

Revised March 23, 2017

RECEIVED:	· /	REVIEWER)	TYPE	APP NO:	
11161201		NLL	PLC	DMAM 1519830216	
	,	ABOV	E THIS TABLE FOR OCD DIVISION USE O	DNIA	
		NEW MEYICO OIL	CONCERVATION	LOUVICION ASSESSMENT	

NEW MEXICO OIL CONSERVATION DIVISION Geological & Engineering Bureau – 1220 South St. Francis Drive, Santa Fe, NM 87505 ADMINISTRATIVE APPLICATION CHECKLIST THIS CHECKLIST IS MANDATORY FOR ALL ADMINISTRATIVE APPLICATIONS FOR EXCEPTIONS TO DIVISION RULES AND REGULATIONS WHICH REQUIRE PROCESSING AT THE DIVISION LEVEL IN SANTA FE Applicant: OXY USA INC OGRID Number: 16696 Well Name: CORRAL CANYON 36-25 FED COM #24H & MULTIPLE API: 30-015-44634 & MULTIPLE Pool: PIERCE CROSSING; BONE SPRING, EAST & PURPLE SAGE; WOLFCAMP GAS Pool Code: 96473 & 98220 SUBMIT ACCURATE AND COMPLETE INFORMATION REQUIRED TO PROCESS THE TYPE OF APPLICATION INDICATED BELOW 1) TYPE OF APPLICATION: Check those which apply for [A] A. Location – Spacing Unit – Simultaneous Dedication NSP (PRORATION UNIT) NSP (PROJECT AREA) B. Check one only for [1] or [1] [1] Commingling – Storage – Measurement ■PLC □PC DHC CTB [II] Injection - Disposal - Pressure Increase - Enhanced Oil Recovery WFX □PMX □SWD □IPI ☐ EOR **FOR OCD ONLY** 2) **NOTIFICATION REQUIRED TO:** Check those which apply. Notice Complete A. Offset operators or lease holders B. Royalty, overriding royalty owners, revenue owners **Application** C. Application requires published notice Content D. Notification and/or concurrent approval by SLO Complete E. Notification and/or concurrent approval by BLM F. Surface owner G. For all of the above, proof of notification or publication is attached, and/or, H. \rac{\sqrt{}} No notice required 3) **CERTIFICATION:** I hereby certify that the information submitted with this application for administrative approval is accurate and complete to the best of my knowledge. I also understand that **no action** will be taken on this application until the required information and notifications are submitted to the Division. Note: Statement must be completed by an individual with managerial and/or supervisory capacity. 07/16/2018

 SANDRA MUSALLAM
 07/16/2018

 Print or Type Name
 713-366-5106

 Phone Number

Sundra Muran

SANDRA_MUSALLAM@OXY.COM e-mail Address

Signature

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

July 16, 2018

Re: Production of Wells Going to Corral Canyon 36-25 Battery - Train #2

Leases: NM 59386, NM 65408, V071001

Eddy County, New Mexico

Wells:

Corral Canyon 36-25 Fed Com #24H

Corral Canyon 36-25 Fed Com #25H

Corral Canyon 36-25 Fed Com #26H

Corral Canyon 36-25 Fed Com #34H

Corral Canyon 36-25 Fed Com #35H

Corral Canyon 36-25 Fed Com #36H

Dear Mr. McMillan:

Regarding the submitted Pool and Lease Commingle application for Corral Canyon 36-25 Battery, the production decline of all of the wells going to the battery in Train #2 are in accordance with the production decline presented in Order R-14299.

For questions regarding this application, please contact me at (713) 366-5106.

Respectfully,

OXY USA INC

Sandra Musallam

Regulatory Engineer

Sandra_musallam@oxy.com

Sandra Museh

District I 1625 N. French Drive, Hobbs, NM 88240

<u>District II</u> 811 S. First St., Artesia, NM 88210

<u>District III</u> 1000 Rio Brazos Road, Aztec, NM 87410 District IV

E-MAIL ADDRESS:___SANDRA_MUSALLAM@OXY.COM____

District IV 1220 S. St Francis Dr. Santa Fe. NM 87505 State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-107-B Revised August 1, 2011

OIL CONSERVATION DIVISION

1220 S. St Francis Drive Santa Fe, New Mexico 87505 Submit the original application to the Santa Fe office with one copy to the appropriate District Office.

APPLICATION	FOR SURFACE	<u>COMMINGLING</u>	(DIVERSE	OWNERSHIP)							
OPERATOR NAME: OXY US	SA INC	·									
OPERATOR ADDRESS: 5 GREE	NWAY PLAZA SUIT	E 110, HOUSTON TX	77046								
APPLICATION TYPE:											
☐ Pool Commingling ☐ Lease Commingli	ng Pool and Lease Co	mmingling Off-Lease	Storage and Measur	rement (Only if not Surface	e Commingled)						
LEASE TYPE:	State	ral									
Is this an Amendment to existing Orde											
Have the Bureau of Land Management ⊠Yes □No	(BLM) and State Land	l office (SLO) been no	tified in writing o	of the proposed comm	ingling						
(A) POOL COMMINGLING Please attach sheets with the following information											
(1) Pool Names and Codes	Gravities / BTU of Non-Commingled Production	Calculated Gravities / BTU of Commingled Production		Calculated Value of Commingled Production	Volumes						
SEE ATTACHED											
	0.00				****						
(2) Are any wells producing at top allowables? ☐ Yes ☐ No (3) Has all interest owners been notified by certified mail of the proposed commingling? ☐ Yes ☐ No. (4) Measurement type: ☐ Metering ☐ Other (Specify) WELL TEST (5) Will commingling decrease the value of production? ☐ Yes ☐ No. If "yes", describe why commingling should be approved											
(B) LEASE COMMINGLING Please attach sheets with the following information											
 (1) Pool Name and Code. (2) Is all production from same source of (3) Has all interest owners been notified by (4) Measurement type: Metering 	certified mail of the prop		□Yes □N	0							
		LEASE COMMIN									
(1) Complete Sections A and E.											
(1		ORAGE and MEA									
(1) Is all production from same source of(2) Include proof of notice to all interest of	· · · — —	0			,						
(E) AI		RMATION (for all swith the following in		rpes)							
(1) A schematic diagram of facility, inclu											
(2) A plat with lease boundaries showing(3) Lease Names, Lease and Well Number	•	ons. Include lease numbe	ers if Federal or Sta	te lands are involved.							
I hereby certify that the information above is	true and complete to the	best of my knowledge an	d belief.								
SIGNATURE: SANGA MULA	1 -	TLE:_REGULATORY E		DATE:07/16	5/2018						
TYPE OR PRINT NAMESANDRA MU	SALLAM	TELEPHO	NE NO.:713-50	4-8577							

APPLICATION FOR POOL AND LEASE COMMINGLE & OFF-LEASE STORAGE, MEASUREMENT AND SALES Commingling proposal for the Corral Canyon 36-25 Battery

OXY USA INC requests approval to amend previously approved surface commingle permit CTB-856 at the Corral Canyon 36-25 Battery (Lat 32.158769, Long -103.937874, F/G-01-T25S-R29E) to include Corral Canyon 36-25 Fed Com 34H, 35H and 36H.

Train #1 off-lease storage, measurement and sales remains unchanged from CTB-856 original approval. It includes wells that are covered by the pending 720 acre Communitization Agreement which identifies the acreage and percentage of interest breakout for revenue as shown below. The oil and gas production are allocated among the Tracts based on percentage of acreage in CA area.

OFF-LEASE STORAGE, MEASUREMENT AND SALES - TRAIN #1

Hearing order R-14605

POOL: PIERCE CROSSING;BONE SPRING, EAST (96473)

APPROVED NSPA; COM AGREEMENT PENDING

11.11% BLM ROYALTY 12.5% (NMNM81586) & 22.22% SCHEDULE "B" (NMNM65408) & 22.22% SCHEDULE "B" (NMNM59386) &

44.445% STATE (VA2956-0001)

Well Name	API	Surface Location	EST DATE ONLINE	Est. Oil (bpd)	Est. Gravity API	Est. Gas (MSCFD)	Est. BTU/cf	Est. Water (bpd)	Pros
Corral Canyon 36-25 Fed Com #21H	30-015-44631	C-01-25S-29E	07/20/2018	1501	44	3288	1300	1759	1/1/4
Corral Canyon 36-25 Fed Com #22H	30-015-44632	C-01-25S-29E	06/23/2018	1501	44	3288	1300	1759	NIA
Corral Canyon 36-25 Fed Com #23H	30-015-44633	C-01-25S-29E	06/23/2018	1501	44	3288	1300	1759	NA

Production estimates are average of first 6 month volumes

Train #2 is made up of two Communitization Agreements with identical boundaries. Wells feeding Train #2 are shown below. NOTE: Communitization Agreements for wells #24H, 25H and 26H have been amended so that all three wells are now included in the same CA.

LEASE AND POOL COMMINGLE & OFF-LEASE STORAGE, MEASUREMENT AND SALES - TRAIN #2 POOL: PIERCE CROSSING;BONE SPRING, EAST (96473) - COM AGREEMENT PENDING

Hearing order R-14603

37.5% SCHEDULE "B" (NMNM65408) & 12.5% SCHEDULE "B" (NMNM59386) & 50% STATE (V071001)

Well Name	API	Surface Location	DATE ONLINE	Oil (BOPD)	Gravity API	Gas (MSCFD)	BTU/cf	Water (BWPD)	Prod
*Corral Canyon 36-25 Fed Com #24H	30-015-44634	A-01-25S-29E	06/09/2018	1215	44.3	2779	1300	3984	NIA
*Corral Canyon 36-25 Fed Com #25H	30-015-44635	A-01-25S-29E	06/09/2018	1168	42.1	2191	1300	3984	NIA
*Corral Canyon 36-25 Fed Com #26H	30-015-44636	A-01-25S-29E	06/10/2018	1429	42.6	3493	1300	4540	NA

POOL: PURPLE SAGE; WOLFCAMP GAS (98220) - COM AGREEMENT PENDING

37.5% SCHEDULE "B" (NMNM65408) & 12.5% SCHEDULE "B" (NMNM59386) & 50% STATE (V071001)

Well Name	API	Surface Location	EST DATE ONLINE	Est. Oil (bpd)	Est. Gravity API	Est. Gas (MSCFD)	Est. BTU/cf	Est. Water (bpd)
**Corral Canyon 36-25 Fed Com #34H	30-015-44644	A-01-25S-29E	12/15/2018	904	44.4	1403	1325	3310
**Corral Canyon 36-25 Fed Com #35H	30-015-44645	A-01-25S-29E	12/15/2018	904	44.4	1403	1325	3310
**Corral Canyon 36-25 Fed Com #36H	30-015-44646	A-01-25S-29E	12/15/2018	904	44.4	1403	1325	3310

*Production data not available yet on NMOCD website; production estimates are average of recorded well tests since online

Process Description for Corral Canyon 36-25 Fed Com #24H, 25H, 26H, 34H, 35H and 36H

Production from Corral Canyon 36-25 Fed Com 24H, 25H, 26H, 34H, 35H and 36H will flow off-lease to Train #2 at the Corral Canyon 36-25 Battery. Each well will initially have its own 8' X 20' three-phase production separator which will be equipped with an oil turbine meter, gas orifice meter and water turbine meter. Oil production is sent through two line heaters then to two 8' X 20' heater treaters. Oil production then flows through a vapor recovery tower. It then flows to four oil storage tanks before being pumped through two LACT meter and sent to oil sales. Oil production will be allocated back to each well based on well test.

^{**}Production estimates are average of first 6 month volumes

Corral Canyon 36-25 Fed Com 24H, 25H, 26H, 34H, 35H and 36H will be tested daily prior to Range 1 of decline, and will be tested at least three times per month during Range 1 of decline. When Range 2 decline is started, the wells will be tested at least twice per month. Wells will be tested at least once per month when Range 3 of decline is started, as specified in Hearing Order R-14299.

Gas production from all wells will be combined after the individual three-phase separators. It will then flow through an Oxy check meter, which will serve as the gas FMP for the purpose of royalty payment, then sent to sales.

All water from the Corral Canyon 36-25 Battery will be sent to the Corral Fly Water Disposal System.

Additional Application Components

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

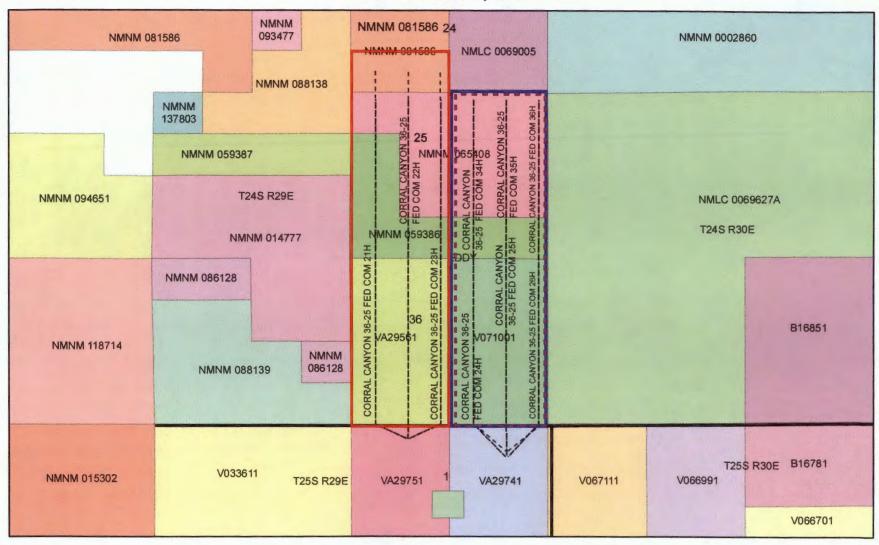
The oil and gas meters will be calibrated on a regular basis per API, NMOCD and BLM specifications.

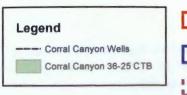
Pursuant to Statewide rule 19.15.12.10(C)(4)(g) OXY USA INC requests the option to include additional pools or leases within the defined parameters set forth in the Order for future additions.

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

OXY USA INC understands the requested approval will not constitute the granting of any right-of-way or construction rights not granted by the lease instrument. The surface commingle application will be submitted separately for approval per SLO regulations.

Corral Canyon CTB EDDY COUNTY, NM

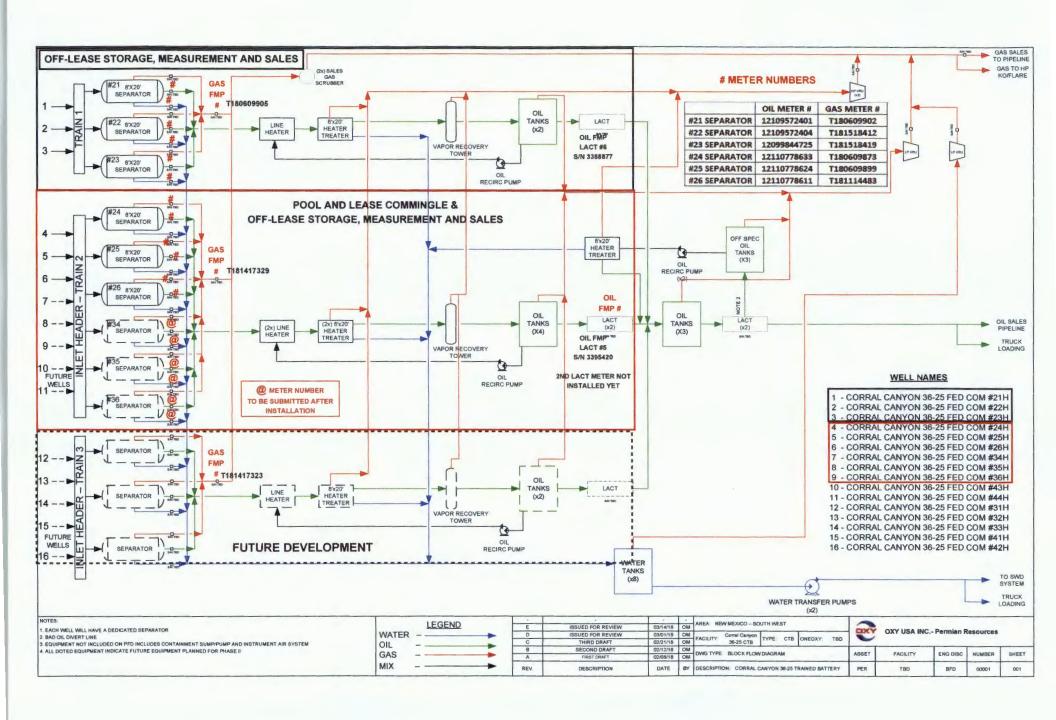






COMM AGREEMENT BOUNDARY FOR #24, 25, 26 - PENDING APPROVAL

COMM AGREEMENT BOUNDARY FOR #34, 35, 36 - PENDING APPROVAL



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

July 16, 2018

CERTIFIED MAIL RETURN RECEIPT REQUESTED

Re: Request for Pool and Lease Commingling, Off-lease Measurement, Sales, & Storage for the Corral Canyon 36-25 Battery

Dear Interest Owner:

This is to advise you that OXY USA INC is applying to the NMOCD and BLM to amend previously approved surface commingle permit CTB 856 at the Corral Canyon 36-25 Battery located in Eddy County, Section 1 T25S – R29E. Wells are located in Section 1 T25S – R29E and are drilled through Section 24, 25 and 36 T24S – R29E. Production will be from the Pierce Crossing; Bone Spring, East and Purple Sage; Wolfcamp Gas. A copy of the application is attached.

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

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

For questions regarding this application, please contact Sandra Musallam at (713) 366-5106.

Respectfully,

OXY USA INC

Sandra Musallam

Regulatory Engineer – Compliance Lead

Sandra_Musallam@oxy.com

Sander Musel

NAME	ADDRESS	CITY	STATE	ZIP	TRACKING
Alan Kellman and Ursula Kellman	2484 Farm Brook Trail	Oxford	MI	48370	7018 0680 0001 8041 7641
BMT I BPEOR NM, LLC	201 MAIN STREET SUITE 2600	FORT WORTH	TX	76102	7018 0680 0001 8041 7658
BMT II BPEOR NM, LLC	201 MAIN STREET SUITE 2600	FORT WORTH	TX	76102	7018 0680 0001 8041 7665
Butkin Investment Company, LLC	PO BOX 2090	DUNCAN	ОК	73534	7018 0680 0001 8041 7672
C. Allen Williams	416 Travis Street, Suite 1200	Shreveport	LA	71101	7018 0680 0001 8041 7689
C. Mark Wheeler and J'Lynn N .Wheeler	719 W KANSAS AVENUE	MIDLAND	TX	79701	7018 0680 0001 8041 7696
Centurion Partners, LLC	416 Travis Street, Suite 1200	Shreveport	LA	71101	7018 0680 0001 8041 7702
Charles D. Ray	PO BOX 51608	MIDLAND	TX	79710	7018 0680 0001 8041 8907
CORNERSTONE FAMILY TRUST	PO BOX 558	PEYTON	СО	80831	7018 0680 0001 8041 8914
Crump Family Parntership, Ltd.	P.O. Box 50820	Midland	TX	79710	7018 0680 0001 8041 8921
Dan Lion	7600 N. Marks	Fresno	CA	93711	7018 0680 0001 8041 8938
E. Baxter, Trustee	3329 Lowell St	San Diego	CA	92106	7018 0680 0001 8041 8945
Edwin B. Bennett, Trustee	3329 Lowell St	San Diego	CA	92106	7018 0680 0001 8041 8952
ENG Investments Co., LLC	416 Travis Street, Suite 1200	Shreveport	LA	71101	7018 0680 0001 8041 8969
GOC Birch LLC	8320 NE Hwy 99	Vancouver	WA	98665	7018 0680 0001 8041 8976
Harold E. Ruhlman and Michelle Mullaney	P.O. Box 1768	Laredo	TX	78044	7018 0680 0001 8041 8983
Harold M. & Judith A. Belmont 1999 Family Trust	19 MT Foraker CT	San Rafael	CA	94903	7018 0680 0001 8041 8990
Ironwood Management Ltd.	27174 Ortega Highway	San Juan Capistrano	CA	92675	7018 0680 0001 8041 9003
James E. Genitgey	4512 Bent Tree Trail	MIDLAND	TX	79707	7018 0680 0001 8041 9010
Jay Czarnecki and Maryly Czarnecki Rvc Trst	3836 Laguna Way	Sacramento	CA	95864	7018 0680 0001 8041 9027
JNG Trustee	PO Box 51187	Midland	TX	79710	7018 0680 0001 8041 9034
Kevin Czarnecki	410 Cherry Drive	Eugene	OR	97401	7018 0680 0001 8041 9041
Keystone (CTAM) BPEOR NM, LLC	201 MAIN STREET SUITE 2600	FORT WORTH	TX	76102	7018 0680 0001 8041 9058
Keystone (RMB) BPEOR NM, LLC	201 MAIN STREET SUITE 2600	FORT WORTH	TX	76102	7018 0680 0001 8041 9065
LMBI I BPEOR NM, LLC	201 MAIN STREET SUITE 2700	FORT WORTH	TX	76102	7018 0680 0001 8041 9072
LMBI II BPEOR NM, LLC	201 MAIN STREET SUITE 2700	FORT WORTH	TX	76102	7018 0680 0001 8041 9089
MB Squared, Inc.	731 West Wadley Ave 207	Midland	TX	79705	7018 0680 0001 8041 9096
Michelle Mullaney	4519 Burnhill	Plano	TX	75024	7018 0680 0001 8041 9102
NM STATE LAND OFFICE	PO BOX 1148	SANTA FE	NM	87504	7018 0680 0001 8041 7573
Noble Royalties Access Fund IV LP	PO BOX 660082	DALLAS	TX	75266	7018 0680 0001 8041 9119
Noble Royalties Access Fund V LP	PO BOX 660082	DALLAS	TX	75266	7018 0680 0001 8041 9126
Noble Royalties Access Fund VI LP	PO BOX 660082	DALLAS	TX	75266	7018 0680 0001 8041 9133
Paul R. Barwis	PO BOX 230	MIDLAND	TX	79702	7018 0680 0001 8041 9140
Penwell Employee Royalty Pool	200 N LORAINE ST SUITE 1550	MIDLAND	TX	79701	7018 0680 0001 8041 9157
Pittman Energy, LP	600 N. Marienfeld St. 906	Midland	TX	79701	7018 0680 0001 8041 9164
Robert L. and Nancy Penderson Family Trust	2075 Tustin Ave	Coasta Mesa	CA	82627	7018 0680 0001 8041 9171
Robin Oil & Gas Corporation	PO BOX 720420	OKLAHOMA CITY	ОК	73172	7018 0680 0001 8041 9188
Robro Royalty Partners, Ltd.	PO BOX 671028	DALLAS	TX	75367	7018 0680 0001 8041 9195
Schreiber Family Partnership	5840 Ellsworth Ave #100	Pittsburgh	PA	15232	7018 0680 0001 8041 9201
SRBI I BPEOR NM, LLC	201 MAIN STREET SUITE 2600	FORT WORTH	TX	76102	7018 0680 0001 8041 9218
SRBI II BPEOR NM, LLC	201 MAIN STREET SUITE 2600	FORT WORTH	TX	76102	7018 0680 0001 8041 9225
Stillwater Investments	PO Box 50820	Midland	TX	79710	7018 0680 0001 8041 9232

NAME	ADDRESS	CITY	STATE	ZIP	TRACKING
Tarpon Engineering Corp.	303 Veterans Airpark In	Midland	TX	79705	7018 0680 0001 8041 9249
The Commerford Inspection Inc. PSP Trust	2269 Papaya Dr	La Habra Heights	CA	90631	7018 0680 0001 8041 9256
Thomassen Family Trust	4330 Dundee RD	Reno	NV	89519	7018 0680 0001 8041 9263
Thru Line BPEOR NM, LLC	201 MAIN STREET SUITE 2600	FORT WORTH	TX	76102	7018 0680 0001 8041 9270
Thru Line O&G NM, LLC	201 MAIN STREET SUITE 2700	FORT WORTH	TX	76102	7018 0680 0001 8041 9287
Todd M. and Karla R. Kringen	8540 MCDOWELL RD APT 59	MESA	AZ	85207	7018 0680 0001 8041 9294
Vendetta Royalty Partners. Ltd.	PO BOX 141638	AUSTIN	TX	78714	7018 0680 0001 8041 9300
William B. Ring Trust	27416 Betanzos	San Diego	CA	92692	7018 0680 0001 8041 9317
Yamato Trust	8482 Aspenwood Ave	Westminster	CA	92683	7018 0680 0001 8041 9324
Compass Royalty	15303 Dallas PKWY Suite 1350	Addison	TX	75001	7018 0680 0001 8041 9331
XTO Energy	1 Riverway	Houston	TX	77056	7018 0680 0001 8041 9348

MAIL 7/16/18

AN OIL CONSERVATION

ARTESIA DISTRICT

API Numbe

JAN 16 2018 State of New Mexico Energy, Minerals & Natural Resources Department OIL CONSERVATION DIVISION RECEIVED 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

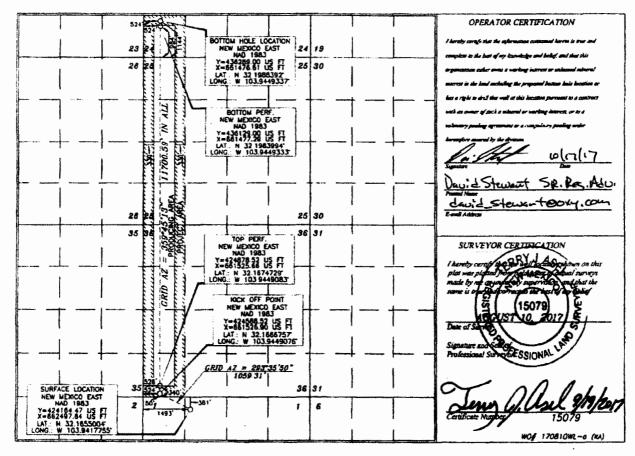
WELL LOCATION AND ACREAGE DEDICATION PLAT 96473

30-as-44631 Property Code 320631 CORRAL CANYON "36-25" FEDERAL COM 21H OGRID No Operator Name Elevation 16696 OXY USA INC. 3111.5

Surface Location UL or lot no. Section Township Lot Idn Feet from th East/West line County Feet from the 3 25 SOUTH 29 EAST, N.M.P.M 381' NORTH 1493 WEST EDDY

Bottom Hole Location If Different From Surface UL or lot no. Secti Lot Ida Feet from the Feet from the East/West line County 24 SOUTH 29 EAST, N.M.P.M. 1144' SOUTH 524 WEST **EDDY** Joint or Infill Consolidation Code Order No. Dedicated Acres 360

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.



HIM OIL CONSERVATION ARTESIA DISTRICT

JAN 16 2018

<u>District 1</u>, 1625 N. Franco Dr., Hobbs, N.M. 88240 Phone: (570) 393-6161 Fax. (575) 393-0720

State of New Mexico Energy, Minerals & Natural Resources Dependent 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

TITTLY LOOL MICH	ALTO ACREAGE BERRY	
WELL LUCATION	AND ACREAGE DEDIC	ATION PLAT

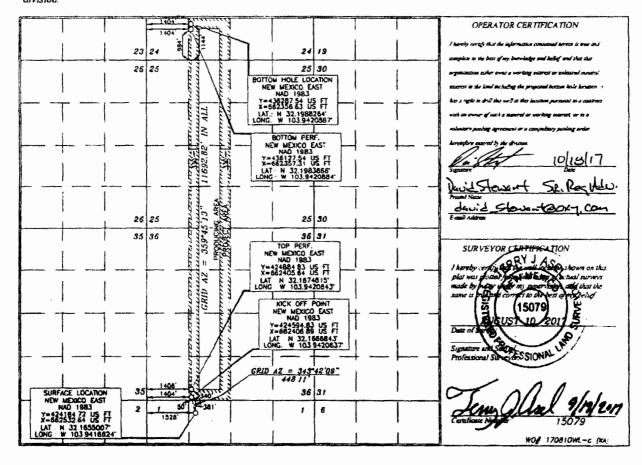
30-015- 440		Pierce Crossing Boy Spring, East				
320431		operty Name 36–25" FEDERAL COM	Well Number 22 H			
OGRID No.	Op	perator Name	Elevation			
16696	OXY	USA INC.	3112.3'			

Surface Location Range East/West line UL or lot no. Section Township North/South line Feet from the County 25 SOUTH 381 NORTH WEST **EDDY** 3 29 EAST, N.M.P.M. 1528

Bottom Hole I coation If Different Fr

	Bottom Hole Location if Different From Surface											
UL or lot no	Section	Township	Range		Lot Ida	Feet from the	North/South line	Feet from the	East/West line	County		
N	24	24 SOUTH	29 EAST, N	M P.M		1144	SOUTH	1404'	WEST	EDDY		
Dedicated	Acres	Joint or Infill	Consolidation Code	Order No								
360	>	٧		NSL will be filed								

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



| <u>Dottor 1</u> | 1
| Franch Dr. Hoobs, NO. 182-40 | Plane: (\$72) 979-6161 Fax: (\$77) 397-670 | Plane: (\$77) 397-670 | Plane: (\$77) 397-670 | Plane: (\$77) 748-770 | Plane: (\$77) 748-770

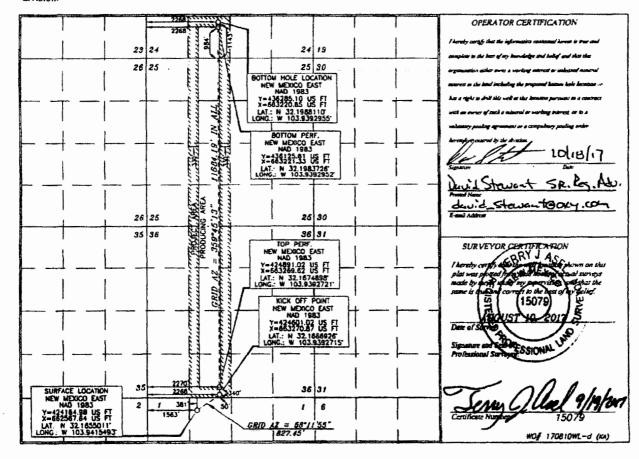
State of New Mexico Energy, Minerals & Natural Resources Department OIL CONSERVATION DIVISION 1220 South St. Francis Dr. Santa Fe, NM 87505

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

☐ AMENDED REPORT

	WELL LOCATION AND ACREAGE DEDICATION PLAT													
	API	Numbe				Pool (•	Pool Name	_		
30-01	5-	44	630		96	17	3		Pierce	GLOSS	ing Bo	حو Sif	wing	East
Prope	rty Code							Property					ų,	'ell Number
320	32063\ CORRAL CANYON "36-25" FEDERAL COM 23H									23H				
OGRID No. Operator Name Elevation									Elevation					
166	OXY USA INC. 3113.5'									113.5				
Surface Location														
UL or let no.	Section	To	waship	T	Ran	ge		Lot Idn	Feet from the	North/South line	Feet from the	East/We	est line	County
9/3	1	25	SOUTH	29	EAST,	N. J	W. P. M.		381	NORTH	1563	WES	ST	EDDY
				Вс	ttom I	Hole	e Locatio	on If I	Different F	rom Surfac	e			
UL or lot no.	Section	To	ownship	T	Ran	ge		Lot Ida	Feet from the	North/South line	Feet from the	East/We	est line	County
N	24	24	SOUTH	29	EAST,	N. A	M P. M		1143'	SOUTH	2268	WES	ST .	EDDY
Dedicated	Acres	Join	t or Infill	Consolie	detion Cod	le	Order No							
36	6	1	7			l								

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.



WIN OIL CONSERVATION

ARTESTA DISTRICT

JAN 16 2018

<u>District 1</u>
LGS N. French Dr., Hobbs, NA BEN40
Phane: (173) 93-4(4) Pez. (173) 39-4770
Phane: B 11 S. Fear St., Armeia, NA BE210
Phane: G 73) 748-1221 Fez. (375) 748-9720
Phane: G 73) 748-1221 Fez. (375) 748-9720
Phane: G 73) 748-1231 Fez. (375) 748-9720
Phane: (395) 318-4178 Fez. (395) 314-418
Phane: (395) 318-4178 Fez. (395) 314-4178
LZO S. S. Francis Dr., Sann Fe, NA 87505
Phane: (395) 74-3440 Pez. (395) 67-3445

Dedicated Acres

Joint or Infill

State of New Mexico
Energy, Minerals & Natural Resources Control of the Control o

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

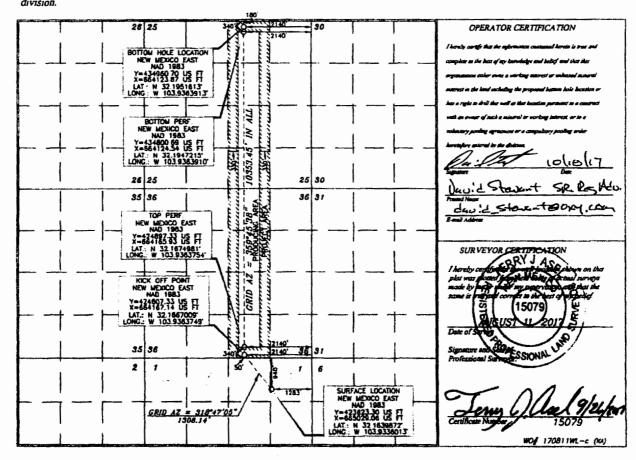
☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

30-0(5-446	Paol Code	Pience Choiseing Bone Son	ing, Eust
320631		roperty Name 36–25" FEDERAL COM	Well Number 24H
OGRID No	O	perator Name	Elevation
16696	OXY	USA INC.	3135.9'

Surface Location Lar lot no Secon Township Range North/South line Feet from the East/West hoe County 25 SOUTH 29 EAST, N.M.P.M. NORTH 1283" EAST EDDY Bottom Hole Location If Different From Surface UL or lot no. Township Lot ldn Feet from the North/South line East/West ime County 25 24 SOUTH 29 EAST, NM.P.M **EAST EDDY** 180' NORTH 2140

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



NM OIL CONSERVATION ARTESIA DISTRICT

State of New Mexico

Form C-102

District | 1425 N. Present Dr., Hubba, 104 88340 Planas: (575) 360-4161 Pass (575) 390-0720 Energy, Minerals & Natural Resources Department | 1 2018 Revised August 1, 2011 OIL CONSERVATION DIVISION Diamin II. 811 S. First St., Artesto, NOI 84216 Planne (575) 748-1240 Pag. (577) 748-4770 OIL CONSERVATION DIVISION District Office 1220 South St. Francis Dr.

Santa Fe. NM 87505

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AMENDED REPORT

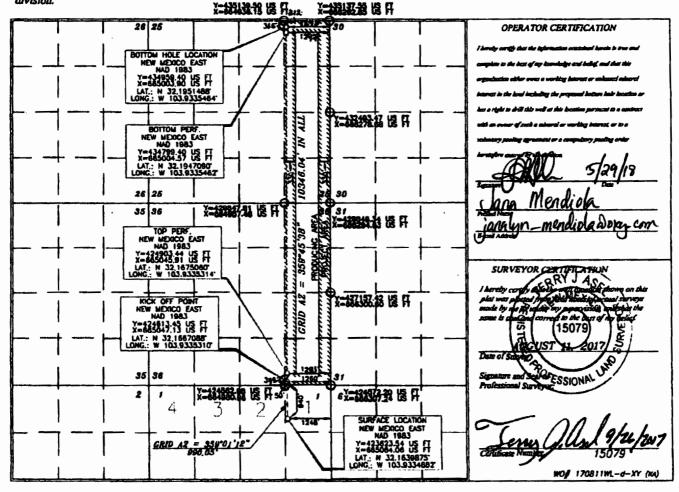
WELL LOCATION AND ACREAGE DEDICATION PLAT

30-015-4463		Soning, East
Property Code	Property Name	Well Number
320631	CORRAL CANYON "36-25" FEDERAL COM	25H
OGRID No.	Operator Name	Elevation
16696	OXY USA INC.	3135.6'

Surface Location Range Feet/West line North/South line Fort from the 25 SOUTH NORTH EAST **EDDY** 1 29 EAST, N.M.P.M. 1248

Bottom Hole Location If Different From Surface Fast/West line UL or lot so. Sect County 25 **EDDY** 24 SOUTH 29 EAST, N.M.P.M. **EAST** #43 Dedicated Acres laint or In fill Consolidation Code Order No. BP- 365 FNL 1297 PEL NQ-7682 320 TP- 372 FSL 1281 FEL

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.



MM OIL CONSERVATION

1

(827 N. French Dr., Hobbs, NM 88244
Plana. (573) 593-6161 Paz. (575) 593-6770
<u>Paymer II</u>
611 S. Frent S., Armin, NM 8216
Plana. (573) 748-1220 Paz. (575) 748-4720
<u>Divinit Br.</u>
1000 Elio Brume Rond, Amer. NM 87416
Plana. (525) 134-6170 Faz. (525) 134-6170
<u>Divinit Br.</u>
1220 S. S. Prancis Dr., Sonth Pa, NM 87505
Plana. (525) 476-3460 Paz. (525) 678-3467

State of New Mexico

State of New Mexico

Energy, Minerals & Natural Resources Department
OIL CONSERVATION DIVISION
1220 South St. Francis DRECEIVED
Santa Fe, NM 87505

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

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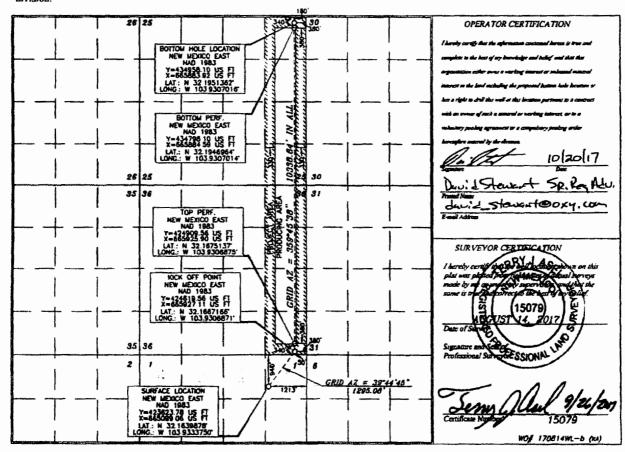
WEII	INCAT	TION ANT	ACREAGE	DEDICATI	ONDIAT
WELL	LUCAI		' MUNDAUE	DEDICAL	ONFLAI

30-015- 441		Pierce Crossing Bore Spri	ng, East
Property Code 320631		operty Nume 86-25" FEDERAL COM	Well Number 26H
OGRID No.	O _F	versitor Name	Elevation
1464	OXY	USA INC.	3136.0

Bottom Hole Location If Different From Surface

BOUGH FIOR LOCATION II DITTERENT FIORI SUFFACE										
UL ar lot no.	UL ar lot no. Section Township Range			Lot Ida	Feet from the	North/South line	Feet from the	East/West line	County	
A	25	24 SOUTH	29 EAST, N.	M. P. M.		180'	NORTH	380'	EAST	EDDY
Dedicated Acres		Joint or Infill	Consolidation Code	Order No.						
320		7								

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.



RM OIL CONSERVATION ARTESIA DISTRICT

JAN 2 2 2018

Form C-102

Revised August 1, 2011
Submit one caps to appropriate District Office

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

Santa Fe, NM 87505

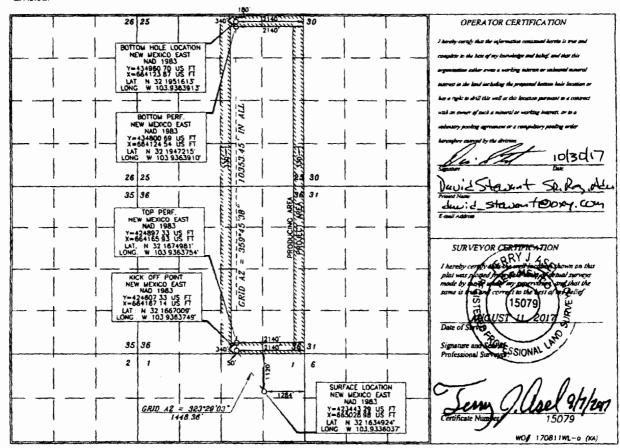
☐ AMENDED REPORT

Digitics 1 1623 N. French Dr., Hobbs, NA 88240 Phone: (573) 393-6161 Fax: (573) 393-0720 Phone: (573) 333-0101 ; Disprist II.
Disprist II.
\$11.5 Fear St., Artesia, NM \$2210
Phone: (575) 748-1283 Fear: (575) 748-9720
Phone: (575) 748-1283 Fear: (575) 748-9720 District ID 1000 Rio Brusse Road, Amer. NM \$7410 Phone: (505) 334-6178 Fax: (505) 334-6170 Passes: (365) Digrica IV 1220 S. St. Francis Dr., Santa Fa, NM 87505 Phone: (505) 476-3460 Fax: (505) 476-3462

WELL LOCATION AND ACREAGE DEDICATION PLAT API Number Pool Code 30-015-44644 95220 Property Code Property Name Well Number 320631 "36-25" FEDERAL COM 34H CORRAL CANYON Fleverion OGRID No Operator Name 3132.2 OXY USA INC 16696

Surface Location North/South line | Feet from the East/West line UL or lot po Section Township Range Lot Ida Feet from the County 25 SOUTH NORTH EDDY 1 29 EAST, N.M.P.M 1120 1284 EAST 1 Bottom Hole Location If Different From Surface Township Los Ido Feet from the North/South line | Feet from th East/West line County 25 24 SOUTH 29 EAST, N.M.P.M 180' NORTH EAST **EDDY** В 2140' Consolidation Code Joint or Infill Order No Dedicated Acres 640

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.



RIM OIL CONSERVATION

Desired I
1625 N French Dr. Hobba, NM 88246
Phone, 1573) 991-6161 Fas. (575) 993-0720
Desmed B.
811 S. Fart Ss., Artean, NM 88210
Phone (575) 744-1221 Fas. (575) *48-9720
Desired B.
1600 Rhome Road, Arec, NM 87410
Phone: (505) 134-6178 Fas: (505) 134-6170
District IV
1220 S. B. French Dr. Stein Fa. NM 87905

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

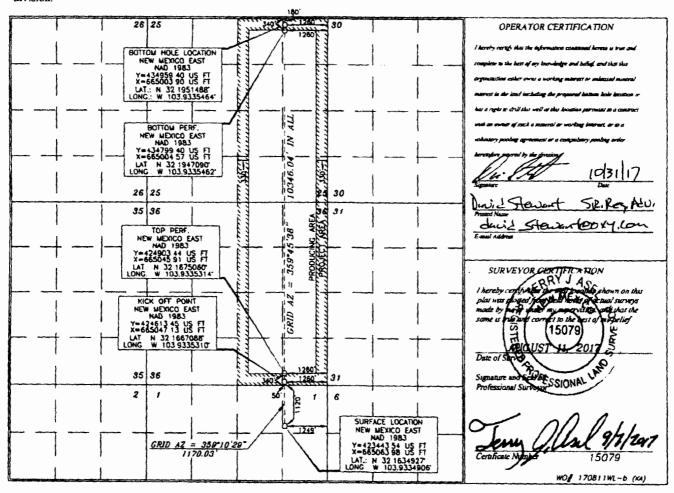
JAN 2-27018 Revised August 1, 2011 Submit one copy to spontate District Office

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT API Number Pool Code 30-015-44645 Purple Sage Wolfcamp 98220 Property Code Property Name Well Number 320631 "36-25" FEDERAL COM 35H CORRAL CANYON OGRID No. Operator Name Elevation OXY USA INC 3133.4' 16696

Surface Location UL or lot no. Section Township Lot ldn Feet from the North/South line Feet from the Fast/West line County 25 SOUTH 29 EAST, N.M.P.M 1120 NORTH 1249 EAST **EDDY** Bottom Hole Location If Different From Surface Lot Idn Feet from the UL or lot so. Section Township North/South fine East West line Feet from the County 25 24 SOUTH 29 EAST, N.M.P.M 180 NORTH 1260' EAST **EDDY** Dedicated Acres Joint or Infill Consolidation Code Order No 640

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.



INM OIL CONSERVATIONS

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

JAN 2 2 2018

120 S. St. Francis Name: (505) 476-3	Or., Sansa P. 460 Fair (St	t, NM 875 15) 474-34	kos koz		Jan	ште, г	1141 67505		RECI	☐ AMEN EIVED	VDED REPOR	
				ELL LOCA		VD ACE	EAGE D	EDICATIO				
		Numbe		I	Pool Code	7			Pool Name			
30-0	30-015-44646				220			Derolo 9	Sage L	Dolfrang	2	
.	rty Code					Property				į	Vell Number	
3206				CORRAL	CANYON	<i>! "36-</i>	25" FEL	DERAL CO.	М	36Н		
	ID No.					Operator	Name				Elevation	
طاحا ا	٩6		<u></u>		OX	YY USA	INC.				3133.2'	
					Su	rface Lo	ocation					
UL or lot no. Section Township		Rai				North/South line	Feet from the	East/West line	County			
1	1	25	SOUTH	29 EAST,	N. M. P. M.		1120'	NORTH	1214	EAST	EDDY	
				Pottom	Uole I con	tion If	Different I	From Surfac	L			
L or lot no.	Section	T,	wnship	DOLLOID .				North/South line		East/West line	County	
A	25		SOUTH	1	N. M. P. M.	20	180'	NORTH	380'	EAST	EDDY	
				l			180	NORTH	300	EAS1	EDD1	
Dedicated	Acres	Join	or Infill	Consolidation Co.	de Order N	o.						
640)		1									
		l he a	ecioned to	this completio	n until ell in	terects he	ve heen can	solidated or a	non-standard	unit has been app	royed by the	
		 - -	BOTT NEW N Y#4347 X=6655	158.10 US FT 32.1951.362* 103.9307016* TOM PERF. EXICO EAST 0 1983 798.10 US FT 32.1946964* 103.9307014*		10330.64 IN ALL			has a right of with an own politically pur harctafore of automatic purchased and automatic purchased a	in tend including the proposed to in the State well as this technology for of such a concept or working copies agreement or a computed spread by the directors.	10[31 11] SR.Res.A.	
- -		·	NEW M NA Y=4249 X=6659	P PERF. EXICO EAST 0 1983 09.56 US FT 23.90 US FT 32.1675137 103.9306875	PRODUCING ARE	359-45'38"		_		VEYOR CERTIFICA		
 - -			KICK C NEW ME NAD Y=42461 X=66592 LAT: N	DFF POINT CACO EAST 1983 9.56 US FT 17.11 US FT 32.1867166 103.9306871	The same of the sa	SERIO 42 =	31 5		Jane U	ADD 000 K 130 Z	OUT S	
_		- - -	NEV	FACE LOCATION V MEXICO EAST NAO 1983 23443,78 US FT 65098,98 US FT		1211	GRID AZ	7 = 35*09'29* 438 15'	- 5	ng Q.aa	l appe	

₩0# 170814WL-a (KA)



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

July 16, 2018

Re: Production of Wells Going to Corral Canyon 36-25 Battery - Train #2

Leases: NM 59386, NM 65408, V071001

Eddy County, New Mexico

Wells:

Corral Canyon 36-25 Fed Com #24H Corral Canyon 36-25 Fed Com #25H

Corral Canyon 36-25 Fed Com #26H

Corral Canyon 36-25 Fed Com #34H

Corral Canyon 36-25 Fed Com #35H

Corral Canyon 36-25 Fed Com #36H

Dear Mr. McMillan:

Regarding the submitted Pool and Lease Commingle application for Corral Canyon 36-25 Battery, the production decline of all of the wells going to the battery in Train #2 are in accordance with the production decline presented in Order R-14299.

For questions regarding this application, please contact me at (713) 366-5106.

Respectfully,

OXY USA INC Sandra Musallam Regulatory Engineer

Sandra_musallam@oxy.com

Sandra Museh

State of New Mexico Energy, Minerals and Natural Resources Department

Susana Martinez Governor

Ken McQueen Cabinet Secretary

Matthias Sayer Deputy Cabinet Secretary Heather Riley, Division Director Oil Conservation Division



CENTRAL TANK BATTERY

Administrative Order CTB-856

May 8, 2018

OXY USA Inc

Attention: Ms. Sandra Musallam

OXY USA Inc (OGRID 16696) is hereby authorized to surface commingle oil and gas production and off-lease storage and measurement from the Pierce Crossing; Bone Spring, East Pool (Pool code 96473) from the following diversely owned federal leases in the form of pending communization agreements located in Township 24 South, Range 29 East, Eddy County, New Mexico.

Lease: Pending Corral Canyon 36 25 Federal Com Well No. 21H Federal

Communitization Agreement, Trible Prining Cold 122 - 14605

Description: S/2 SW/4 Section 24, W/2 Section 25, and W/2 of Section 36, all in Township 24

South, Range 29 East

Wells: Corral Canyon 36 25 Federal Com Well No. 21H API 30-015-44631

Corral Canyon 36 25 Federal Com Well No. 22H API 30-015-44632 Corral Canyon 36 25 Federal Com Well No. 23H API 30-015-44633

2.2.2.0 0.10 7.00

Lease: Pending Corral Canyon 36 25 Federal Com Well No. 24H Federal

Communitization Agreement; Hearing Order R-14603

Description: W/2 E/2 Section 25, and W/2 E/2 of Section 36, all in Township 24 South, Range

29 East

Well: Corral Canyon 36 25 federal Com Well No. 24H API 30-015-44634

Lease: Pending Corral Canyon 36 25 Federal Com Well No. 25H Federal

Communitization Agreement

Description: E/2 E/2 Section 25, and E/2 E/2 of Section 36, all in Township 24 South, Range 29

East

Wells: Corral Canyon 36 25 Federal Com Well No. 25H API 30-015-44635

Corral Canyon 36 25 Federal Com Well No. 26H API 30-015-44636

The commingled oil production from the wells detailed above shall be measured and sold at the Corral Canyon 36-25 Central Tank Battery (CTB), located in Unit F of Section 1, Township 25 South, Range 29 East, NMPM, Eddy County, New Mexico.

Administrative Order CTB-856 OXY USA Inc May 8, 2018 Page 2 of 3

Production from the subject wells shall be determined as follows:

It is understood that the test separator and meters are designed to accurately measure production from the wells with the highest production rate. It is also assumed that all of the oil and gas production from the wells in this application will display a hyperbolic decline, and will fit the decline parameters described in Hearing Order R-14299. Wells that are in prior to Range 1 of decline shall be tested daily. Wells that are in Range 1 of decline shall be measured with a combination of metering and well testing, and shall be tested at least three times a month. Wells that are in Range 2 of decline shall be measured with a combination of metering and well testing, and shall be tested at least twice a month. Wells in Range 3 of decline shall be measured with a combination of metering and well testing, and shall be tested at least once a month.

Oil and gas production from the Corral Canyon 36 25 Federal Com Well No. 21H, and Corral Canyon 36 25 Federal Com Well No. 22H, and Corral Canyon 36 25 Federal Com Well No. 23H shall be measured at train no. 1 at the CTB.

Oil and gas production from the Corral Canyon 36 25 Federal Com Well No. 24H, and Corral Canyon 36 25 Federal Com Well No. 25H, and Corral Canyon 36 25 Federal Com Well No. 26H shall be measured at train no. 2 at the CTB.

Further, each train is a Facility Measurement Point (FMP) for oil and gas production. After the gas is measured at its respective FMP, the production may be commingled with other production from other trains.

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

OXY USA, Inc. shall provide a Sundry Notice to the Engineering Bureau in Santa Fe when a test separator is removed.

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

This approval is subject to like approval from the Bureau of Land Management before commencing commingling operations.

Subsequently drilled wells that produce from the subject pool within the project areas approved by this order may be added to this commingling authority by submittal of a Sundry Notice to the Engineering Bureau in Santa Fe.

The operator shall notify the Artesia District office of the Division prior to implementation of the commingling operations.

Administrative Order CTB-856 OXY USA Inc May 8, 2018 Page 3 of 3

HEATHER RILEY

Director

HR/mam

cc: Oil Conservation Division - Artesia

Bureau of Land Management - Carlsbad