## Approved Administrative Order

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

Michelle Lujan Grisham Governor

Sarah Cottrell Propst Cabinet Secretary

Todd E. Leahy, JD, PhD Deputy Secretary Adrienne Sandoval, Director Oil Conservation Division



September 4, 2019

## ADMINISTRATIVE POOL/LEASE COMMINGLING ORDER

Administrative Order PLC-596

OXY USA Inc.

Attention: Elizabeth Velasco

Pursuant to your application received on August 8, 2019, OXY USA Inc. (OGRID 16696) is hereby authorized to surface commingle oil and gas production and off-lease measure from the following pools:

RED TANK; BONE SPRING, EAST (51683) RED TANK; BONE SPRING, EAST (51687) WC-025 G-09 S223332A; UPR WOLFCAMP (98177)

and from wells, their associated leases, pools, and range of decline identified in the application, Exhibit "A" made a part of this order. These wells are located on proposed state Communitization agreements located in Township 22 South, Range 33 East NMPM, Lea County, New Mexico.

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 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.

The commingled oil production from the wells detailed above shall be measured and sold at the Red Tank State 9 Central Tank Battery (CTB), located in Unit A of Section 30, Township 22 South, Range 33 East, NMPM, Lea County, New Mexico.

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.

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

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

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

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

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

Adrienne Sandoval

**Director** 

AS/mam

cc: Oil Conservation Division – Hobbs

Bureau of Land Management - Carlsbad

Exhibit A

## Exhibit A

Exhibit A	AA	quering tight	Poul (Faul cade)	I	DAYE ONLIKE	PANSE OF DECUME
		The state of the s		Com 1H State Communitization	-	-
Avogato 30 31 State Com 1H	30-025-45954	Lot 1/ Unit D, Lot 2/ Unit E, Lot 3/ Unit L, Lot 4/ Unit M, and E/2 W/2 of Section 30 and Lot D/ Unit L, Lot 2/ Unit E, Lot 3/ Unit L, Lot 4/ Unit M, and E/2 W/2 of Section 31	RED TANK: BONE SPRING, EAST 51687	Agreement	EST. SEPT 2020	Pre Range 1
Avogato 30_31	30-023-43934	Lot Ly Ont E, Lot 27 Ont E, Lot 37 Ont E, Lot 47 Ont W, and 172 My 2 of Section 30 and Lot 27 Ont E, Lot 47 Ont W, and 172 My 2 of Section 32	THE PAIN, BOTTE STATES, C-ST 5 1007	Com 1H State Communitization		
State Com 2H	30-025-46030	Lot 1/ Unit D, Lot 2/ Unit E, Lot 3/ Unit L, Lot 4/ Unit M, and E/2 W/2 of Section 3D and Lot D/ Unit 1, Lot 2/ Unit E, Lot 3/ Unit L, Lot 4/ Unit M, and E/2 W/2 of Section 31	RED TANK; BONE SPRING, EAST (51687)	Agreement	EST. SEPT 2020	Pre Range 1
Avogato 30 31 State	30-023-40030	total of the part of one part	,	Com 3H communitization		
Com 3H	30-025-45955	E/2 Section 30 and E/2 Section 31	RED TANK; BONE SPRING, EAST (51687)	Agreement	EST. SEPT 2020	Pre Range 1
Avogato 30 31 State	00 023 13333			Com 3H communitization		
Com 4H	30-025-45923	E/2 Section 30 and E/2 Section 31	RED TANK; BONE SPRING, EAST (51687)	Agreement	EST. DEC 2019	Pre Range 1
Avogato 30 31 State				Com 1H State Communitization		
Corn 11H	30-025-45956	Lot 1/ Unit D, Lot 2/ Unit E, Lot 3/ Unit L, Lot 4/ Unit M, and E/2 W/2 of Section 30 and Lot D/ Unit 1, Lot 2/ Unit E, Lot 3/ Unit L, Lot 4/ Unit M, and E/2 W/2 of Section 31	RED TANK; BONE SPRING, EAST (51687)	Agreement	EST. DEC 2019	Pre Range 1
Avogato 30 31 State				Com 1H State Communitization		
Com 12H	30-025-45957	Lot 1/ Unit D, Lot 2/ Unit E, Lot 3/ Unit L, Lot 4/ Unit M, and E/2 W/2 of Section 30 and Lot D/ Unit1, Lot 2/ Unit E, Lot 3/ Unit L, Lot 4/ Unit M, and E/2 W/2 of Section 31	RED TANK; BONE SPRING, EAST (51687)	Agreement	EST. JAN 2020	Pre Range 1
Avogato 30 31 State				Com 3H communitization		
Com 13H	30-025-45958	E/2 Section 30 and E/2 Section 31	RED TANK; BONE SPRING, EAST (51687)	Agreement	EST. DEC 2019	Pre Range 1
Avogato 30 31 State				Com 1H State Communitization		!
Com 14H	30-025-45959	E/2 Section 30 and E/2 Section 31	RED TANK; BONE SPRING, EAST (51687)	Agreement	EST. DEC 2019	Pre Range 1
Avogato 30 31 State				Com 1H State Communitization		l
Com 21H	30-025-45924	Lot 1/ Unit D, Lot 2/ Unit E, Lot 3/ Unit I, Lot 4/ Unit M, and E/2 W/2 of Section 30 and Lot D/ Unit1, Lot 2/ Unit E, Lot 3/ Unit I, Lot 4/ Unit M, and E/2 W/2 of Section 31	RED TANK; BONE SPRING, EAST (51687)	Agreement	EST. OCT 2019	Pre Range 1
Avogato 30 31 State				Com 1H State Communitization		l
Com 22H	30-025-45925	Lot 1/ Unit D, Lot 2/ Unit E, Lot 3/ Unit L, Lot 4/ Unit M, and E/2 W/2 of Section 30 and Lot D/ Unit 1, Lot 2/ Unit E, Lot 3/ Unit L, Lot 4/ Unit M, and E/2 W/2 of Section 31	RED TANK; BONE SPRING, EAST (51687)	Agreement	EST. NOV 2019	Pre Range 1
Avogato 30 31 State				Com 1H State Communitization		l
Com 23H	30-025-45926	Lot 1/ Unit D, Lot 2/ Unit E, Lot 3/ Unit L, Lot 4/ Unit M, and E/2 W/2 of Section 30 and Lot D/ Unit1, Lot 2/ Unit E, Lot 3/ Unit L, Lot 4/ Unit M, and E/2 W/2 of Section 31	RED TANK; BONE SPRING, EAST (51687)	Agreement	EST. DEC 2019	Pre Range 1
Avogato 30 31 State				Com 3H communitization		
Com 24H	30-025-45960	E/2 Section 30 and E/2 Section 31	RED TANK; BONE SPRING, EAST (51687)	Agreement	EST. OCT 2019	Pre Range 1
Avogato 30 31 State				Com 3H communitization		
Com 25H	30-025-45961	E/2 Section 30 and E/2 Section 31	RED TANK; BONE SPRING, EAST (51687)	Agreement	EST. NOV 2019	Pre Range 1
Avogato 30 31 State				Com 1H State Communitization		
Com 31H	30-025-45929	Lot 1/ Unit D, Lot 2/ Unit E, Lot 3/ Unit L, Lot 4/ Unit M, and E/2 W/2 of Section 30 and Lot D/ Unit1, Lot 2/ Unit E, Lot 3/ Unit L, Lot 4/ Unit M, and E/2 W/2 of Section 31	RED TANK; BONE SPRING, EAST (51687)	Agreement	EST. OCT 2019	Pre Range 1
Avogato 30 31 State		The state of the s	ASS TANK BONG CORNEC SACT ISACOTI	Com 1H State Communitization	EST. NOV 2019	De-Banga 1
Com 33H	30-025-45928	Lot 1/ Unit D, Lot 2/ Unit E, Lot 3/ Unit L, Lot 4/ Unit M, and E/2 W/2 of Section 30 and Lot D/ Unit I, Lot 2/ Unit E, Lot 3/ Unit L, Lot 4/ Unit M, and E/2 W/2 of Section 31	RED TANK; BONE SPRING, EAST (51687)	Agreement  Com 3H communitization	E31. NOV 2019	Pre Kange 1
Avogato 30 31 State		energy and the second of the s	RED TANK; BONE SPRING, EAST (51687)	Agreement	EST . SEPT 2019	Pro Panga 1
Com 34H	30-025-45930	E/2 Section 30 and E/2 Section 31	RED TANK; BUNE SPRING, EAST (51687)	Com 1H State Communitization	EST. SEPT ZOIS	Fre Kange 1
Avogato 30 31 State		A STATE OF	RED TANK; BONE SPRING, EAST (51687)	Agreement	EST. SEPT 2020	Pro Pange 1
Com 71H	30-025-45962	Lot 1/ Unit 0, Lot 2/ Unit E, Lot 3/ Unit L, Lot 4/ Unit M, and E/2 W/2 of Section 30 and Lot D/ Unit 1, Lot 2/ Unit E, Lot 3/ Unit L, Lot 4/ Unit M, and E/2 W/2 of Section 31	RED TANK, BONE SPRING, EAST (51007)	Com 1H State Communitization	E31. 3EF1 2020	rie kange z
Avogato 30 31 State Com 72H	30-025-46031	Lot 1/ Unit D. tot 2/ Unit E. Lot 3/ Unit L. Lot 4/ Unit M. and E/2 W/2 of Section 30 and Lot D/ Unit I, Lot 2/ Unit E, Lot 3/ Unit L, Lot 4/ Unit M, and E/2 W/2 of Section 31	RED TANK; BONE SPRING, EAST (51687)	Agreement	EST. SEPT 2020	Pre Range 1
		Lot 1) One D, Lot 2) One C, Lot 3) Unit C, Lot 4) One M, and 2) 2 W/2 of Section 30 and Lot 0) One C, Lot 3) One C, Lot 4) One M, and 2) 2 W/2 of Section 32	RED TAIN, DONE STRING, EAST (\$1001)	Com 3H communitization	CO. SEL TEGE	The manage a
Avogato 30 31 State Com 73H	30-025-45963	E/2 Section 30 and E/2 Section 31	RED TANK: BONE SPRING, EAST (51687)	Agreement	EST. SEPT 2020	Pre Range 1
Avogato 30 31 State	30.023.45963	E/s section 30 and E/2 section 31	THE PARTY DOTAL OF THE OF THE PARTY (DECENT)	Com 3H communitization		Tre manger 1
Com 74H	30-025-45964	E/2 Section 30 and E/2 Section 31	RED TANK; BONE SPRING, EAST (51687)	Agreement	EST. JAN 2020	Pre Range 1
Avogato 30 31 State	30-023-43304	Ly a section of the Ly a section of	The state of the s	Com 32H State Communitization		
Com 32H	30-025-45927	liot 1/ Unit D. Lot 2/ Unit E. Lot 3/ Unit L. Lot 4/ Unit M. and E/2 W/2 of Section 30 and Lot D/ Unit 1. Lot 2/ Unit E. Lot 3/ Unit L. Lot 4/ Unit M. and E/2 W/2 of Section 31	RED TANK: BONE SPRING (51683)	Agreement	EST. NOV 2019	Pre Range 1
Avogato 30 31 State	30 02 3-43327	and a street of		Com 35H State Communitization		
Com 35H	30-025-45931	E/2 Section 30 and E/2 Section 31	WC-025 G-09 S223332A: UPR WOLFCAMP (98		EST. OCT 2019	Pre Range 1
Mair als located in	30.023.43331	As a contact on manufact and manufact of the contact of the contac				
Township 22 South,						
Range 33 East,						