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

Susana Martinez Governor

David Martin Cabinet Secretary

Brett F. Woods, Ph.D. Deputy Cabinet Secretary David R. Catanach, Division Director Oil Conservation Division



January 12, 2016

## ADMINISTRATIVE POOL/LEASE COMMINGLING ORDER

Administrative Order PLC-440 Administrative Application Reference No. pMAM1535656103

OXY USA INC. Attention: Ms. Kelley Montgomery

Pursuant to your application received on December 22, 2015, OXY USA Inc. (OGRID 16696) is hereby authorized to surface commingle oil and gas production from the following pools located in Section 18, Township 24 South, Range 33 East, NMPM, Lea County, New Mexico;

TRIPLE X; BONE SPRING, WEST	(96674)
JOHNSON RANCH; WOLFCAMP, WEST (GAS)	(96825)

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

State Lease VO-56380 W/2 of Section 18 Copperhead "18" State Well No. 2H Copperhead "18" State Well No. 3H Triple X; Bone Spring, West
State Lease VO-56470
E/2 of Section 18
Copperhead "18" State Well No. 4H
Copperhead "18" State Well No. 5H
Triple X; Bone Spring, West
State Lease VO-56470
E/2 of Section 18
Copperhead 18 State Well No. 1
Johnson Ranch; Wolfcamp, West (Gas)

The commingled oil and gas production from the wells detailed above shall be measured and sold at the Copperhead 18 Central Tank Battery (CTB) located in Unit G, Section 18, Township 24 South, Range 33 East, Lea County, New Mexico.

Production from the subject wells shall be determined as follows:

The oil and gas production from each of the diversely-owned leases shall be separately metered using a combination of well testing and allocation meters.

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 transporter of this commingling authority.

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

The operator shall notify the Hobbs District office of the Division upon commencement of commingling operations.

DONE at Santa Fe, New Mexico, on January 12, 2016.

DAVID R. CATANACH Director

DRC/mam

cc: Oil Conservation Division District Office – Hobbs New Mexico State Land Office – Oil, Gas, and Minerals