

State of New Mexico
Energy, Minerals and Natural Resources Department

Michelle Lujan Grisham
Governor

Sarah Cottrell Propst
Cabinet Secretary Designate

Gabriel Wade, Acting Director
Oil Conservation Division



January 4, 2019

ADMINISTRATIVE CENTRAL TANK BATTERY ORDER

Administrative Order CTB-882

OXY USA Inc.
Attn: Ms. Kathleen Mowery

OXY USA Inc. (OGRID 16696) is hereby authorized to surface commingle oil and gas production and off-lease measure from diversely owned leases and wells identified in Attachment A and made part of this order. These wells and leases produce from Red Tank; Delaware, West Pool (Pool code 51689) and are located on Federal leases located in Township 22 South, Range 32 East, Lea County, New Mexico.

Production from the subject wells shall be determined as follows:

The commingled oil and gas production from the wells detailed above shall be measured and sold at the Red Tank 34 Federal 2 Central Tank Battery (CTB), located in Unit H, Section 34, Township 22 South, Range 32 East, NMPM, Lea County, New Mexico.

The oil and gas production from each of the wells and leases shall be measured with a combination of metering and well testing.

The operator shall notify the transporter of this commingling authority.

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 within the defined parameters set forth in this order.

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.

This approval is subject to like approval from the **Bureau of Land Management** before commencement of the commingling operations.

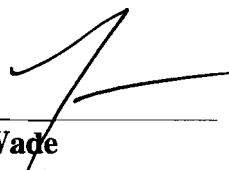
The operator shall notify the Hobbs District office of the Division prior to implementation of the commingling operations.

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OXY USA Inc.

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A handwritten signature in black ink, appearing to be 'GW', is written over a horizontal line.

Gabriel Wade
Acting Director

GW/mam

cc: Oil Conservation Division District Office – Hobbs
Bureau of Land Management – Carlsbad

Attachment A Red Tank Wells

WELL NAME	API	Spacing Unit	LEASE
RED TANK 33 FEDERAL 1H	30-025-41237	E/2 E/2 Section 33	NMNM 077060
RED TANK 34 FEDERAL 1	30-025-31720	NW/4 NE/4 Section 34	NMNM 077060
RED TANK 34 FEDERAL 2	30-025-31932	SE/4 NE/4 Section 34	NMNM 077060
RED TANK 34 FEDERAL 3	30-025-31951	NE/4 NE/4 Section 34	NMNM 077060
RED TANK 34 FEDERAL 4	30-025-32136	SW/4 NE/4 Section 34	NMNM 077060
RED TANK 34 FEDERAL 7	30-025-35941	NE/4 SE/4 Section 34	NMNM 077060
RED TANK 34 FEDERAL 12	30-025-35834	SE/4 NW/4 Section 34	NMNM 077060
RED TANK 34 FEDERAL 13	30-025-32761	NW/4 NW/4 Section 34	NMNM 077060
RED TANK 34 FEDERAL 14	30-025-32655	NE/4 NW/4 Section 34	NMNM 077060
RED TANK 34 FEDERAL 15	30-025-32912	SW/4 NW/4 Section 34	NMNM 077060
RED TANK 35 FEDERAL 1	30-025-32336	NW/4 NW/4 Section 35	NMNM 086150
RED TANK 35 FEDERAL 2	30-025-36372	SW/4 NW/4 Section 35	NMNM 086150