

Revised March 23, 2017

RECEIVED: 12/12/2018	REVIEWER: MAM	TYPE: CTB	APP NO: DMA 18346 54526
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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: SUNDANCE 8 FEDERAL #2 &amp; #3Q

API: 30-015-27229 &amp; 30-015-32775

Pool: SAND DUNES, DELAWARE, SOUTH

Pool Code: 53818

**SUBMIT ACCURATE AND COMPLETE INFORMATION REQUIRED TO PROCESS THE TYPE OF APPLICATION  
 INDICATED BELOW**

1) **TYPE OF APPLICATION:** Check those which apply for [I] or [II]

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

C 73-881

2) **NOTIFICATION REQUIRED TO:** Check those which apply.

A. ☐ Offset operators or lease holdersB. ☒ Royalty, overriding royalty owners, revenue ownersC. ☐ Application requires published noticeD. ☐ Notification and/or concurrent approval by SLOE. ☒ Notification and/or concurrent approval by BLMF. ☐ Surface ownerG. ☒ 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

12/12/2018

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

Form C-107-B  
Revised August 1, 2011

**OIL CONSERVATION DIVISION**  
1220 S. St Francis Drive  
Santa Fe, New Mexico 87505

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 WTP LIMITED PARTNERSHIP

OPERATOR ADDRESS: 5 GREENWAY PLAZA SUITE 110, HOUSTON TX 77046

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 If "Yes", please include the appropriate Order No. \_\_\_\_\_

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

(2) Are any wells producing at top allowances? ☐ Yes ☐ No

(3) Has all interest owners been notified by certified mail of the proposed commingling? ☐ Yes ☐ No.

(4) Measurement type: ☐ Metering ☐ Other (Specify)

(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. SAND DUNES;DELAWARE, SOUTH (53818)

(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) WELL TEST

**(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: 12/12/2018

TYPE OR PRINT NAME SANDRA MUSALLAM TELEPHONE NO.: 713-366-5106

E-MAIL ADDRESS: SANDRA\_MUSALLAM@OXY.COM

**APPLICATION FOR LEASE COMMINGLE AND OFF-LEASE STORAGE, MEASUREMENT AND SALES**  
**Commingling proposal for Sundance 8 Federal 1 Battery**

OXY USA INC requests approval for a Lease Commingle and off-lease storage, measurement and sales at the Sundance 8 Federal 1 Battery (LAT 32.23818 LONG -103.80344, D/C-08-24S-31E).

The commingling of production is in the interest of conservation and waste and will result in the most effective economic means of producing the reserves in place from the affected wells and will not result in reduced royalty or improper measurement of production. The proposed commingling will reduce operating expenses as well as reduce the surface facility footprint and overall emissions.

Wells feeding the battery are listed below.

**POOL - SAND DUNES;DELAWARE, SOUTH (53818)**

WELL NAME	API	LOCATION	OIL (BPD)	API GRAVITY	GAS (MCFPD)	BTU	WATER (BPD)
<b>BLM 12.5% NMNM029234</b>							
SUNDANCE 8 FEDERAL #2	30-015-27229	E-08-24S-31E	14	39.7	14	1305	70
<b>BLM 12.5% NMNM063757</b>							
SUNDANCE 8 FEDERAL #3Q	30-015-32775	M-08-24S-31E	3	39.7	9	1305	43

**Process Flow:**

Production will flow through a heater-treater. Oil will then flow to two oil storage tanks before being pumped to sales. The tanks are strapped (oil FMP) to determine the oil sales volume. Gas will flow from the heater-treater to sales meter DCP 13155025 (gas FMP).

For well testing purposes, a well is shut-in while the other produces. The oil tank is strapped to determine the volume of oil produced, and the daily reading on DCP 13155025 determines the gas volume produced. All wells have been online for over fifteen years and have established production. They will be individually tested on a monthly basis for allocation purposes.

Produced water will be sent to the Sand Dunes Salt Water Disposal system.

**Additional Application Components:**

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

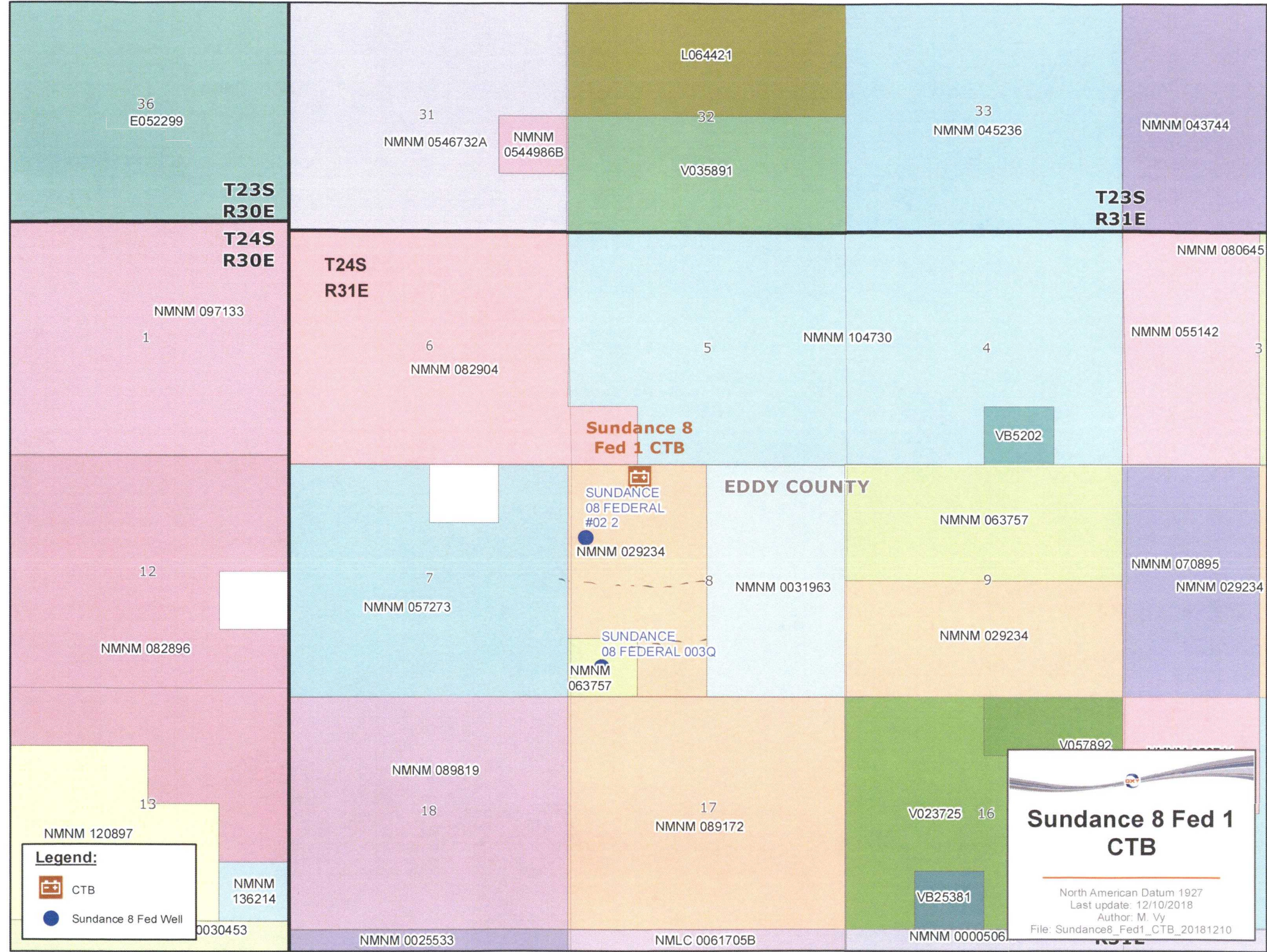
The gas meter will be calibrated on a regular basis per API, NMOCD and BLM specifications.

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.

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.

The surface commingle application will be submitted separately for approval per NMOCD and BLM regulations.









**Sundance 8 Federal Battery Production Data**

<b>Sundance 8 Federal #2 (30-015-27229)</b>			
Month	Oil (BBL)	Gas (MCF)	Water (BBL)
Apr-2018	465	352	1595
May-2018	337	356	1566
Jun-2018	375	416	1771
Jul-2018	388	464	2516
Aug-2018	353	355	2474
Sep-2018	191	301	949

<b>Sundance 8 Federal #3Q (30-015-32775)</b>			
Month	Oil (BBL)	Gas (MCF)	Water (BBL)
Apr-2018	78	405	864
May-2018	128	216	1279
Jun-2018	109	152	1181
Jul-2018	79	315	1265
Aug-2018	26	73	857
Sep-2018	0	0	0



**OXY USA WTP Limited Partnership / OXY  
USA INC / OCCIDENTAL PERMIAN LP**  
A subsidiary of Occidental Petroleum Corporation

5 Greenway Plaza, Suite 110, Houston, Texas 77046  
P.O. Box 4294, Houston, Texas 77210-4294

December 12, 2018

**CERTIFIED MAIL**  
**RETURN RECEIPT REQUESTED**

To Whom It May Concern:

This is to advise you that OXY USA INC is filing a surface commingle permit with the New Mexico Oil Conservation Division and Bureau of Land Management. Wells included in the application are listed below.

- Sundance 8 Federal #2: 30-015-27229
- Sundance 8 Federal #3Q: 30-015-32775

A copy of the application is enclosed for your review.

Pursuant to NMAC 19.15.23.9, interested parties must file objections or requests for hearing in writing with the New Mexico Oil Conservation Division office within 20 days after notice, or the Commission may approve the application.

For questions pertaining to the application, please contact Sandra Musallam at (713) 366-5106.

Respectfully,

**OXY USA INC**  
Sandra Musallam  
Regulatory Engineer – Compliance Lead  
(713) 366-5106  
Sandra\_Musallam@oxy.com

OWNER NAME_1	ADDRESS_1	CITY_1	STATE_1	ZIP_1	TRACKING NUMBERS
MINERALS MANAGEMENT SERVICE	PO BOX 25627	DENVER	CO	80225	WIS SYSTEM
AGEL, RONALD C	49 COMMONWEALTH AVENUE	BOSTON	MA	02116	7018 1830 0000 8832 3815
BARBE, CHAD	PO BOX 2107	ROSWELL	NM	88202	7018 1830 0000 8832 3624
BRILI LLC	2135 SEDONA HILLS PARKWAY	LAS CRUCES	NM	88011	7018 1830 0000 8832 3631
COMMUNITIES FOUNDATION OF TEXAS	PO BOX 1588	TULSA	OK	74101	7018 1830 0000 8832 3648
ECKELS, CHRISTOPHER RICHARD F	P O BOX 30	CEDAREIDGE	CO	81413	7018 1830 0000 8832 3655
ESCONDIDO OIL & GAS	PO BOX 51390	MIDLAND	TX	79710	7018 1830 0000 8832 3662
HANNIFIN, ALAN R	P O BOX 8874	DENVER	CO	80201	7018 1830 0000 8832 3679
HANNIFIN, SHAWN PATRICK	730 17TH ST STE 325	DENVER	CO	80202	7018 1830 0000 8832 3686
HONEYMAN, LANELL	406 SKYWOOD CIRCLE	MIDLAND	TX	79705	7018 1830 0000 8832 3693
ICE, JAN C	POST OFFICE BOX 7366	KENT	WA	98042	7018 1830 0000 8832 3709
JPT FAMILY JV#1	PO DRAWER 99084	FORT WORTH	TX	76199	7018 1830 0000 8832 3716
LESLIE ROBERT HONEYMAN TRUST	406 SKYWOOD CIRCLE	MIDLAND	TX	79705	7018 1830 0000 8832 3525
LILLEY, TIM & TASHINA	4873 RAIN TREE CIRCLE	PARKER	CO	80134	7018 1830 0000 8832 3532
MAP 92-96 MGD	P O BOX 268984	OKLAHOMA CITY	OK	73126	7018 1830 0000 8832 3549
MAP HOLDINGS - OKLA. GEN PRTRNSHP	PO BOX 268947	OKLAHOMA CITY	OK	73126	7018 1830 0000 8832 3556
MORGAN MINERALS TRUST	1209 KNOLL CREST COURT	GRAPEVINE	TX	76051	7018 1830 0000 8832 3563
NUEVO SEIS LIMITED PARTNERSHIP	PO BOX 2588	ROSWELL	NM	88202	7018 1830 0000 8832 3570
OPPERMAN, L E	1505 NEELY	MIDLAND	TX	79705	7018 1830 0000 8832 3587
ROBERT EDWARD ECKELS JR LLC	POST OFFICE BOX 1093	CEDAREIDGE	CO	81413	7018 1830 0000 8832 3594
S & E ROYALTY LLC	8470 WEST 4TH AVENUE	DENVER	CO	80226	7018 1830 0000 8832 3600
SANTA ELENA MINERALS IV LP	P O BOX 2063	MIDLAND	TX	79702	7018 1830 0000 8832 3617
T-BAR OIL & GAS LTD	P O BOX 247	CRESTED BUTTE	CO	81224	7018 1830 0000 8832 5024
VIPER ENERGY PARTNERS LLC	9400N BROADWAY SUITE 700	OKLAHOMA CITY	OK	73114	7018 1830 0000 8832 5031
CHEVRON U S A INC	P O BOX 730436	DALLAS	TX	75373	7018 1830 0000 8832 5048
OXY USA INC	P O BOX 27570	HOUSTON	TX	77227	
EMG REVOC TRUST	1000 W FOURTH STREET	ROSWELL	NM	88201	7018 1830 0000 8832 5055
F ANDREW GROOMS SSP TRUST	P O BOX 2990	RUIDOSO	NM	88355	7018 1830 0000 8832 5062
FAVOR, MARY JANE	P O BOX 96	HAYNEVILLE	AL	36040	7018 1830 0000 8832 5079
SORENSEN, DAVID J	BOX 1453	ROSWELL	NM	88201	7018 1830 0000 8832 5086
WILBUR D & AFTON H WILSON REV TRST	1013 EAST 5400 SOUTH	OGDEN	UT	84405	7018 1830 0000 8832 4928

DATE MAILED

12/12/2018



District I  
PO Box 1988, Hobbs, NM 88241-1988  
District II  
PO Drawer DD, Artesia, NM 88211-0719  
District III  
1000 Rio Brazos Rd., Aztec, NM 87410  
District IV  
PO Box 2088, Santa Fe, NM 87504-2088

State of New Mexico  
Energy, Minerals & Natural Resources Department

OIL CONSERVATION DIVISION  
PO Box 2088  
Santa Fe, NM 87504-2088

Form C-10  
Revised February 10, 199  
Instructions on back  
Submit to Appropriate District Office  
State Lease - 4 Copies  
Fee Lease - 3 Copies

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

1. API Number		2. Pool Code 96036		3. Pool Name Undesignated Delaware	
4. Property Code 13794		5. Property Name Sundance "8" Federal			6. Well Number 2
7. OGRID No. 017891		8. Operator Name POGO PRODUCING COMPANY			9. Elevation 3513'

10. Surface Location

UL or lot no.	Section	Township	Range	Lot Ida	Feet from the	North/South line	Feet from the	East/West line	County
E	8	24S	31E		1650	North	330	West	Eddy

11. Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Ida	Feet from the	North/South line	Feet from the	East/West line	County

12. Dedicated Acres	13. Joint or Infill	14. Consolidation Code	15. Order No.

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

16. 1650' 31. 3512' E1. 3510' E1. 3512' E1. 3498' 330' BUREAU OF LAND MANAGEMENT APPROVED APR 19 1994 SANTA FE, NM				17. OPERATOR CERTIFICATION I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief  Signature JAMES M. C. Ritchie, Jr. Printed Name AGENT Title 4/26/94 Date	
				18. SURVEYOR CERTIFICATION I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief. April 19, 1994 Date of Survey Signature and Seal of Professional Surveyer: Certificate Number 648	

District I  
PO Box 1900, Hobbs, NM 88241-1900  
District II  
PO Drawer DD, Artesia, NM 88211-0719  
District III  
1000 Rio Brava Rd., Aztec, NM 87410  
District IV  
PO Box 2088, Santa Fe, NM 87504-2088

State of New Mexico  
Energy, Minerals & Natural Resources Department

OIL CONSERVATION DIVISION  
PO Box 2088  
Santa Fe, NM 87504-2088

Form C-104  
Revised February 10, 1994  
Instructions on back  
Submit to Appropriate District Office  
5 Copies  
☐ AMENDED REPORT

I. REQUEST FOR ALLOWABLE AND AUTHORIZATION TO TRANSPORT

Operator name and Address Pogo Producing Company P. O. Box 10340, Midland, TX 79702-7340		OGRID Number 017891
Reason for Filing Code CO		
API Number 30 - 0 15-27229	Pool Name Sundance, Delaware, South	Pool Code 50018
Property Code 13794	Property Name Sundance - Federal	Well Number 20

II. Surface Location

UL or lot no.	Section	Township	Range	Lot Ida	Feet from the	North/South Line	Feet from the	East/West Line	County
E	8	24S	31E		1650	North	330	West	Eddy

Bottom Hole Location

UL or lot no.	Section	Township	Range	Lot Ida	Feet from the	North/South Line	Feet from the	East/West Line	County
Lea Code	Producing Method Code	Gas Connection Date	C-129 Permit Number	C-129 Effective Date	C-129 Expiration Date				

III. Oil and Gas Transporters

Transporter OGRID	Transporter Name and Address	POD	O/G	POD ULSTR Location and Description
22628	TX-NM Pipeline Company P. O. Box 60028 San Angelo, TX 76906	281135	0	
32109	Hadson Gas G&P Co. 921 Sanger, Hobbs, NM 88240-4917	281136	G	
				RECEIVED
				MAR 1 1996

IV. Produced Water

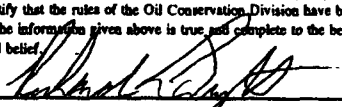
POD	POD ULSTR Location and Description
281137	

V. Well Completion Data

Spud Date	Ready Date	TD	PSTD	Perforations
Hole Size	Casing & Tubing Size	Depth Set	Sacks Cement	

VI. Well Test Data

Date New Oil	Gas Delivery Date	Test Date	Test Length	Tbg. Pressure	Csg. Pressure
Choke Size	Oil	Water	Gas	AOF	Test Method

I hereby certify that the rules of the Oil Conservation Division have been complied with and that the information given above is true and complete to the best of my knowledge and belief. Signature: 		OIL CONSERVATION DIVISION Approved by: ORIGINAL SIGNED BY TIM W. GUM DISTRICT II SUPERVISOR	
Printed name: Richard L. Wright		Title:	
Title: Division Operations Manager		Approval Date: MAR 4 1996	
Date: 2/29/96	Phone: (915) 682-6822		
If this is a change of operator fill in the OGRID number and name of the previous operator			
Previous Operator Signature	Printed Name	Title	Date

## DISTRICT I

P.O. Box 1990, Hobbs, NM 88241-1990

## State of New Mexico

Energy, Minerals and Natural Resources Department

Form C-102

Revised February 10, 1994

Submit to Appropriate District Office

State Lease - 4 Copies

Fee Lease - 3 Copies

## DISTRICT II

P.O. Drawer DD, Artesia, NM 88211-0719

## OIL CONSERVATION DIVISION

P.O. Box 2088

Santa Fe, New Mexico 87504-2088

## DISTRICT III

1000 Rio Brazos Rd., Artec, NM 87410

## DISTRICT IV

P.O. BOX 2088, SANTA FE, N.M. 87504-2088

## WELL LOCATION AND ACREAGE DEDICATION PLAT

☐ AMENDED REPORT

API Number	Pool Code 53818	Pool Name SAND DUNES DELAWARE-SOUTH
Property Code	Property Name SUNDANCE "8" FED.	Well Number 3
OGRID No. 17891	Operator Name POGO PRODUCING COMPANY	Elevation 3533'

## Surface Location

UL or lot No. M	Section 8	Township 24-S	Range 31-E	Lot Idn	Feet from the 660	North/South line SOUTH	Feet from the 660	East/West line WEST	County EDDY
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## 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
Dedicated Acres 40	Joint or Infill	Consolidation Code	Order No.						

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

<p>WGS 84 LAT. 32°13'35.12"N LONG. 103°48'22.57"W</p> <p>SEE DETAIL</p> <p>DETAIL</p> <p>660'</p> <p>3532.4'</p> <p>3536.7'</p> <p>3527.8'</p> <p>3540.0'</p>	<p><b>OPERATOR CERTIFICATION</b></p> <p>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.</p> <p><i>Joe T. Janica</i> Signature</p> <p>Joe T. Janica Printed Name</p> <p>Agent</p> <p>Title</p> <p>Date 02/18/03</p>			
	<p><b>SURVEYOR CERTIFICATION</b></p> <p>I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.</p> <p>JANUARY 21, 2003</p> <p>Date Surveyed</p> <p>Signature &amp; Seal of Professional Surveyor</p> <p><i>Ronald J. Edson</i> 1/23/03 03.17.0098</p> <p>Certificate No. RONALD J. EDSON 3239 GARY EDSON 12641</p>			

EXHIBIT "A"