

RECEIVED: 7/23/20	REVIEWER: DM	TYPE: PLC	APP NO: pDM2020953228
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ABOVE THIS TABLE FOR OCD DIVISION USE ONLY

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: CEDAR CANYON 22 FED COM 6Y & OTHER **API:** 30-015-43906 & OTHER
Pool: CORRAL DRAW, BONE SPRING, EAST & OTHER **Pool Code:** 96238 & OTHER

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

☐ NSL ☐ NSP (PROJECT AREA) ☐ NSP (PRORATION UNIT) ☐ SD

B. Check one only for [I] or [II]

[I] Commingling - Storage - Measurement

☐ DHC ☐ CTB ☒ PLC ☐ PC ☐ OLS ☐ OLM

[II] Injection - Disposal - Pressure Increase - Enhanced Oil Recovery

☐ WFX ☐ PMX ☐ SWD ☐ IPI ☐ EOR ☐ PPR

REMOVE FROM PLC-489 &
CREATE NEW PLC

2) NOTIFICATION REQUIRED TO: Check those which apply.

- A. ☐ Offset operators or lease holders
- B. ☒ Royalty, overriding royalty owners, revenue owners
- C. ☐ Application requires published notice
- D. ☐ Notification and/or concurrent approval by SLO
- 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. ☐ No notice required

FOR OCD ONLY

- ☐ Notice Complete
- ☐ Application Content Complete

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.

SANDRA MUSALLAM

Print or Type Name

Signature

7/23/2020
Date

713-366-5106

Phone Number

SANDRA.MUSALLAM@OXY.COM

e-mail Address

District I
1625 N. French Drive, Hobbs, NM 88240
District II
811 S. First St., Artesia, NM 88210
District III
1000 Rio Brazos Road, Aztec, NM 87410
District IV
1220 S. St Francis Dr. Santa Fe, NM
87505

State of New Mexico
Energy, Minerals and Natural Resources Department
OIL CONSERVATION DIVISION
1220 S. St Francis Drive
Santa Fe, New Mexico 87505

Form C-107-B
Revised August 1, 2011

Submit the original application to the Santa Fe office with one copy to the appropriate District Office.

APPLICATION FOR SURFACE COMMINGLING (DIVERSE OWNERSHIP)

OPERATOR NAME: OXY USA INC
OPERATOR ADDRESS: P O BOX 4294 HOUSTON, TX 77210
APPLICATION TYPE:

☐ Pool Commingling ☐ Lease Commingling ☒ Pool and Lease Commingling ☐ Off-Lease Storage and Measurement (Only if not Surface Commingled)

LEASE TYPE: ☒ Fee ☐ State ☒ Federal

Is this an Amendment to existing Order? ☐ Yes ☒ No **Remove from PLC-489; filing as separate Train**
Have the Bureau of Land Management (BLM) and State Land office (SLO) been notified in writing of the proposed commingling
☒ Yes ☐ No

(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					

- (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 supply? ☐ Yes ☐ No
(3) Has all interest owners been notified by certified mail of the proposed commingling? ☐ Yes ☐ No
(4) Measurement type: ☐ Metering ☐ Other (Specify)

(C) POOL and LEASE COMMINGLING
Please attach sheets with the following information

- (1) Complete Sections A and E.

(D) OFF-LEASE STORAGE and MEASUREMENT
Please attached sheets with the following information

- (1) Is all production from same source of supply? ☐ Yes ☐ No
(2) Include proof of notice to all interest owners.

(E) ADDITIONAL INFORMATION (for all application types)
Please attach sheets with the following information

- (1) A schematic diagram of facility, including legal location.
(2) A plat with lease boundaries showing all well and facility locations. Include lease numbers if Federal or State lands are involved.
(3) Lease Names, Lease and Well Numbers, and API Numbers.

I hereby certify that the information above is true and complete to the best of my knowledge and belief.

SIGNATURE: Sandra Musallam TITLE: REGULATORY ENGINEER DATE: 7/23/2020
TYPE OR PRINT NAME: SANDRA MUSALLAM TELEPHONE NO.: 713-366-5106
E-MAIL ADDRESS: SANDRA_MUSALLAM@OXY.COM

APPLICATION FOR POOL AND LEASE COMMINGLE & OFF-LEASE MEASUREMENT, STORAGE AND SALES Commingling proposal for Cedar Canyon 22 Fed Com 6Y and Gaines 22 Federal #001

OXY USA INC requests to commingle production for Cedar Canyon Fed Com 6Y and Gaines 22 Federal #001 at the Cedar Canyon 22 Satellite (LAT 32.19969 N LONG -103.977588 E, L-22-24S-29E).

Well	API	Surface Location	Date Online	BOPD	Oil Gravity	MSCFD	BTU/CF	BWPD
POOL: PIERCE CROSSING; BONE SPRING, EAST (96473)								
Federal CA NMNM132437 Lease (33.33% NMNM13996 at BLM Royalty 12.5% and 66.67% Fee) for BLM Interest Allocation of 4.166%								
GAINES 22 FEDERAL #001	30-015-35186	M-22-24S-29E	Jan-2007	9	44.0	0	1320	26

POOL: CORRAL DRAW; BONE SPRING, EAST (96238)								
Federal CA NMNM136579 Lease (25% NMNM13996 at BLM Royalty 12.5% and 75% Fee) for BLM Interest Allocation of 3.125%								
CEDAR CANYON 22 FED COM 6Y	30-015-43906	M-22-24S-29E	Nov-2016	59	43.5	513	1300	143

Process Flow:

The wells will flow to a 6' X 20' 3-phase separator. The vessel is equipped with an orifice meter to measure gas; this meter serves as the FMP (S/N T161149550) for the purpose of royalty payment. Oil will flow to a tank then to a LACT meter (S/N 14258746) which serves as the FMP for the purpose of royalty payment. Water is sent to the Cedar Canyon Water Disposal System.

All wells have been online for at least three years and are in Range 3 of decline. The wells will be tested at least once per month, as specified in Hearing Order R-14299. Each well will be shut-in to allow for the other well to be tested.

Cedar Canyon Fed Com 6Y is on gas list. Average gas lift volume is 450 MCFPD.

Additional Application Components:

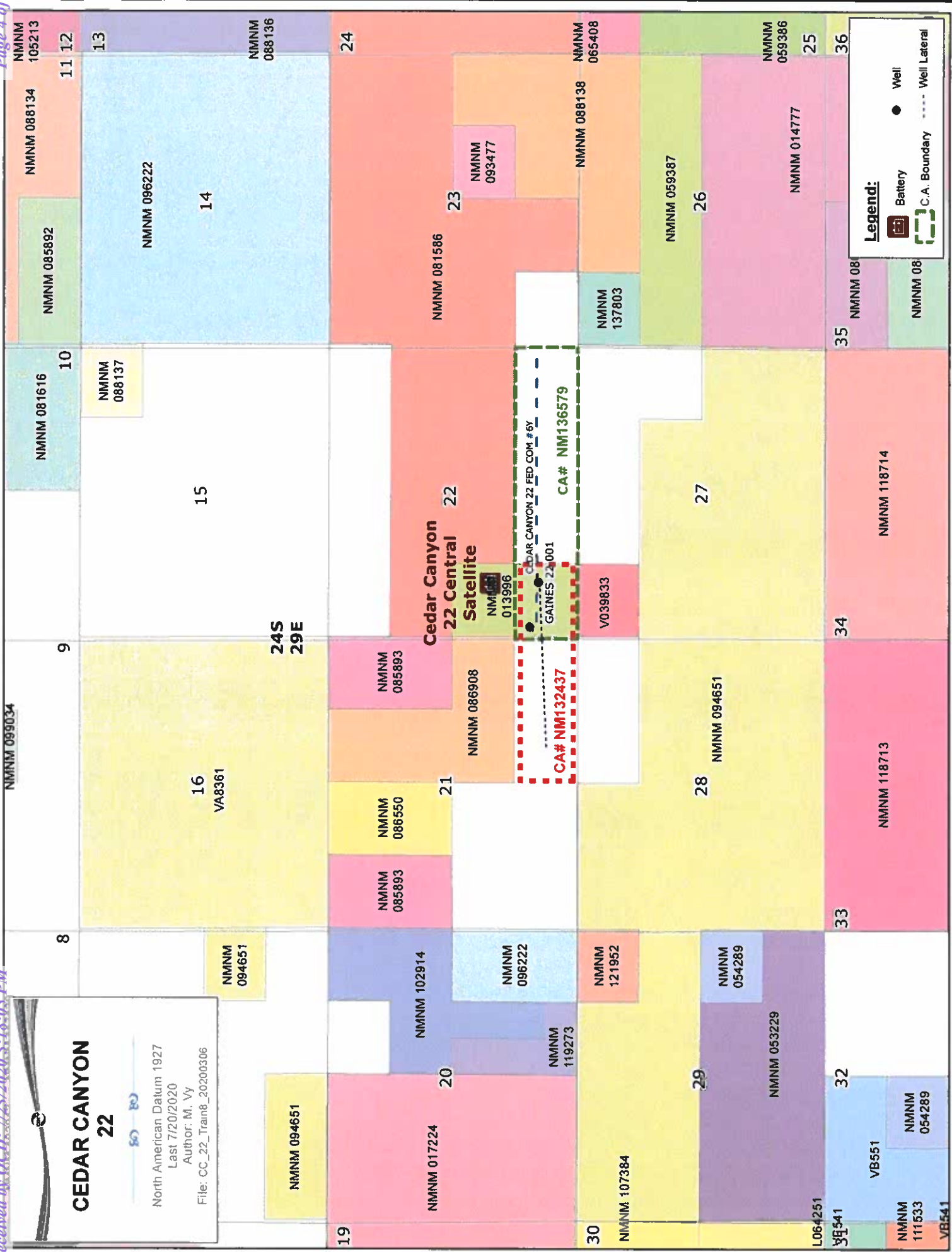
The flow of production is shown in detail on the enclosed facility diagram. Also enclosed are a map detailing the lease boundaries, well and battery locations.

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.

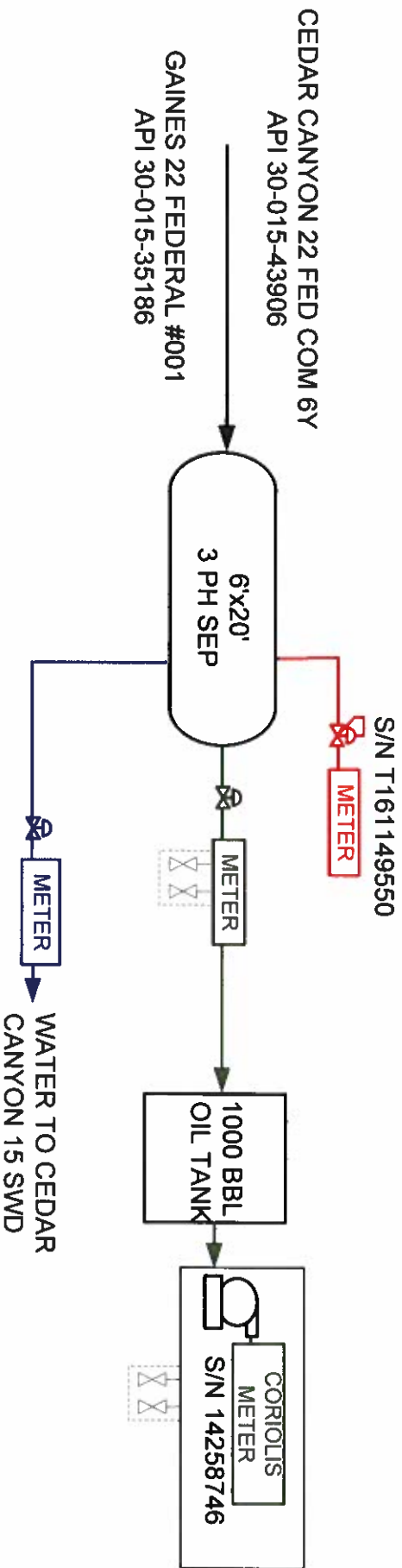
The oil and gas meters will be calibrated on a regular basis per API, NMOCD and BLM specifications.

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.



CEDAR CANYON 22 FED COM 6Y
 GAS LIFT METER #553212HO
 AVG VOLUME 450 MCFPD



CEDAR CANYON
 22 SATELLITE
 S22 T24S R29E

REVISION BLOCK			
NO.	DATE	DESCRIPTION	BY
0		PRELIMINARY DRAFT	KAO
1		REVISION	JC
2		OFF LEASE MEASUREMENT APPLICATION	TS



PROCESS FLOW DIAGRAM
 CEDAR CANYON 22-6H

- PRODUCTION MIX
- OIL
- GAS
- WATER
- EQUIPMENT



**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: 713.366.5106
Sandra_Musallam@oxy.com

July 23, 2020

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Re: Request for Pool and Lease Commingling, Off-lease Measurement, Sales, & Storage for the
Cedar Canyon 22 Federal Satellite

Leases: NM 13996
Eddy County, New Mexico

Dear Interest Owner:

This is to advise you that OXY USA INC is filing an application for surface commingling at the Cedar Canyon 22 Satellite. A copy of the application submitted to the Division 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
Sandra_Musallam@oxy.com

TrackingNo	ToName	DeliveryAddress	City	State	Zip	PHYSICAL MAILING DATE
9414811898765822307812	WHITTEN GUITAR WITHERSPOON	7524 PEAR TREE LN	FORT WORTH	TX	76133	07.23.2020
9414811898765822307850	WENDE WITHERSPOON MORGAN	1720 SOUTHWICKE	FLOWER MOUND	TX	75022	07.23.2020
9414811898765822307867	JOHN GUITAR WITHERSPOON JR	7404 LEMONWOOD LANE	FORT WORTH	TX	76133	07.23.2020
9414811898765822307829	PARDEE LIMITED COMPANY	P O BOX 2018	CARLSBAD	NM	88221	07.23.2020
9414811898765822307805	EOG RESOURCES INC	P O BOX 840321	DALLAS	TX	75284	07.23.2020
9414811898765822307898	GUITAR LAND AND CATTLE CO LP	P O BOX 2213	ABILENE	TX	79604	07.23.2020
9414811898765822307843	LAURA JEAN HOFFER TRUST	11248 SOUTH TURNER AVENUE	ONTARIO	CA	91761	07.23.2020
9414811898765822307881	CAREN G MACHELL	174 WATERCOLOR WAY STE 103	SANTA ROSA BEACH	FL	32459	07.23.2020
9414811898765822307836	JACK G WOODS JR	PO BOX 341342	AUSTIN	TX	78734	07.23.2020
9414811898765822307874	JACK SCOTT AND SANDRA McDONALD	1110 COLLEGE AVENUE	SNYDER	TX	79549	07.23.2020
9414811898765822307713	BRITT P AND CYDNEY MEDFORD	2111 PAISANO ROAD	AUSTIN	TX	78746	07.23.2020
9414811898765822307751	CHARLOTTE ALBRIGHT	1705 BOYD DRIVE	CARLSBAD	NM	88220	07.23.2020
9414811898765822307768	BARBARA LEE BACKMAN INC	510 W RIVERSIDE AVE SUITE 400	SPOKANE	WA	99201	07.23.2020
9414811898765822307720	JAN ALICE HERRSTROM	810 FOREST OAKS CIRCLE	WOODWAY	TX	76712	07.23.2020
9414811898765822307706	GUITAR GALUSHA LP	P O BOX 1438	ABILENE	TX	79604	07.23.2020
9414811898765822307799	VIRGINIA NEVILL HOFF MGMT TRUST	2601 LAKEWOOD CIRCLE	TUSCALOOSA	AL	35405	07.23.2020
9414811898765822307744	JPH HOLDINGS LP	4400 ARCADY	DALLAS	TX	75205	07.23.2020
9414811898765822307782	SHARBRO ENERGY LLC	PO BOX 840	ARTESIA	NM	88211	07.23.2020
9414811898765822307737	TWIN OAKS PETROLEUM LLC	131 MAPLE TRACE LN	PINE MOUNTAIN	GA	31822	07.23.2020
9414811898765822307911	MURCHISON GUITAR FAMILY LP	PO BOX 712	RED BLUFF	CA	96080	07.23.2020
9414811898765822307959	POLK LAND AND MINERALS LP	1101 BUTTERNUT	ABILENE	TX	79602	07.23.2020
9414811898765822307966	JMA OIL PROPERTIES LTD	PO BOX 58	ABILENE	TX	79604	07.23.2020
9414811898765822307904	SALLY GUITAR	10 WOODHAVEN CIR	ABILENE	TX	79605	07.23.2020
9414811898765822307997	MELISSA MCGEE	6 WOODHAVEN	ABILENE	TX	79605	07.23.2020
9414811898765822307942	WOODS DICKENS RANCH LP	4610 8TH ST	LUBBOCK	TX	79416	07.23.2020
9414811898765822307980	CAREN GALL MACHELL EXEMPT TRUST	174 WATERCOLOR WAY STE 103	SANTA ROSA BEACH	FL	32459	07.23.2020
9414811898765822307935	LESLI GUITAR NICHOLS	P O BOX 327	BIG SPRING	TX	79721	07.23.2020
9414811898765822307973	JOHN GUITAR	P O BOX 1121	CLYDE	TX	79510	07.23.2020
9414811898765822307614	SANTA ELENA MINERALS LP	PO BOX 2063	MIDLAND	TX	79702	07.23.2020
9414811898765822307652	REBECCA GAINES HOOKS	P O BOX 111	WARING	TX	78074	07.23.2020
9414811898765822307669	MICHAELA GAINES KLAPOUCH	P O BOX 227	WIMBERLEY	TX	78676	07.23.2020
9414811898765822307621	ROBERT E GAINES JR	P O BOX 105	WARING	TX	78074	07.23.2020
9414811898765822307607	MARY MARTHA GAINES ENGLAND	P O BOX 541661	GRAND PRAIRIE	TX	75054	07.23.2020
9414811898765822307690	TRUCHAS PEAKS LLC	110 LOUISIANA SUITE 500	MIDLAND	TX	79701	07.23.2020
9414811898765822307645	CROWNROCK MINERALS LP	PO BOX 51933	MIDLAND	TX	79710	07.23.2020
9414811898765822307683	CAKI FAMILY LIMITED PARTNERSHIP	5851 ROYAL CREST DR	DALLAS	TX	75230	07.23.2020
9414811898765822307638	CAROL GIBSON TRUST	PO BOX 701	ABILENE	TX	79604	07.23.2020
9414811898765822307676	CYNTHIA RHODES TRUST	PO BOX 701	ABILENE	TX	79604	07.23.2020
9414811898765822307119	XTO HOLDINGS LLC	PO BOX 840780	DALLAS	TX	75284	07.23.2020
9414811898765822307157	JUDY GUITAR UHEY LLC	PO BOX 632	E TOWN	KY	42702	07.23.2020
9414811898765822307164	EARL B GUITAR JR BYPASS TRUST	PO BOX 56429	HOUSTON	TX	77256	07.23.2020
9414811898765822307126	SCOTT CRANFORD AP TRUST	2009 HUBBARD COURT	VILLA RICA	GA	30180	07.23.2020
9414811898765822307195	SHARON GUITAR ELLIS LLC	PO BOX 469	VALLEYFORD	WA	99036	07.23.2020

9414811898765822307140	MARY LYNN FOREHAND	403 SAN JUAN MANOR	CARLSBAD	NM	88220	07.23.2020
9414811898765822307188	PRESSLEY HUDSON GUITAR	P O BOX 5383	ABILENE	TX	79608	07.23.2020
9414811898765822307133	PENROC OIL CORPORATION	P O BOX 2769	HOBBS	NM	88241	07.23.2020
9414811898765822307171	RUTTER & WILBANKS CORPORATION	BOX 3186	MIDLAND	TX	79701	07.23.2020
9414811898765822307317	GUY P WITHERSPOON III	PO BOX 100403	FORT WORTH	TX	76185	07.23.2020
9414811898765822307355	WEATHERVANE MANAGEMENT LP	4610 8TH ST	LUBBOCK	TX	79416	07.23.2020
9414811898765822307362	BGW MINERALS LTD	P O BOX 100635	FORT WORTH	TX	76185	07.23.2020
9414811898765822307324	FINA OIL AND CHEMICAL COMPANY	P O BOX 200669	HOUSTON	TX	77216	07.23.2020

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

District III
1000 Rio Grande Road, Aztec, NM 87410
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

NM OIL CONSERVATION
ARTESIA DISTRICT

DEC 02 2016

Form C-102

Revised August 1, 2011

RECEIVED Submit one copy to appropriate District Office

☒ AMENDED REPORT
(As Drilled)

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number 30-015-43906	Pool Code 96238	Pool Name Corral Draw Bone Spring
Property Code 316106	Property Name CEDAR CANYON "22" FEDERAL COM	Well Number 6Y
OGRID No. 16696	Operator Name OXY USA INC.	Elevation 2939.1'

Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
M	22	24 SOUTH	29 EAST, N.M.P.M.		1040'	SOUTH	207'	WEST	EDDY

Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
P	22	24 SOUTH	29 EAST, N.M.P.M.		880' 881'	SOUTH	880' 881'	EAST	EDDY

Dedicated Acres 160	Joint or Infill Y	Consolidation Code	Order No: BP- 880 FSL 386 FEL TP- 865 FSL 363 FWL
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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.

OPERATOR CERTIFICATION

I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the Division.

Signature: [Signature] Date: 12/1/16
Printed Name: Jana Mendiola
E-mail Address: jana@mendiola2oxygen.com

SURVEYOR CERTIFICATION

I hereby certify that the information shown on this plat was plotted from first order or equal surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.

Signature: [Signature] Date of Survey: SEPTEMBER 6, 2016
Professional Surveyor: 15079

Signature: [Signature] Certificate Number: 15079

WO# 151109WL-b (Rev. D) (KA)

