

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

Surface Commingling Order PLC-546

OXY USA WTP LIMITED PARTNERSHIP
Attention: Ms. Sandra Musallam

Pursuant to your application received on December 12, 2018, OXY USA WTP Limited Partnership (OGRID 192463) is hereby authorized to surface commingle oil and gas production from the following pools located in Township 21 South, Range 23 East, NMPM, Eddy County, New Mexico;

DAGGER DRAW; UP PEN, SOUTH (ASSOC)	(15475)
INDIAN BASIN; UPPER PENN (PRO GAS)	(79040)
INDIAN BASIN; MORROW	(78960)
INDIAN BASIN; MORROW, EAST	(96561)

and from wells, their associated leases, pools, and batteries as identified in the application, Exhibit "A" made a part of this order. These wells are located on federal leases in Township 21 South, Range 23 East, NMPM, Eddy County, New Mexico.

Commingled oil and gas production from the wells shall be measured and sold at either the North Indian Basin Unit 11 Central Tank Battery (NIBU CTB), located in Unit O of Section 2, Township 21 South, Range 23 East, NMPM, Eddy County, New Mexico, or the MOC Federal Central Tank battery (MOC CTB), located in Lot 4/ Unit D of Section 1, Township 21 South, Range 23 East, NMPM, Eddy County, New Mexico

Production from the subject wells shall be determined as follows:

Oil and gas production from wells at the NIBU CTB with the exclusion of Encore 12 Indian Com Well No.1 shall be measured with a combination of metering and well testing before commingling. The Encore 12 Indian Com Well No.1 shall be continuously metered before commingling with the other wells. Further, the NIBU CTB shall be the Facility Measurement Point (FMP) for gas production for wells at this battery. After commingling, the oil production will flow to the MOC CTB.

Oil and gas production from wells at the MOC CTB shall be measured with a combination of metering and well testing before commingling, which will be the FMP for all of the oil production in this application, and the FMP for gas production for wells at the MOC CTB.

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

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.

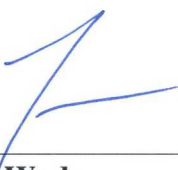
Subsequent wells within leases approved by this order may be added to this administrative surface commingle application with a Sundry notice to the Engineering Bureau.

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

This administrative order supersedes Administrative order PLC-262, issued on October 19, 2004. This administrative order allows the commingling of Encore 12 Indian Com Well No.1. Further, PLC-262 shall remain in full force and effect with the exclusion of wells specifically subject to this order.

This approval is subject to like approval from Bureau of Land Management before commencing commingling operations.

The Operator shall notify the transporter of this commingling authority and the Artesia District Office prior to implementation of commingling operations.



Gabriel Wade
Acting Director

GW/mam

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

Ammendmntn A: OXY Indian Basin Wells

WELL NAME	API	Spacing Unit	Lease	BATTERY	POOL	POOL CODE
Commanche 3 Federal #1	30-015-28720	E/2 Section 3	NMNM 0384623	North Indian Basin Unit 11	Dagger Draw; Up Pen, South (Assoc)	15475
North Indian Basin Unit Gas #3	30-015-10557	W/2 Section 3	NMNM 05608	North Indian Basin Unit 11	Indian Basin; Upper Penn (Pro Gas)	79040
Encore 12 Indian Com #1	30-015-35632	E/2 Section 12	NMNM 81677	North Indian Basin Unit 11	Indian Basin;Morrow, East	96561
North Indian Basin Unit Gas #20	30-015-28384	S/2 Section 2	PA#70998A	North Indian Basin Unit 11	Dagger Draw; Up Pen, South (Assoc)	15475
North Indian Basin Unit Gas #21	30-015-28621	N/2 Section 11	PA#70998A	North Indian Basin Unit 11	Dagger Draw; Up Pen, South (Assoc)	15475
North Indian Basin Unit Gas #24	30-015-28814	W/2 Section 11	PA#70998A	North Indian Basin Unit 11	Dagger Draw; Up Pen, South (Assoc)	15475
North Indian Basin Unit Gas #30	30-015-29059	Entire Section 10	PA#70998A	North Indian Basin Unit 11	Dagger Draw; Up Pen, South (Assoc)	15475
North Indian Basin Unit Gas #22	30-015-28583	Entire Section 11	PA#70998B	North Indian Basin Unit 11	Indian Basin;Morrow, East	78960
Bone Flats 12 Federal Com #4	30-015-28675	W/2 Section 12	NMNM 05551A	MOC Federal Central Facility	Dagger Draw; Up Pen, South (Assoc)	15475
MOC Federal #2	30-015-27984	S/2 Section 1	NMNM 04827B	MOC Federal Central Facility	Dagger Draw; Up Pen, South (Assoc)	15475
MOC Federal #3	30-015-28045	N/2 Section 1	NMNM 04827B	MOC Federal Central Facility	Dagger Draw; Up Pen, South (Assoc)	15475
MOC Federal #5	30-015-28117	N/2 Section 1	NMNM 04827B	MOC Federal Central Facility	Dagger Draw; Up Pen, South (Assoc)	15475
North Indian Basin Unit Gas #15	30-015-28305	Entire Section 2	PA#70998A	MOC Federal Central Facility	Dagger Draw; Up Pen, South (Assoc)	15475
North Indian Basin Unit Gas #26	30-015-28752	N/2 Section 2	PA#70998A	MOC Federal Central Facility	Dagger Draw; Up Pen, South (Assoc)	15475