State of New Mexico Energy, Minerals and Natural Resources Department

Susana Martinez Governor

Tony Delfin Acting Cabinet Secretary David R. Catanach, Division Director Oil Conservation Division



September 22, 2016

ADMINISTRATIVE OFF-LEASE MEASUREMENT ORDER

Administrative Order OLM-109 Application Reference No. pMAM1626532792

OXY USA Inc. Attention: Ms. Taylor Stillman

OXY USA Inc. (OGRID 16696) is hereby authorized to transport and measure oil and gas production off-lease, from the following well which produces from Pierce Crossing; Bone Spring, East Pool (pool code 96473) in Eddy County, New Mexico:

Cedar Canyon 27 Federal Com. Well No. 5 H (API No. 30-015-43775), Unit D, Section 27, Township 24 South, Range 29 East.

The project area for this well includes the S/2 N/2 of Section 27, Township 24 South, Range 29 East, NMPM, Eddy County, New Mexico.

The oil and gas production from this well shall be measured at, and sold from, Cedar Canyon 22 Satellite Central Tank Battery located in Unit I, Section 22, Township 24 South, Range 29 East, NMPM, Eddy County, New Mexico. All meters for the above-referenced well shall be physically separated from facilities for other wells, so that production from the above-referenced well will not be commingled prior to measurement with production from any other well.

Production from the subject wells shall be determined as follows:

The oil and gas production from this well shall be separately metered using sales meters.

The surface commingling of oil and gas with production from other pools or leases is NOT authorized.

It is also understood that no notification is required, because the applicant is also the only working interest owner.

The operator shall notify the Artesia District Office of the Division before commencement of Off-Lease Measurement.

The approval is subject to like approval by the Bureau of Land Management.

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Done at Santa Fe, New Mexico, on September 22, 2016.

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DAVID R. CATANACH Director

DRC/mam

cc: Oil Conservation Division – Artesia Bureau of Land Management – Carlsbad