Form 3160-5 (August 2007)

Approved By

Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

UNITED STATES Carlsbad Field Office FORM APPROVED OMB NO. 1004-0135

	UREAU OF LAND MANA		OCT	Ta A a	rtacid	h	Expires: Ju	ıly 31, 2010
SUNDRY NOTICES AND REPORTS ON WELLS						NMNM88137		
						6. If Indian, Allottee or Tribe Name		
SUBMIT IN TRI	•		7. If Unit or NMNM1		nent, Name and/or No.			
Type of Well ☐ Gas Well ☐ Oth	er					8. Well Name CEDAR (15 FEDERAL COM 5H
Name of Operator OXY USA INCORPORATED		JENNIFER A				9. API Well 30-015-4	 No. 42421-00	-S1
3a. Address		3b. Phone No		on anda)		10. Field and		
5 GREENWAY PLAZA SUITE HOUSTON, TX 77046-0521	110	Ph: 713-51		ea code)		PIERCE	CROSS	ING
4. Location of Well (Footage, Sec., T.	., R., M., or Survey Description	1)				11. County o	r Parish, an	id State
Sec 15 T24S R29E NWNW 10 32.221751 N Lat, 103.979488					EDDY C	OUNTY,	NM	
12. CHECK APPR	ROPRIATE BOX(ES) TO	O INDICATE	NATUR	E OF NO	TICE, RE	PORT, OR	OTHER	DATA
TYPE OF SUBMISSION			T	YPE OF A	CTION		•	
T Maria a Cimana	☐ Acidize	□ Dee	epen	!	☐ Producti	on (Start/Res	ume)	☐ Water Shut-Off
Notice of Intent ■	☐ Alter Casing	☐ Frac	cture Treat	1	☐ Reclama	tion		■ Well Integrity
☐ Subsequent Report	☐ Casing Repair	□ Nev	w Construct	ion (☐ Recomp	lete		Other
☐ Final Abandonment Notice	Change Plans	☐ Plu	g and Aban	don (☐ Tempora	rily Abandoi	n	Onshore Order Varian
	☐ Convert to Injection	□ Plu	g Back	1	☐ Water D	isposal		
13. Describe Proposed or Completed Ope If the proposal is to deepen directions Attach the Bond under which the wor following completion of the involved testing has been completed. Final At determined that the site is ready for fi	ally or recomplete horizontally, k will be performed or provide operations. If the operation re andonment Notices shall be fil	give subsurface the Bond No. o sults in a multip	locations an n file with B le completion	d measured LM/BIA. In or recomp	l and true ver Required sub pletion in a n	rtical depths of sequent reports ew interval, a l	all pertiner s shall be fi Form 3160-	nt markers and zones. led within 30 days 4 shall be filed once
OXY USA WTP LP is requesti Fed Com #5H.	ng approval for an altern	ative method	of measur	ement fo	r Cedar Ca	anyon 15	(RD	2/26/16
Attached map shows the Fede	eral leases and well locat	ion in NWNW	, Section	15, T 24S	? R29E		ALCER	ian indication and an area of the contraction of th
The BLM Royalty interest in Lease.	ease NMNM 088137 is 1	1.4	of the horiz	ontal wel	ll goes thro			
Oil & Gas metering:		Xy				NM		ONSERVATION SIA DISTRICT
The satellite tank battery is loc 15 T24S R29E in Eddy County							FEB	2 2 2016
					****		PF	CEIVED
14. I hereby certify that the foregoing is	Electronic Submission #	307509 verifie A INCORPORA	d by the B	LM Well In	nformation	System		
	nitted to AFMSS for proces	ssing by JENN	IFER SAN	CHEZ on	11/10/2015			
Name (Printed/Typed) JENNIFEF	R A DUARTE		Title E	NVIRON	IMENTAL	SPECIALIS	T	
Signature (Electronic S	Submission)		Date ()	6/30/201	5			
	THIS SPACE FO	OR FEDERA	AL OR ST	TATE O	FFICE US	SE		

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

Office

Additional data for EC transaction #307509 that would not fit on the form

32. Additional remarks, continued

three phase separator where the gas will be routed to the EFM gas meter (*S/N). Oil will be transferred to an oil tank on location where it will be pumped through a Coriolis Micro Motion Meter (*S/N) with a proving loop located downstream of the Coriolis meter. This will be the Custody Transfer Point of which BLM Royalties will be distributed. Oxy will generate purchaser statement for volumes reported to ONNR. Meters will be proven, as per API, NMOCD, and BLM specifications when installed, once per month for the first 3 months (to establish a consistent repeatability factor), and then as required per Onshore Order 4 thereafter. The factor obtained will be used to allocate monthly production volumes.

Gas will be sold to Enterprise at their station meter (*S/N) located within CA boundary at NENW, Sec. 15, T24S, R29E. Gas will be tied into the Cedar Canyon Gas Integration system, off of the pad of the Cedar Canyon 15-5 Satellite.

Produced water will be transferred to the Harroun 9-3 SWD.

The amount of flash gas generated as the oil is reduced to atmospheric pressure is too minimal to install and operate a vapor recovery unit (VRU). Therefore, a Vapor Combustion Unit (VCU) will be installed in order to comply with EPA 40 CFR Part 60, Subpart OOOO. All flash gas will be metered prior to combustion. A Form 3160-5 (Sundry Notice) and an updated Site Security Diagram will be filed for installation of the VCU.

Process and Flow Descriptions:

The flow of production is shown in detail on enclosed facility diagram and map which shows the lease boundaries, Communitization agreement boundaries, location of wells, facility, and gas sales meter. This proposal will reduce the surface facility footprint and overall emissions.

The working interest, royalty interest and overriding royalty interest owners have been notified of this proposal by certified mail (see attached).

*Accurate and true information will be provided upon completion and installation.

APPLICATION FOR ALTERNATIVE METHOD OF MEASUREMENT OF OIL

Proposal for Cedar Canyon 15 Fed Com #5H:

OXY USA WTP LP is requesting approval for an alternative method of measurement for Cedar Canyon 15 Fed Com #5H.

BLM Royalty Interest: 12.5%

Lease: NMNM088137

Pool: Pierce Crossing; Bone Spring (96473)

Well Name	API#	Location	BOPD	Gravity	MCFPD	BTU
Cedar Canyon 15 Fed Com #5H	30-015-42421	D-15-T24S-R29E	*414	42	*621	11200

CA# Pending

Attached map shows the Federal leases and well location in NWNW, Section 15, T24S- R29E

*Numbers to be provided upon completion of well.

The BLM Royalty interest in Lease NMNM 088137 is 12.5%, and of the horizontal well goes through this lease.

Oil & Gas metering:

The satellite tank battery is located on the well pad of the Cedar Canyon 15 Fed Com #5H in Section 15 NMW,T24S R29E in Eddy County, New Mexico. All of the production from the well will be routed into a three phase separator where the gas will be routed to the EFM gas meter (*S/N). Oil will be transferred to an oil tank on location where it will be pumped through a Coriolis Micro Motion Meter (*S/N) with a proving loop located downstream of the Coriolis meter. This will be the Custody Transfer Point of which BLM Royalties will be distributed. Oxy will generate purchaser statement for volumes reported to ONNR. Meters will be proven, as per API, NMOCD, and BLM specifications when installed, once per month for the first 3 months (to establish a consistent repeatability factor), and then as required per Onshore Order 4 thereafter. The factor obtained will be used to allocate monthly production volumes. * Coriolis Meter approved on a separate sundry, meter number CMF300M355NRAUEZZZ- Serial NO. 14278448 and transmitter number 2700C12ABUEAZX – Serial No. 3196280.

Gas will be sold to Enterprise at their station meter (*S/N) located within CA boundary at NENW, Sec. 15, T24S, R29E. Gas will be tied into the Cedar Canyon Gas Integration system, off of the pad of the Cedar Canyon 15-5 Satellite.

Produced water will be transferred to the Harroun 9-3 SWD.

The amount of flash gas generated as the oil is reduced to atmospheric pressure is too minimal to install and operate a vapor recovery unit (VRU). Therefore, a Vapor Combustion Unit (VCU) will be installed in order to comply with EPA 40 CFR Part 60, Subpart 0000. All flash gas will be metered prior to combustion. A Form 3160-5 (Sundry Notice) and an updated Site Security Diagram will be filed for installation of the VCU.

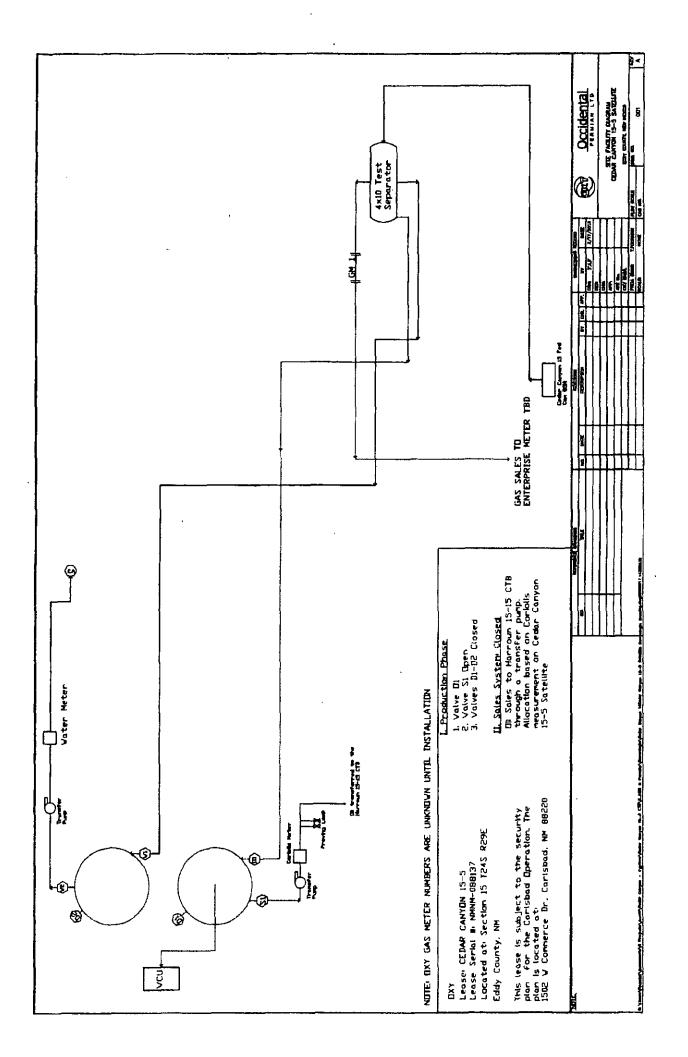
Process and Flow Descriptions:

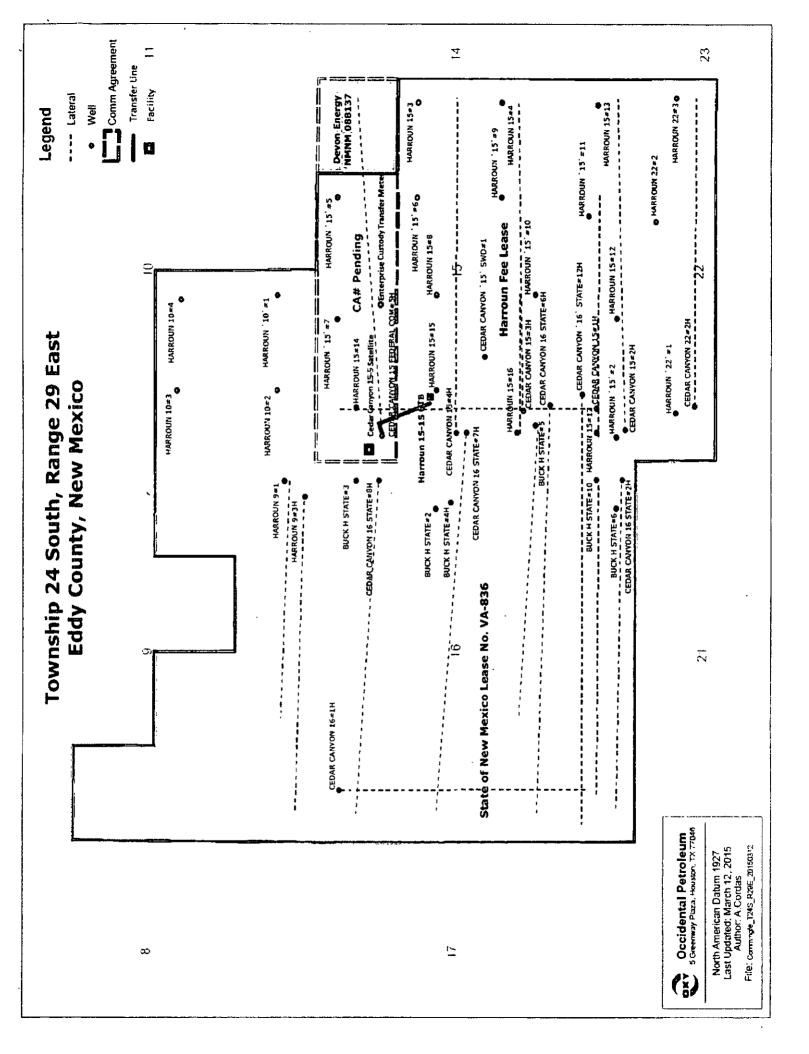
The flow of production is shown in detail on enclosed facility diagram and map which shows the lease boundaries, Communitization agreement boundaries, location of wells, facility, and gas sales meter. This proposal will reduce the surface facility footprint and overall emissions.

The working interest, royalty interest and overriding royalty interest owners have been notified of this proposal by certified mail (see attached).

*Accurate and true information will be provided upon completion and installation.

Printed Name: Jennier Duarte Title: Regulatory Specialist Date: 06/25/2015





DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT CASE RECORDATION

Run Time

Page 1 of 2

06:22 AM

Run Date:

01/07/2015

01 12-22-1987;1018TAT1330;30USC181 ET SE

(MASS) Serial Register Page

Total Acres

Serial Number

Commodity 459:

Name & Address

Case Type 312021: O&G LSE COMP PD -1987 OIL & GAS

40.000

NMNM-- - 088137

Case Disposition: AUTHORIZED

Serial Number: NMNM-- - 088137

int Rei

DEVON ENERGY PROD CO LP DEVON ENERGY PROD CO LP MCNIC DAG PROPERTIES PENWELL ENERGY INC

333 W SHERUDAN AVE 333 W SHERIDAN AVE 1360 POST OAK BLVD 600 N MARIENFELD #1100 OKLAHDMA CITY OK 731025010 OKLAHOMA CITY OK 731025010 HOUSTON TX 77056 MIDLAND TX 79701

LESSEE **OPERATING RIGHTS OPERATING RIGHTS** OPERATING RIGHTS 108,980880008 0.000000000 0.000000000 0.000000000

% interest

Serial Number: NMNM- - 088137

Mer Twp Rng Sec

STyp

SNr Suff Subdivision

District/Field Office

County

Mamt Agency

23 0240S 0290E 015 ALIQ NENE CARLSBAD FIELD OFFICE EDOY BUREAU OF LAND MGMT

Serial Number: NMNM -- - 088137

Act Date	Code	Action	Action Remark	Pending Office
01/21/1992	387	CASE ESTABLISHED	9201163	,
01/22/1992	191	SALE HELD		
01/22/1992	267	BID RECEIVED	\$5600.00;	
01/22/1992	392	MONIES RECEIVED	\$5600.00;	
02/28/1992	237	LEASE ISSUED	,	
02/28/1992	974	AUTOMATED RECORD VERIP	AT/LBO	
01/01/1992	496	FUND CODE	05;145003	
03/01/1992	530	RLTY RATE · 12 1/21		
03/01/1992	868	EFFECTIVE DATE		
03/18/1992	111	RENTAL RECRIVED	\$60.00;21/0118712163	
06/14/1992	600	RECORDS NOTED		
05/07/1993	932	TRP OPER RGTS FILED	maralo/ganta fe ene	
08/11/1993	933	TRF OPER RGTS APPROVED	EFF 06/01/93;	
08/11/1993	974	AUTOMATED RECORD VERIF	MV/LBO	
02/14/1994	111	RENTAL RECEIVED	\$60.00;21/1235	
02/09/1995	084	RENTAL RECEIVED BY ONRR	\$60.00;21/0000000014	
11/13/1995	932	TRF OPER RGTS FILED	MARALO INC/SANTA PE	
11/24/1995	140	ASGN FILED	Maralo/Penwell	
11/24/1995	932	TRF OPER ROTS FILED	Maralo/Penwell Energy	
01/16/1996	140	ASGN FILED	maralo/santa pe ene	
02/05/1996	084	RENTAL RECEIVED BY ONRR	\$5.00,21/0000000052	
02/05/1996	084	RENTAL RECEIVED BY ONER	\$60.00;21/0000000052	
02/27/1996	139	ASGN APPROVED	EPF 02/01/96;	
02/27/1996	139	ASGN APPROVED	EFF 12/01/95;	
02/27/1996 -	933	TRF OPER RGTS APPROVED	EFF 12/01/95;1	
02/27/1996	933	TRF OPER RGTS APPROVED	EFF 12/01/95;2	
02/27/1996	974	AUTOMATED RECORD VERIF	JLV	•
03/25/1996	140	ASGN FILED	PENWELL/COENERGY	
03/25/1996	932	TRF OPER ROTS PILED	PENNELL/COENERGY	
06/12/1996	139	ASGN APPROVED	EFF 04/01/96;	
06/12/1996	933	TRF OPER RGTS APPROVED	BFP 04/01/96;	
05/32/1996	974	AUTOMATED RECORD VERIF	MV/MV	
02/01/1997	676	BUS OPS & PROD/NO PMT	APD PROCESSING DELAY;	
02/10/1997	084	RENTAL RECEIVED BY CHRR	\$71.67;21/0000000057	
			,,,,,	

DISTRICT |
1625 N Femels Dr. Hobts, NM 88260
Proce (373) 391-6161 Pax (575) 391-6120
1555 RT |
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1

State of New Mexico Energy, Minerals & Natural Resources Department OIL CONSERVATION DIVISION 1220 South St. Francis Dr. Santa Fe, New Mexico 87505

Form C-102 Revised August 1, 2011 Submit one copy to appropriate District Office

DAMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

Al	PI Number		· · · · · · · · · · · · · · · · · · ·	Puol Cude		Pool Name			
Property C	ode		CEI	We	Well Number 5H				
OGRID	4o		Operator Nazio Elevation OXY U.S.A. INC. 2927						
					Surface Local	ion			
UI, or lot No	Section	Township	Renge	Lot Idn	Feet from the	North/South line	Fest from the	East/West line	County
D	15	24-S	29-E		1095	NORTH	290	WEST	EDDY
	·			Bottom Hol	Location If Diffe	erent From Surface		<u> </u>	
UL or lot No.	Section	Tuwnship	Range	Loi lán	Feel from the	North/South line	Feet from the	Esst/West line	County
, A	15	24-S	29-E		660	NORTH	330	EAST	EDDY
Dedicated Acres	Joint o	tafili C	ansolidation C	ode Ord	cr No	<u></u>			······································

NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED OR A MON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION

330' PROJECT AREA	OCT B	OPERATOR CERTIFICATION
PRODUCING AREA	GRID AZ =8659'09' + - 841 130' HORIZ, DIST. = 4653.5'	complete to the best of my Standardy and belief, and that this expansions wither owns a warking interest or enforced minoral interest in the lead including the proposed between high incession or has a right to defit this
290 B St B	HORIZ, DIST. TOSAS	well as this location putment to a cyclenate with an owner of such mineral or working interest, or is a voluntery pooling agreement of a complutory pooling order horstoften covered by the division.
GRID AZ.=11"49"00" HORIZ. DIST.=189.1"		
GEODETIC COORDINATES		Signature Date
NAD 27 NME SURFACE LOCATION	CORNER COORDINATES TABLE	Printed Name
Y=444572,2 N 	A - Y=445667.3 N, X=609128.3 E - B - Y=445661.2 N, X=614437.7 E-	E-mail Address
LONG.=103.979488° W	C - Y=444334.6 N, X=514443.0 E D - Y=444340.2 N, X=609137.2 E	SURVEYOR CERTIFICATION I benthy certify that the well location above an thin plat was plotted flora field some of actual servery make by
PENETRATION POINT Y=444757.2 N X=609464.3 E		me or under try supervising, and that the sense is over and corner to the best of my belief
LAT.=32.22259° N LONG.=103.979361° W		MARCH 29, 2013 Date of Survey as The Market Survey or S
		EN MET OF
LAT.=32.222889 N LONG.=103,964335 W	1	3239
		Certificate Property Control Indian 12641
<u> </u>		BKL REL WO 11 1 1013 JWSC W O 13 13 0791



5 Greenway Pisza. Suite 110, Houston, Taxes 77046 P.O. Box 4294, Houston, Taxes 77210-4294 Direct: 713.513.8640 Ceil:: 832.740.3716 Jenniter_duarte@oxy.com

January 13, 2015

Interest Owners

Re:

Company:

Request for a CTB & Pool/Lease Commingle

CTB Location: Section 15, T24S, R29E - Harroun 15-15 CTB

Pools: Delaware and Bone Spring Eddy County, New Mexico

To Whom It May Concern:

This is to advise you that OXY USA INC. ("OXY") is filing an application with the New Mexico Oil Conservation Division ("NMOCD") seeking approval for a Central Tanks Battery & Pool/Lease commingle for the mentioned wells in the attached copy of our application. Any objection regarding this application must be submitted to the New Mexico Oil Conservation Division Santa Fe Office within 21 Days from the date the NMOCD receives OXY's application. OXY is submitting the application to NMOCD on the same date as this notice.

In an effort to expedite the approval of OXY's application, we respectfully request your waiver of objection to OXY's application for the permitting of the Harroun 15-15 CTB commingle application. Should you be in agreement of such waiver, please sign below and return a copy of this letter in the enclosed self addressed stamped envelope.

Your earliest attention to this matter is greatly appreciated. Please contact me should you have any questions or need anything further. Thank you in advance for your time.

OXY USA WTP Limited Partnership / OXY USA INC / OCCIDENTIAL PERMIAN LP
Jennifer Duarte
Regulatory Specialist

_____Waive objection to the permitting of the Harroun 15-15 CTB Commingle application.

Date:

Printed Name:

Name	Certified Tracking Number
B JACK REED	70132250000010035351
BEN J FORTSON III CHILDRENS TRUST	
BEN I FORTSON III TRUSTEE	70132250000010035368
BERYL OIL AND GAS LP	70132250000010035375
BITTER END ROYALTIES LP	70132250000010035382
CCB 1998 TRUSTBEN I FORTSON IR TRUSTEE	70132250000010035399
COLLINS & WARE INC	70132250000010023914
CURTIS A ANDERSON AND EDNA I ANDERSON	70132250000010023921
D STUART HARROUN REV TRUST	
D STUART HARROUN IR TRUSTEE	70132250000010023938
DCB 1998 TRUSTBEN I FORTSON IR TRUSTEE	70132250000010023945
DOROTHY S HARROUN IRREV TRUST	
FIRST NATL BK SANTA FE TRUSTEE	į.
C/O FARMERS NATIONAL CO AGENT	70132250000010023952
DRIVENERGY II C	
DRW ENERGY LLC	70132250000010023969
ENERGY ROYALTIES LLC	70132250000010023976
ERIC D BOYT	70132250000010023983
GD MCKINNEY INVESTMENTS LP	70132250000010023990
GEORGE G VAUGHT JR	70132250000010024003
GERALD A HANCOCK	70132250000010024010
GOLDKING ENERGY PARTNERS LP	70132250000010024027
HERMAN CLIFFORD WALKER III	70132250000010024034
J M MINERAL & LAND CO INC	70132250000010024041
JANET ELIZABETH VOGT	70132250000010024058
JAREED PARTNERS LTD	70132250000010024065
JEFFREY CASWELL NEAL	70132250000010024072
JOHN THOMA	70132250000010024089
JUDITH GENE HANTTULA	70132250000010024096
KIMBELL ART FOUNDATION	70132250000010024102
KINGDOM INVESTMENTS LIMITED	70132250000010024119
LOWE PARTNERSHIP LPDEPT 5	70132250000010024126
MAGNOLIA ROYALTY COMPANY INC	70132250000010024133
MANIX ROYALTY LTD	70132250000010024140
MAPOD-NET TX GENERAL PARTNERSHIP	7013133333333333
C/O MINERAL ACQUIS PARTNERS INC	70132250000010024157
MOBIL PRODUCING TEXAS & NEW MEXICO INC	70132250000010024164
MW8 1998 TRUST	
BEN J FORTSON JR TRUSTEE	70132250000010024171
PAUL R BRAWIS	70132250000010024188
PENROC OIL CORPORATION	70132250000010024195
PENWELL EMPLOYEE ROYALTY POOL	70132250000010024201
PIPER L NELMS	70132250000010024218
RAVE ENERGY INC	70132250000010024225
ROBERT C GRABLE	70132250000010024232
ROBRO ROYALITY PARTNERS LTD	70132250000010024249
RUTTER & WILBANKS CORPORATION	70132250000010024256
SOFTSEARCH INVESTMENT LP	1
SETH THOMPSOBN VP ACCT	70132250000010024263
SUNDANCE MINERALS I	70132250000010024294
TARA L KEENE	70132250000010024560
TAURUS ROYALTY LLC	
C/O ROBERT B PAYNE IR	70132250000010024577
THE ROACH FOUNDATION	
FT WORTH CLUB TWR PENTHOUSE II-1	70132250000010024584
VENDETTA ROYALTY PARTNERS LTD	70132250000010024591
WAYNE & LINDA NEWKUMET	70132250000010024607
***************************************	1,0125530000010054001

Coriolis LACT Meter Conditions of Approval

Cedar Canyon 15 Federal Com 5H NM134544, Sec. 15, NWNW, T24S, R29E Oxy USA INC

- 1. Approval is for meter number <u>CMF300M355NRAUEZZZ Serial No. 14278448</u> and transmitter number <u>2700C12ABUEAZX- Serial No. 3196280</u>.
- 2. The Coriolis meter shall be designed, installed and operated in accordance with all applicable API standards, including API 5.6, as may be amended or revised from time to time.
- 3. The metering facility shall include a temperature probe to monitor the actual oil temperature during custody transfer. This information will be recorded and used in calculating the volume of oil metered during each transaction.
- 4. The meter shall have a non-resettable totalizer.
- 5. The custody transfer meter shall be proven monthly in conformance with Onshore Oil and Gas Order No. 4.III.D. The meter proving is to be witnessed by BLM, contact 575-361-2822; a minimum of 24 hours prior to meter proving. Meter proving records shall be maintained for a period of six years from the date of generation and will be made available for audit upon request.
- 6. A copy of the monthly meter proving will be submitted to the appropriate BLM office within 30 days of proving.
- 7. The run ticket associated with each oil transfer shall include the measured or calculated BS&W, oil gravity, temperature recorded during the transfer and beginning & ending totalizer readings. Such records shall be maintained for a period of six years from the date of generation and will be made available for audit upon request.
- 8. A copy of run ticket shall be submitted to the appropriate BLM office within 30 days of ticket generation and will be made available for audit upon request.
- Operator to maintain tank gauging data to be used as a comparison with the LACT meter readings.
- 10. All other provisions of the Onshore Oil and Gas Orders, especially No. 3 and No. 4 shall be met.
- 11. This approval may be subject to future review and if determined inadequate with regards to accurate measurement, the approval will be withdrawn.
- 12. Upon installation of LACT, submit an updated facility diagram as per Onshore Order No. 3.

JDW 9.14.2015