

State of New Mexico
Energy, Minerals and Natural Resources Department

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Oil Conservation Division



ADMINISTRATIVE CENTRAL TANK BATTERY ORDER

Administrative Order CTB-897

May 6, 2019

WPX Energy Permian, LLC
Attention: Ms. Caitlan O'Hair

WPX Energy Permian, LLC (OGRID 246289) is hereby authorized to surface commingle oil and gas production and off-lease measure oil and gas production from the Purple Sage; Wolfcamp (Gas) Pool (Pool code 98220) from the following diversely owned fee leases located in Section 2 and Section 3, all in Township 23 South, Range 27 East, Eddy County, New Mexico:

Lease:	Shepherd 3 2 23 27 Fee Well No. 401H Lease	
Description:	Lot 1/ Unit A, Lot 2/ Unit C, Lot 3/ Unit D, SE/4 NE/4, W/2 NE/4, and S/2 NW/4 (N/2 equivalent) of Section 1, and Lot 1/ Unit A, Lot 2/ Unit B, Lot 3/ Unit C, Lot 4/ Unit D and S/2 N/2 (N/2 equivalent) of Section 2	
Well:	Shepherd 3 2 23 27 Fee Well No. 401H	API 30-015-45744
Lease:	Dalmatian 3 2 23 27 Fee Well No. 411H Lease	
Description:	S/2 of Section 2, and S/2 of Section 3	
Well:	Dalmatian 3 2 23 27 Fee Well No. 411H	API 30-015-45690

The commingled gas production from the wells detailed above shall be measured and sold at the Permian Basin: Shepherd / Dalmation Pad Central Tank Battery (CTB), located in Unit L, Section 3, Township 23 South, Range 27 East, NMPM, Eddy County, New Mexico.

Production from the subject wells shall be determined as follows:

The oil and gas production from each well will flow into a dedicated 3-phase separator. The production stream will be separated into 3 independent streams by the separator and each stream will be measured individually after it exits the separator, before commingling.

Your application has been duly filed under the provisions of Division Rules 19.15.12.10.C NMAC and 19.15.4.12.A (8) NMAC.

It is also understood that you have given due notice of this application to all owners in the mineral interest estate ("affected parties") as defined in Rule 19.15.12.10.C (4) NMAC.

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

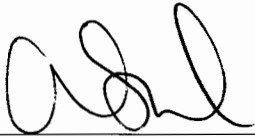
Subsequent wells within leases approved by this order may be added to this administrative surface commingle application with a Sundry notice to the Engineering Bureau.

This administrative application was initially protested by Marcelino Lopez, Jr. and Angelita Lopez; however, both affected parties withdrew their objection to this application.

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

It is the responsibility of the producer to notify the transporter of this commingling authority.

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



Adrienne Sandoval
Director

AS/mam

cc: Oil Conservation Division – Artesia