>Committed</u>	Percentage of Interest in Communitized Area
1 2	400.06 240.00	62.5% 37.5%
Total	640.06	100.0000%

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Federal Communitization Agreement

Contract No. ____

THIS AGREEMENT entered into as of the 1st day of August 2023, by and between the parties subscribing, ratifying, or consenting hereto, such parties being hereinafter referred to as "parties hereto."

WITNESSETH:

WHEREAS, the Act of February 25, 1920 (41 Stat. 437), as amended and supplemented, authorizes communitization or drilling agreements communitizing or pooling a Federal oil and gas lease, or any portion thereof, with other lands, whether or not owned by the United States, when separate tracts under such Federal lease cannot be independently developed and operated in conformity with an established well-spacing program for the field or area and such communitization or pooling is determined to be in the public interest; and

WHEREAS, the parties hereto own working, royalty or other leasehold interests, or operating rights under the oil and gas leases and lands subject to this agreement which cannot be independently developed and operated in conformity with the well-spacing program established for the field or area in which said lands are located; and

WHEREAS, the parties hereto desire to communitize and pool their respective mineral interests in lands subject to this agreement for the purpose of developing and producing communitized substances in accordance with the terms and conditions of this agreement:

NOW, THEREFORE, in consideration of the premises and the mutual advantages to the parties hereto, it is mutually covenanted and agreed by and between the parties hereto as follows:

1. The lands covered by this agreement (hereinafter referred to as "communitized area") are described as follows:

Township 24 South, Range 35 East, N.M.P. M.

Lots 1 and 2, S/2NE/4, and SE/4 of Section 6, Lea County, New Mexico E/2 of Section 7, Lea County, New Mexico

Containing 640.06 acres, and this agreement shall include only the <u>Wolfcamp</u> <u>Formation</u> underlying said lands and the crude oil and associated natural gas hereafter referred to as "communitized substances," producible from such formation.

- 2. Attached hereto, and made a part of this agreement for all purposes is Exhibit "A", a plat designating the communitized area and, Exhibit "B", designating the operator of the communitized area and showing the acreage, percentage and ownership of oil and gas interests in all lands within the communitized area, and the authorization, if any, for communitizing or pooling any patented or fee lands within the communitized area.
- 3. The Operator of the communitized area shall be <u>OXY USA Inc., 5 Greenway</u> <u>Plaza, Suite 110, Houston, TX 77046</u>. All matters of operations shall be governed by the operator under and pursuant to the terms and provisions of this agreement. A successor operator may be designated by the owners of the working interest in the communitized area and four (4) executed copies of a designation of successor operator shall be filed with the Authorized Officer.
- 4. Operator shall furnish the Secretary of the Interior, or his authorized representative, with a log and history of any well drilled on the communitized area, monthly reports of operations, statements of oil and gas sales and royalties and such other reports as are deemed necessary to compute monthly the royalty due the United States, as specified in the applicable oil and gas operating regulations.
- 5. The communitized area shall be developed and operated as an entirety, with the understanding and agreement between the parties hereto that all communitized substances produced there from shall be allocated among the leaseholds comprising said area in the proportion that the acreage interest of each leasehold bears to the entire acreage interest committed to this agreement.

If the communitized area approved in this Agreement contains unleased Federal lands, the value of 1/8th or 12 ¹/₂ percent for Federal lands, of the production that would be allocated to such Federal lands, described above, if such lands were leased, committed and entitled to participation, shall be payable as compensatory royalties to the Federal government. The remaining $7/8^{\text{th}}$ should be placed into an escrow account set up by the operator. Parties to the Agreement holding working interest in committed leases within the applicable communitized area are responsible for such royalty payments on the volume of the production reallocated from the unleased Federal lands to their communitized tracts as set forth in Exhibit "B" attached hereto. The value of such production subject to the payment of said royalties shall be determined pursuant to the method set forth in 30 CFR Part 1206 for unleased Federal lands. Payment of compensatory royalties on the production reallocated from the unleased Federal lands to the committed tracts within the communitized area shall fulfill the Federal royalty obligation for such production. Payment of compensatory royalties, as provided herein, shall accrue from the date the committed tracts in the communitized area that includes unleased Federal land receive a production allocation, and shall be due and payable by the last day of the calendar month next following the calendar month of actual production. Payment due under this provision shall end when the

Federal tract is leased or when production of communitized substances ceases within the communitized area and the Communitization Agreement is terminated, whichever occurs first.

Any party acquiring a Federal lease of the unleased Federal lands included in the communitized area established hereunder, will be subject to this Agreement as of the effective date of the Federal leases to said party (ies). Upon issuance of the Federal lease and payment of its proportionate cost of the well, including drilling, completing and equipping the well, the acquiring party (ies) shall own the working interest described in the Tract, as described on Exhibit "B", and shall have the rights and obligations of said working interest as to the effective date of the Federal lease.

- 6. The royalties payable on communitized substances allocated to the individual leases comprising the communitized area and the rentals provided for in said leases shall be determined and paid on the basis prescribed in each of the individual leases. Payments of rentals under the terms of leases subject to this agreement shall not be affected by this agreement except as provided for under the terms and provisions of said leases or as may herein be otherwise provided. Except as herein modified and changed, the oil and gas leases subject to this agreement shall remain in full force and effect as originally made and issued. It is agreed that for any Federal lease bearing a sliding- or step-scale rate of royalty, such rate shall be determined separately as to production from each communitization agreement to which such lease may be committed, and separately as to any noncommunitized lease production, provided, however, as to leases where the rate of royalty for gas is based on total lease production per day, such rate shall be determined by the sum of all communitized production allocated to such a lease plus any noncommunitized lease production.
- 7. There shall be no obligation on the lessees to offset any well or wells completed in the same formation as covered by this agreement on separate component tracts into which the communitized area is now or may hereafter be divided, nor shall any lessee be required to measure separately communitized substances by reason of the diverse ownership thereof, but the lessees hereto shall not be released from their obligation to protect said communitized area from drainage of communitized substances by a well or wells which may be drilled offsetting said area.
- 8. The commencement, completion, continued operation, or production of a well or wells for communitized substances on the communitized area shall be construed and considered as the commencement, completion, continued operation, or production on each and all of the lands within and comprising said communitized area, and operations or production pursuant to this agreement shall be deemed to be operations or production as to each lease committed hereto.
- 9. Production of communitized substances and disposal thereof shall be in conformity with allocation, allotments, and quotas made or fixed by any duly

authorized person or regulatory body under applicable Federal or State statutes. This agreement shall be subject to all applicable Federal and State laws or executive orders, rules and regulations, and no party hereto shall suffer a forfeiture or be liable in damages for failure to comply with any of the provisions of this agreement if such compliance is prevented by, or if such failure results from, compliance with any such laws, orders, rules or regulations.

- 10. The date of this agreement is August 1, 2023, and it shall become effective as of this date or from the onset of production of communitized substances, whichever is earlier upon execution by the necessary parties, notwithstanding the date of execution, and upon approval by the Secretary of the Interior or by his duly authorized representative, and shall remain in force and effect for a period of 2 years and for as long as communitized substances are, or can be, produced from the communitized area in paying quantities: Provided, that prior to production in paying quantities from the communitized area and upon fulfillment of all requirements of the Secretary of the Interior, or his duly authorized representative, with respect to any dry hole or abandoned well, this agreement may be terminated at any time by mutual agreement of the parties hereto. This agreement shall not terminate upon cessation of production if, within 60 days thereafter, reworking or drilling operations on the communitized area are commenced and are thereafter conducted with reasonable diligence during the period of nonproduction. The 2year term of this agreement will not in itself serve to extend the term of any Federal lease which would otherwise expire during said period.
- 11. The covenants herein shall be construed to be covenants running with the land with respect to the communitized interests of the parties hereto and their successors in interests until this agreement terminates and any grant, transfer, or conveyance of any such land or interest subject hereto, whether voluntary or not, shall be and hereby is conditioned upon the assumption of all obligations hereunder by the grantee, transferee, or other successor in interest, and as to Federal land shall be subject to approval by the Secretary of the Interior, or his duly authorized representative.
- 12. It is agreed between the parties hereto that the Secretary of the Interior, or his duly authorized representative, shall have the right of supervision over all Fee and State mineral operations within the communitized area to the extent necessary to monitor production and measurement, and assure that no avoidable loss of hydrocarbons occur in which the United States has an interest pursuant to applicable oil and gas regulations of the Department of the Interior relating to such production and measurement.
- 13. This agreement shall be binding upon the parties hereto and shall extend to and be binding upon their respective heirs, executors, administrators, successors, and assigns.
- 14. This agreement may be executed in any number of counterparts, no one of which needs to be executed by all parties, or may be ratified or consented to by separate instrument, in writing, specifically referring hereto, and shall be binding upon all parties who have executed such a counterpart, ratification or consent hereto with the same force and effect as if all parties had signed the same document.
- 15. <u>Nondiscrimination</u>. In connection with the performance of work under this agreement, the operator agrees to comply with all the provisions of Section 202(1) to (7) inclusive, of Executive Order 11246 (30 C.F.R. 12319), as amended, which are hereby incorporated by reference in this agreement.

IN WITNESS WHEREOF, the parties hereto have executed this agreement as of the day and year first above written and have set opposite their respective names the date of execution.

OXY USA Inc.

.

Date

By: ____

James Laning Attorney-in-Fact

ACKNOWLEDGMENT

STATE OF TEXAS § § ss. COUNTY OF HARRIS §

This instrument was acknowledged before me on ______, 20____, by JAMES LANING, Attorney-in-fact of OXY USA INC., a Delaware corporation, on behalf of said corporation.

(SEAL)

OXY USA INC.

NAME: James Laning Name of Authorized Agent

TITLE: <u>Attorney-In-Fact</u> Title of Authorized Agent

ACKNOWLEDGMENT

STATE OF <u>Texas</u> § COUNTY OF <u>Harris</u>

The foregoing instrument was acknowledged before me on this the _____ day of _____, 20____, by JAMES LANING, Attorney-in-fact of OXY USA INC., a Delaware corporation, on behalf of said corporation.

Notary Public in and for the State of ______ My commission expires ______

OCCIDENTAL PERMIAN LIMITED PARTNERSHIP

BY:

Signature of Authorized Agent

NAME: James Laning Name of Authorized Agent

TITLE: <u>Attorney-In-Fact</u> Title of Authorized Agent

ACKNOWLEDGMENT

STATE OF TEXAS)) COUNTY OF HARRIS)

The foregoing instrument was acknowledged before me on this the _____ day of _____, 20____, by JAMES LANING, Attorney-in-fact of OCCIDENTAL PERMIAN LIMITED PARTNERSHIP, a Texas limited partnership.

OXY Y-1 COMPANY

BY:

Signature of Authorized Agent

)

)

NAME: James Laning Name of Authorized Agent

TITLE: <u>Attorney-In-Fact</u> Title of Authorized Agent

ACKNOWLEDGMENT

STATE OF TEXAS COUNTY OF HARRIS

The foregoing instrument was acknowledged before me on this the _____ day of _____, 20____, by James Laning, Attorney-in-fact of OXY Y-1 COMPANY, a New Mexico corporation, on behalf of said corporation.

OXY USA WTP Limited Partnership

BY:

Signature of Authorized Agent

NAME: James Laning Name of Authorized Agent

TITLE: <u>Attorney-In-Fact</u> Title of Authorized Agent

ACKNOWLEDGMENT

STATE OF TEXAS)) COUNTY OF HARRIS)

The foregoing instrument was acknowledged before me on this the _____ day of _____, 20____, by James Laning, Attorney-in-fact of OXY USA WTP LIMITED PARTNERSHIP, a Delaware limited partnership, on behalf of said partnership.

ADVANCE ENERGY PARTNERS HAT MESA LLC

BY:

Signature of Authorized Agent

ACKNOWLEDGMENT

STATE OF _____§ COUNTY OF _____ 8

The foregoing instrument was acknowledged before me on this the day of _____, 20___, by ______, Attorney-in-fact of <u>ADVANCE</u> ENERGY PARTNERS HAT MESA, a _____, on behalf of said ____

> Notary Public in and for the State of My commission expires _____

Saker 6_7 Fed Com 33H, 37H, and 38H

WORKING INTEREST OWNERS AND/OR LESSEES OF RECORD

DEVON ENERGY PRODUCTION COMPANY LP

BY:

Signature of Authorized Agent

ACKNOWLEDGMENT

STATE OF _____§ § COUNTY OF _____ 8

The foregoing instrument was acknowledged before me on this the _____ day of _____, 20___, by _____, Attorney-in-fact of <u>DEVON</u> ENERGY PRODUCTION COMPANY LP, a _____, on behalf of

said _____.

Notary Public in and for the State of My commission expires _____

COG OPERATING LLC

BY:

Signature of Authorized Agent

ACKNOWLEDGMENT

STATE OF ______§ COUNTY OF _____§

The foregoing instrument was acknowledged before me on this the _____ day of _____, 20___, by _____, Attorney-in-fact of COG Operating LLC, a _____, on behalf of said _____.

Notary Public in and for the State of ______ My commission expires _____

Saker 6_7 Fed Com 33H, 37H, and 38H

EXHIBIT "A"

Attached to and made a part of that Communitization Agreement dated <u>August 1st, 2023</u>.

Plat of communitized area covering **640.06** acres in Lots 1 and 2, S/2NE/4 and SE/4 of Section 6 and E/2 of Section 7, Township 24 South, Range 35 East, Lea County New Mexico.

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22	23	24	19	20	21 Legend: Com • - Sake Tracs 1 2	m Boundary r 6_7 Fed Com Wells

Saker 6_7 Fed Com 33H, 37H, and 38H

EXHIBIT "B"

To Communitization Agreement Dated August 1, 2023 embracing the following described land in E/2 of Section 6 and E/2 of Section 7, Township 24 South, Range 35 East, Lea County New Mexico.

Operator of Communitized Area: OXY USA INC.

DESCRIPTION OF LEASES COMMITTED

Tract No. 1

Lease Serial Number:	NMNM-14164
Description of Land Committed:	Township 24 South, Range 35 East, NMPM, Section 6: Lots 1 and 2, S/2NE/4. Section 7: W/2SE/4
Current Lessee of Record:	OXY USA Inc. COG Operating LLC Devon Energy Production Co LP Advance Energy Partners Hat Mesa LLC
Number of Acres:	400.06 acres
Name and Percent of WI Owners:	OXY USA INC. – 69.642777% Occidental Permian Limited Partnership – 15.178611% OXY USA WTP Limited Partnership – 8.010934% OXY Y-1 Company – 7.167678%
Tract	<u>t No. 2</u>
Lease Serial No.:	Fee
Description of Land Committed:	Township 24 South, Range 35 East, NMPM, Section 7: NE/4, E/2SE/4

240

Page 14 of 17

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Number of Acres:

Saker 6_7 Fed Com 33H, 37H, and 38H

Authority for Pooling:

Lease Owner:

Name and Percent of WI Owners:

Lease No. 1

Lessor: Original Lessee: Date of Lease: Authority for Pooling:

Lease No. 2

Lessor: Lessee: Date of Lease: Authority for Pooling:

Lease No. 3

Lessor: Lessee: Date of Lease: Authority for Pooling:

Lease No. 4

Lessor: Lessee: Date of Lease: Authority for Pooling:

Lease No. 5

Lessor: Lessee: Date of Lease: Authority for Pooling:

Lease No. 6

Lessor: Lessee: Date of Lease:

Leases contain pooling clause

See Below

OXY USA Inc. – 98.976% OXY Y-1 Company – .2418% OXY USA WTP LP – .27% Occidental Permian Limited Partnership – .512%

Rebecca Ann Allison Sugar Creek Resources, LLC March 5, 2020 Leases contain pooling clause

Randall Bates Allison Sugar Creek Resources, LLC March 5, 2020 Leases contain pooling clause

Leslie Carol Allison Epps Smith Sugar Creek Resources, LLC March 5, 2020 Leases contain pooling clause

Angie Dawn Moad Sugar Creek Resources, LLC March 5, 2020 Leases contain pooling clause

Gary Noel Allison OXY USA Inc. October 13, 2021 Leases contain pooling clause

Shannon Wayne Allison OXY USA Inc. September 26, 2021

Saker 6_7 Fed Com 33H, 37H, and 38H

Authority for Pooling:

Lease No. 7

Lessor: Lessee: Date of Lease: Authority for Pooling:

Lease No. 8

Lessor:

Lessee: Date of Lease: Authority for Pooling:

Lease No. 9 Lessor:

Lessee: Date of Lease: Authority for Pooling:

Lease No. 10

Lessor: Lessee: Date of Lease: Authority for Pooling:

Lease No. 11 Lessor:

Lessee: Date of Lease: Authority for Pooling:

Lease No. 12 Lessor:

Lessee: Date of Lease: Authority for Pooling: Leases contain pooling clause

JC Resources, LP OXY USA Inc. March 17, 2022 Leases contain pooling clause

Bessie Ann Prather and husband, Paul D. Prather Robert E. Landreth October 29, 1993 Leases contain pooling clause

Dorthy Louis Howard and husband, Frankie Howard Robert E. Landreth October 29, 1993 Leases contain pooling clause

Diane Allison Robert E. Landreth October 29, 1993 Leases contain pooling clause

Mrs. Lela Roberta Hice and husband, John Hice Robert E. Landreth October 29, 1993 Leases contain pooling clause

Thomas L. Allison, Jr. and wife, Mary Alice Allison Robert E. Landreth October 29, 1993 Leases contain pooling clause

RECAPITULATION

Tract No.	No. of Acres Committed	Percentage of Interest in Communitized Area	
1 2	400.06 240.00	62.5% 37.5%	
Total	640.06	100.0000%	

•

Affidavit of Publication

STATE OF NEW MEXICO COUNTY OF LEA

I. Daniel Russell, Publisher of the Hobbs News-Sun, a newspaper published at Hobbs, New Mexico, solemnly swear that the clipping attached hereto was published in the regular and entire issue of said newspaper, and not a supplement thereof for a period of 1 issue(s).

> Beginning with the issue dated August 04, 2024 and ending with the issue dated August 04, 2024.

Ansell

Publisher

Sworn and subscribed to before me this 4th day of August 2024.

Rethblack

Business Manager

My commission expires January 29 STATE OF NEW MEXICO NOTARY PUBLIC (Seal) GUSSIE RUTH BLACK COMMISSION # 1087526 COMMISSION EXPIRES 01/29/2027

This newspaper is duly qualified to publish legal notices or advertisements within the meaning of Section 3, Chapter 167, Laws of 1937 and payment of fees for said publication has been made.

67111848

00293018

LEGAL

TALENT ACQUISITION OCCIDENTAL PERMIAN 5 GREENWAY PLAZA, STE 110 HOUSTON, TX 77046

LEGAL

the application.

LEGAL NOTICE August 4, 2024

OXY USA INC located at 5 Greenway Plaza, Suite 110 Houston TX 77046 is applying to the NMOCD to amend surface commingle permit CTB 1103 for oil production at the Falcon Ridge Facility Train #2. The facility is located in Lea County in Section 1 in T24S-R34E. Wells going to this battery are located in Sections 6 and 7 T24S-R35E. Production is from the Antelope Ridge; Wolfcamp and Antelope Ridge; Bone Spring pools.

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

For questions pertaining to the application, please contact Eric Fortier at (713) 497-2203, #00293018

Notice of Application for Surface Commingling

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-943

<u>ORDER</u>

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

FINDINGS OF FACT

- 1. Oxy USA, Inc. ("Applicant") submitted a complete application to surface commingle the oil production from the pools, leases, and wells as described in Exhibit A ("Application").
- 2. Applicant proposed a method to allocate the oil production to the pools, leases, and wells to be commingled.
- 3. Applicant provided notice of the Application to all persons owning an interest in the oil production to be commingled, including the owners of royalty and overriding royalty interests, regardless of whether they have a right or option to take their interests in kind, and those persons either submitted a written waiver or did not file an objection to the Application.
- 4. Applicant provided notice of the Application to the Bureau of Land Management ("BLM") or New Mexico State Land Office ("NMSLO"), as applicable.
- 5. Applicant certified the commingling of oil production from the pools, leases, and wells will not in reasonable probability reduce the value of the oil production to less than if it had remained segregated.
- 6. Applicant in the notice for the Application stated that it sought authorization to prospectively include additional pools, leases, and wells in accordance with 19.15.12.10 C.(4)(g) NMAC.
- 7. Applicant stated that it sought authorization to surface commingle and off-lease measure, as applicable, oil production from wells which have not yet been approved to be drilled, but will produce from a pool and lease as described in Exhibit A.
- 8. 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 ("CA Pooled Area"), as described in Exhibit A.
- 9. This Order is associated with Order PLC-913 which authorizes in-full or in-part the commingling of gas production from the pools, leases, and wells as described in Exhibit A.

Order No. PLC-943

CONCLUSIONS OF LAW

- 10. 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.
- 11. 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.
- 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.
- 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.
- 14. Commingling of oil production from state, federal, or tribal leases shall not commence until approved by the BLM or NMSLO, as applicable, in accordance with 19.15.12.10 B.(3) NMAC and 19.15.12.10 C.(4)(h) NMAC.
- 15. 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.
- 16. 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 surface commingle oil production from the pools, leases, and wells as described in Exhibit A.

Applicant is authorized to store and measure oil production off-lease from the pools, leases, and wells as described in Exhibit A at a central tank battery or gas title transfer meter described in Exhibit A.

Applicant is authorized to surface commingle oil production from wells not included in Exhibit A but that produce from a pool and lease as described in Exhibit A.

Applicant is authorized to store and measure oil production off-lease from wells not included in Exhibit A but that produce from a pool and lease as described in Exhibit A at a central tank battery or gas title transfer meter described in Exhibit A.

- 2. This Order supersedes Order CTB-1103.
- 3. For each CA Pooled Area described in Exhibit A, Applicant shall submit a Proposed Agreement to the BLM or NMSLO, as applicable, prior to commencing oil production. If Applicant fails to submit the Proposed Agreement, this Order shall terminate on the following day.

Order No. PLC-943

No later than sixty (60) days after the BLM or NMSLO approves or denies a Proposed Agreement, Applicant shall submit a 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 CA 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 commingling application to OCD to conform this Order with the approved Agreement(s) if the formation or dedicated lands are modified or if a modification is made that will affect this Order. If Applicant fails to submit the new surface commingling application, this Order shall terminate on the date of such action, this Order shall terminate on the date of such action.

Applicant shall allocate the oil production to each lease within a CA Pooled Area in proportion to the acreage that each lease bears to the entire acreage of the CA Pooled Area until the Proposed Agreement which includes the CA Pooled Area is approved. After the Proposed Agreement is approved, the oil production from the CA 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. The allocation of oil production to wells not included in Exhibit A but that produce from a pool and lease as described in Exhibit A shall be determined in the same manner as to wells identified in Exhibit A that produce from that pool and lease, provided that if more than one allocation method is being used or if there are no wells identified in Exhibit A that produce from the pool and lease, then allocation of oil production to each well not included in Exhibit A shall be determined by OCD prior to commingling production from it with the production from another well.
- 5. The allocation of oil production shall be based on the production life of each well as measured for three periods: (a) the initial production period shall be measured from the first production until the earlier of either the peak production rate or thirty (30) days after the first production; (b) the plateau period shall be measured from the end of the initial production period to the peak decline rate; and (c) the decline period shall be measured from the end of the plateau period until the well is plugged and abandoned.

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

Order No. PLC-943

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

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

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

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

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

- 6. Applicant shall measure and market the commingled oil at a central tank battery described in Exhibit A in accordance with this Order and 19.15.18.15. NMAC or 19.15.23.8. NMAC.
- 7. Applicant shall calibrate the meters used to measure or allocate oil production in accordance with 19.15.12.10 C.(2) NMAC.
- 8. If the commingling of oil production from any pool, lease, or well reduces the value of the commingled oil production to less than if it had remained segregated, no later than sixty (60) days after the decrease in value has occurred Applicant shall submit a new surface commingling application to OCD to amend this Order to remove the pool, lease, or well whose oil production caused the decrease in value. If Applicant fails to submit a new application, this Order shall terminate on the following day, and if OCD denies the application, this Order shall terminate on the date of such action.
- 9. 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, provided the pools, leases, and subsequently drilled wells are within the identified parameters included in the Application.
- 10. If a well is not included in Exhibit A but produces from a pool and lease as described 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, proposed method to determine the allocation of oil production to it, and the location(s) that commingling of its production will occur.

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

GERASIMOS RAZATOS DIRECTOR (ACTING)

DATE: 11/19/2024

	State of New Mexi Energy, Minerals and Natural Res				
Exhibit A					
	Order: PLC-943				
	Operator: Oxy USA, Inc, (1	16696)			
	Central Tank Battery: Falcon Ridge Ce	entral Processing Fa	acility Train 2		
	al Tank Battery Location: UL H, Section 1,	Township 24 Sout	h, Range 34 Eas	t	
Gas Title	Transfer Meter Location:				
	Pools				
		ol Name	Pool Code		
	ANTELOPE RIDGE		2200		
	ANTELOPE RIDG		2220		
	I				
	Leases as defined in 19.15.1 Lease	UL or Q/Q	S-T-R		
DDODO		E/2	6-24S-35E		
PROPOS	ED CA Wolfcamp NMNM 106359473	E/2	7-24S-35E		
		E/2	6-24S-35E		
	PROPOSED CA Bone Spring BLM	E/2	7-24S-35E		
	Wells				
Well API	Well Name	UL or Q/Q	S-T-R	Pool	
20 025 50472	Salar (7 Falard Carr #41	E/2	6-24S-35E	2200	
30-025-50472	Saker 6 7 Federal Com #4H	E/2	7-24S-35E	2200	
30-025-49457	Saker 6 7 Federal Com #5H	E/2	6-24S-35E	2200	
30-023-47437	Saker 0 / Feueral Colli #511	E/2	7-24S-35E	2200	
30-025-49458	Saker 6 7 Federal Com #6H	E/2	6-24S-35E	2200	
00 010 19100	Suiter of a cucrui comment	E/2	7-24S-35E	2200	
30-025-49461	Saker 6 7 Federal Com #13H	E/2	6-24S-35E	2200	
		E/2	7-24S-35E		
30-025-49462	Saker 6 7 Federal Com #14H	E/2	6-24S-35E	2200	
		E/2	7-24S-35E		
30-025-49465	Saker 6 7 Federal Com #26H	E/2	6-24S-35E	2200	
		E/2	7-24S-35E	2220	
30-025-48934	Saker 6 7 Federal Com #33H	E/2 E/2	6-24S-35E 7-24S-35E		
	48938 Saker 6 7 Federal Com #37H	E/2 E/2	6-24S-35E	2220	
30-025-48938		E/2 E/2	0-245-35E 7-24S-35E		
		E/2 E/2	6-24S-35E		
30-025-48939	Saker 6 7 Federal Com #38H	E/2 E/2	0-24S-35E 7-24S-35E	2220	
			1-2-10-JJL		

ORDER NO. PLC-943

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Sante Fe Main Office Phone: (505) 476-3441

General Information Phone: (505) 629-6116

Online Phone Directory https://www.emnrd.nm.gov/ocd/contact-us

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

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CO	ווטא	FION	5

Operator:	OGRID:
OXY USA INC	16696
P.O. Box 4294	Action Number:
Houston, TX 772104294	371168
	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 email us at OCD.Engineer@emnrd.nm.gov.	11/19/2024		

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Action 371168