State of New Mexico Energy, Minerals and Natural Resources Department

Susana Martinez

Governor

Ken McQueen Cabinet Secretary

Matthias Sayer Deputy Cabinet Secretary David R. Catanach, Division Director Oil Conservation Division



December 5, 2017

Surface Commingling Order PLC-492 Administrative Application Reference No. pMAM1731759469

OXY USA WTP LIMITED PARTNERSHIP

Attention: Ms. Sandra Musallam

Pursuant to your application received on November 13, 2017, OXY USA WTP Limited Partnership (OGRID 192463) is hereby authorized to surface commingle oil and gas production from the following pools located in Township 18 South, Range 28 East, and Township 19 South, Range 28 East, NMPM, Eddy County, New Mexico;

TRAVIS; UPPER PENN (59860)
ILLINOIS CAMP; BONE SPRING, EAST (96632)
TRAVIS WOLFCAMP (96833)

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

Lease:

State lease LG 29855

Description:

NW/4 NW/4 of Section 26, Township 18 South, Range 28 East

Well:

Pagan State Well No. 1

API 30-015-30316

Pool:

Illinois Camp; Bone Spring, East

Lease:

State lease LG 29855

Description:

N/2 SW/4 of Section 26, Township 18 South, Range 28 East

Well:

Pagan State Well No. 2

API 30-015-30367

Pool:

Travis; Upper Penn

Lease:

State lease XO 64705

Description:

N/2 NE/4 and E/2 SE/4, all in Section 33, Township 18 South, Range 28 East

Wells:

James Buchanan 33 Well No. 1

API 30-015-29890

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James Buchanan 33 Well No. 2

API 30-015-30322

Pool:

Travis; Upper Penn

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Lease:

State lease XO 648150

Description: NE/4 SW/4 of Section 4, Township 19 South, Range 28 East

Well:

Edward Mitchusson 4 Well No. 1

API 30-015-30367

Pool:

Travis Wolfcamp

The combined oil spacing and prorations units for these wells include the NW/4 NW/4 and N/2 SW/4 of Section 26, N/2 NE/4 and E/2 SE/4, Section 33, all in Township 18 South, Range 28 East, and the NE/4 SW/4 of Section 4, Township 19 South, Range 28 East, NMPM, Eddy County, New Mexico.

Commingled oil and gas production from the wells shall be measured and sold at the James Buchanan Tank Battery (CTB), located in Unit I of Section 33, Township 18 South, Range 28 East, NMPM, Eddy County, New Mexico.

Production from the subject wells shall be determined as follows:

Oil and gas production from the Edward Mitchusson 4 Well No. 1 shall be measured at its well pad located in Unit K, Section 4, Township 19 South, Range 28 East. Oil and water is recombined after metering and commingled with the James Buchanan 33 Well No. 1 and James Buchanan 33 Well No. 1 at the CTB. These wells shall be measured with a combination of metering and well testing, before commingling with the other wells. The oil and gas production from the Pagan State Well No. 1 and Pagan State Well No. 1 shall be measured with a combination of metering and well testing, before commingling with the other wells.

The allocation meters shall be calibrated quarterly in accordance with Division Rule 19.15.12.10.C (2) NMAC.

This installation shall be installed and operated in accordance with the applicable Division Rules and Regulations.

This approval is subject to like approval from New Mexico State Land Office before commencing commingling operations.

This Order supersedes Administrative Order PLC-467-C, issued on October 30, 1998, for the wells specified in this Administrative Order. This Administrative Order adds the Illinois Camp; Bone Spring, East Pool.

The Operator shall notify the transporter of this commingling authority and the Artesia District Office prior to implementation of commingling operations.

For future additions of wells and leases to this commingling operation, notice shall only be given to those interest owners in the wells and leases to be added, in accordance with Division Rule 19.15.12.10 C (4) (g) NMAC.

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Done at Santa Fe, New Mexico, on December 5, 2017.

DAVID R. CATANACH

Director

DRC/mam

cc: Oil Conservation Division District Office – Artesia

New Mexico State Land Office - Carlsbad