

Submit 1 Copy To Appropriate District Office
District I - (575) 393-6161
1625 N. French Dr., Hobbs, NM 88240
District II - (575) 748-1283
811 S. First St., Artesia, NM 88210
District III - (505) 334-6178
1000 Rio Brazos Rd., Aztec, NM 87410
District IV - (505) 476-3460
1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico
Energy, Minerals and Natural Resources

Form C-103
Revised August 1, 2011

OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

SUNDRY NOTICES AND REPORTS ON WELLS (DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH PROPOSALS.)		WELL API NO. SEE ATTACHED
1. Type of Well: Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other <input type="checkbox"/>		5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
2. Name of Operator OXY USA, Inc.		6. State Oil & Gas Lease No. SEE ATTACHED
3. Address of Operator 12955 Willow Place West, #691485, Houston, TX 77269		7. Lease Name or Unit Agreement Name SEE ATTACHED
4. Well Location Unit Letter _____ : _____ feet from the _____ line and _____ feet from the _____ line. Section _____ Township _____ Range _____ NMPM _____ County EDDY		8. Well Number
11. Elevation (Show whether DR, RKB, RT, GR, etc.)		9. OGRID Number
		10. Pool name or Wildcat

12. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data

NOTICE OF INTENTION TO:

PERFORM REMEDIAL WORK ☐ PLUG AND ABANDON ☐
TEMPORARILY ABANDON ☐ CHANGE PLANS ☐
PULL OR ALTER CASING ☐ MULTIPLE COMPL ☐
DOWNHOLE COMMINGLE ☐

OTHER: Surface Commingle, ☒
Off-Lease Storage & Measuring

SUBSEQUENT REPORT OF:

REMEDIAL WORK ☐ ALTERING CASING ☐
COMMENCE DRILLING OPNS. ☐ P AND A ☐
CASING/CEMENT JOB ☐

OTHER: ☐

13. Describe proposed or completed operations. (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work). SEE RULE 19.15.7.14 NMAC. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

OXY USA Inc., respectfully requests authorization to surface commingle produced fluids (oil, gas, & water) from the Cedar Canyon 27 Federal COM 1H well, Cedar Canyon 28 Federal COM 2H well, and Gaines 28 Federal COM #1 well at the Gaines 28 #005 Battery.

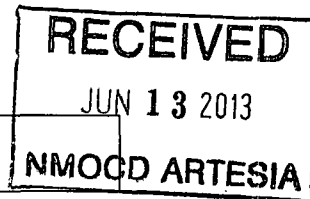
Produced oil from each well will be metered after separation by dedicated coriolis flow meters. The oil streams will then be commingled for transfer to the adjacent Gaines 28 State #5 well pad for further processing. The gas streams will be individually metered by orifice plate flow meters before being commingled and transferred to the Gaines 28 State #5 well pad. Produced water from each well will be individually metered by turbine water flow meters before being commingled. The Gaines 28 State #5 well has its own dedicated oil storage tank.

The working interest, royalty and overriding royalty interest owners in the subject wells are different therefore notification is required (sent certified return receipt). The proposed commingling of production is to increase the amount of usable surface lease area and reduce operating expense between the wells which will result in the increase economic life of the wells.

BLM has also been notified of this proposal by copy of Form 3160-5.

Spud Date:

Rig Release Date:



I hereby certify that the information above is true and complete to the best of my knowledge and belief.

SIGNATURE

TITLE

Regulatory Consultant

DATE 5-27-2013

Type or print name Laura Boyko

E-mail address: LBarfield@peg-us.com

PHONE: 281-890-1818

For State Use Only

APPROVED BY:

Accepted for record

LRD NMOCD 6/20/2013

TITLE

DATE

Conditions of Approval (if any):