

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

NMOCD

Artesia

FORM APPROVED
OMB NO. 1004-0137
Expires: January 31, 2018**SUNDRY NOTICES AND REPORTS ON WELLS**
*Do not use this form for proposals to drill or to re-enter an abandoned well. Use form 3160-3 (APD) for such proposals.*5. Lease Serial No.
NMNM86024

6. If Indian, Allottee or Tribe Name

7. If Unit or CA/Agreement, Name and/or No.

8. Well Name and No.
CYPRESS 34 FEDERAL 10H9. API Well No.
30-015-4307610. Field and Pool or Exploratory Area
CEDAR CANYON BONE SPRING11. County or Parish, State
EDDY COUNTY, NM**SUBMIT IN TRIPLICATE - Other instructions on page 2**1. Type of Well
☒ Oil Well ☐ Gas Well ☐ Other2. Name of Operator
OXY USA INCContact: TAYLOR L STILLMAN
E-Mail: TAYLOR_STILLMAN@OXY.COM3a. Address
PO BOX 4294
HOUSTON, TX 772103b. Phone No. (include area code)
Ph: 713-366-5945

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

12. CHECK THE APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION			
<input checked="" type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Hydraulic Fracturing	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input checked="" type="checkbox"/> Other
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	Surface Commingling
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	

13. Describe Proposed or Completed Operation: Clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recompleat horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports must be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompletion in a new interval, a Form 3160-4 must be filed once testing has been completed. Final Abandonment Notices must be filed only after all requirements, including reclamation, have been completed and the operator has determined that the site is ready for final inspection.

OXY USA INC is requesting to amend the previously approved commingle permit to include the following additional wells: Cypress 34#12H, Cypress 33 Federal Com #8H and #9H.

The central tank battery is located on the well pad for the Goodnight 27 Federal #4H located at 32.269382, -103.974739 on Federal lease NMNM105557 in Eddy County, New Mexico.

Due to identical ownership between all wells, wells will be routed to a common three phase production separator. All wells will be tested monthly though a three phase test separator with meters for gas (S/N T151120531), oil (S/N 64086) and water (S/N 64079) for allocation purposes.

Oil production from the production and test separators will be combined and routed to a heater treater for further separation. From the heater treater, production will flow to oil tanks and

NM OIL CONSERVATION
ARTESIA DISTRICT

FEB 22 2017

**SEE ATTACHED FOR RECEIVED
CONDITIONS OF APPROVAL**

14. I hereby certify that the foregoing is true and correct.	
Electronic Submission #361174 verified by the BLM Well Information System For OXY USA INC, sent to the Carlsbad Committed to AFMSS for processing by DEBORAH MCKINNEY on 04/17/2017	
Name (Printed/Typed) TAYLOR L STILLMAN	Title PRODUCTION ENGINEER
Signature (Electronic Submission)	Date 12/16/2016
THIS SPACE FOR FEDERAL OR STATE OFFICE USE	
Approved By	Title BUREAU OF LAND MANAGEMENT CARLSBAD FIELD OFFICE
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.	Date
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.	

(Instructions on page 2)

**** OPERATOR-SUBMITTED ** OPERATOR-SUBMITTED ** OPERATOR-SUBMITTED ****

Accepted for record - NMOCD

RMP 3-6-17

Additional data for EC transaction #361174 that would not fit on the form

32. Additional remarks, continued

then be sent through a LACT meter (S/N 3298052). Gas production will be metered by one of two Oxy check meters (S/N T15122197 or S/N TT151120537) before being sent to Energy Transfer Sales Meter (S/N 57324) located at 32.270700, -103.974224. Water production will be sent to the Cedar Canyon water disposal gathering system.

All 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 quarterly thereafter. The factor obtained will be used to allocate the production volumes.

APPLICATION FOR POOL AND LEASE COMMINGLE, OFF LEASE MEASUREMENT, SALES & STORAGE

Proposal for Cypress 34 Federal #10H, #11H and #12H, Cypress 33 Federal Com #8H and #9H to produce to Goodnight 27-4 CTB.

OXY USA INC is requesting approval for Pool & Lease Commingle, and Off Lease Measurement, Sales, & Storage from the following wells:

Pool: Cedar Canyon Bone Spring (11520); CA # NM135945

WELL NAME	API No.	LOCATION	BOPD	GRAVITY	MSCFD	BTU
Cypress 33 Federal Com #8H	30-015-43075 ✓	D-33-23S-29E	93	44.5	293	1313
Cypress 33 Federal Com #9H	30-015-43751 ✓	N-28-23S-29E	574	44.5	1265	1313

Pool: Cedar Canyon Bone Spring (11520); Lease # NMNM086024

WELL NAME	API No.	LOCATION	BOPD	GRAVITY	MSCFD	BTU
Cypress 34 Federal #10H	30-015-43076 ✓	D-34-23S-29E	80	44.5	173	1313
Cypress 34 Federal #11H	30-015-42920 ✓	C-34-23S-29E	72	44.5	713	1313

Pool: WC-015 G-07 S242903I; UPPER WOLFCAMP (98214); Lease # NMNM086024

WELL NAME	API No.	LOCATION	BOPD	GRAVITY	MSCFD	BTU
Cypress 34 Federal #12H	30-015-43849 ✓	1-03-24S-29E	*600	*44.5	*1300	*1300

*Estimated production volumes.

The BLM's Royalty Interest rate is 12.5% for all wells.

A map is enclosed showing the Federal leases and well locations.

Oil & Gas metering:

The central tank battery is located on the well pad for the Goodnight 27 Federal #4H located at 32.269382, -103.974739 on Federal lease NMNM105557 in Eddy County, New Mexico.

Due to identical ownership between all wells, wells will be routed to a common three phase production separator. All wells will be tested monthly through a three phase test separator with meters for gas (S/N T151120531), oil (S/N 64086) and water (S/N 64079) for allocation purposes.

Oil production from the production and test separators will be combined and routed to a heater treater for further separation. From the heater treater, production will flow to oil tanks and then be sent through a LACT meter (S/N 3298052). Gas production will be metered by one of two Oxy check meters (S/N T15122197 or S/N TT151120537) and sent to Energy Transfer Sales Meter (S/N 57324) located at 32.270700, -103.974224. Water production will be sent to the Cedar Canyon water disposal gathering system.

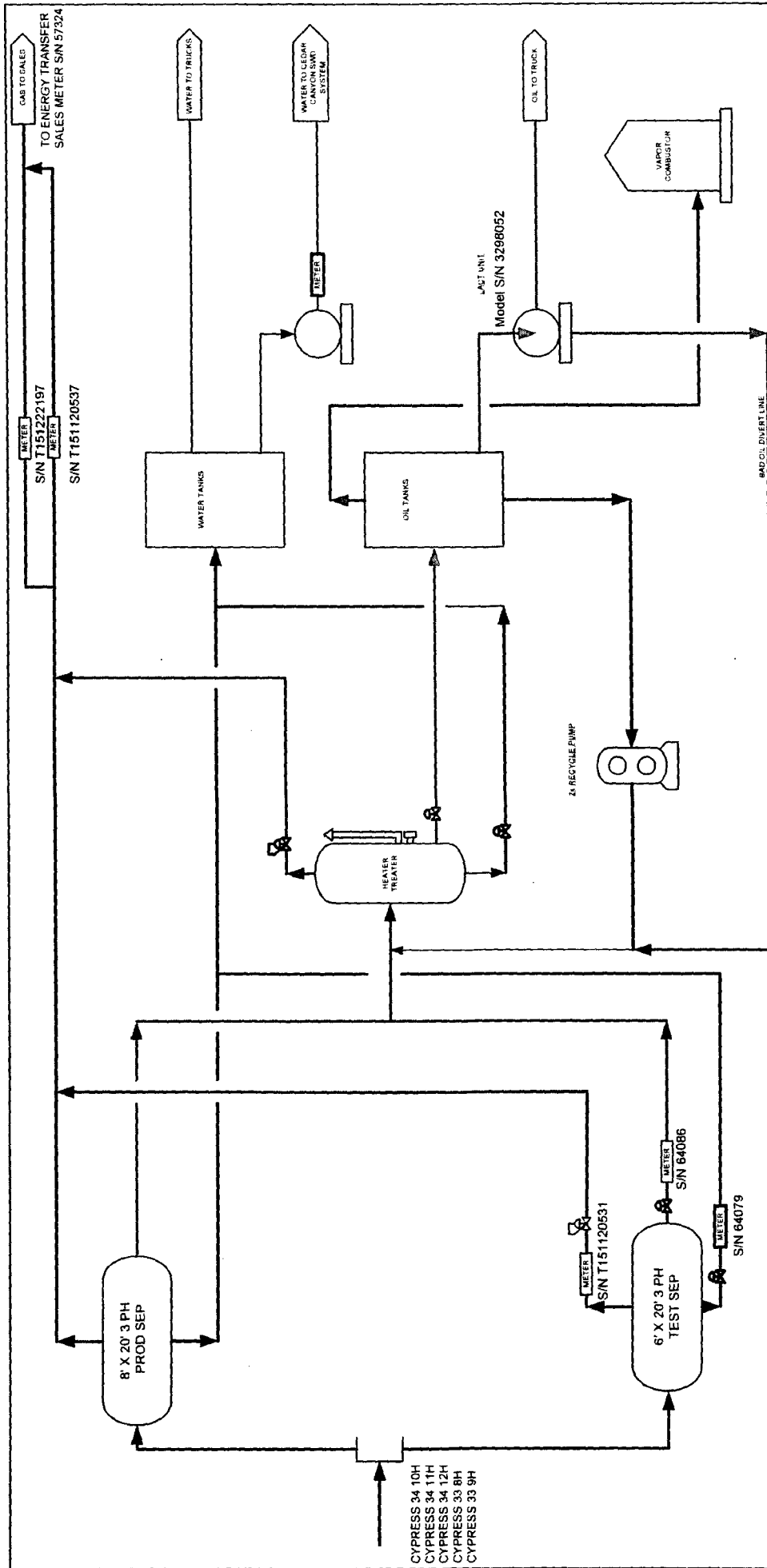
All meters will be proven, as per API, NMOCD, and BLM specifications, when installed, once per month for the first 3 months (to establish a consistent repeatability factor), and then quarterly thereafter. The factor obtained will be used to allocate the production volumes.


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. The commingling of this production is the most effective means of producing the reserves.

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. These applications will be submitted separately for approval per NMOCD and BLM regulations.

The BLM and NMOCD will be notified of any future changes in the facilities.



LEGEND		REVISION BLOCK					ENGINEERING RECORD				
		NO.	DATE	DESCRIPTION	BY	CHK	APP	BY	DATE	PROCESS FLOW DIAGRAM	
PRODUCTION MIX		0		PRELIMINARY DRAFT	KAO			DRN KAO	10/12/16		
OIL								DES			
GAS								CHK			
WATER								APP			
EQUIPMENT								AFE		GOODNIGHT 27-4 CTB	

**Township 23 South, Range 29 East
Eddy County, New Mexico**

20

21

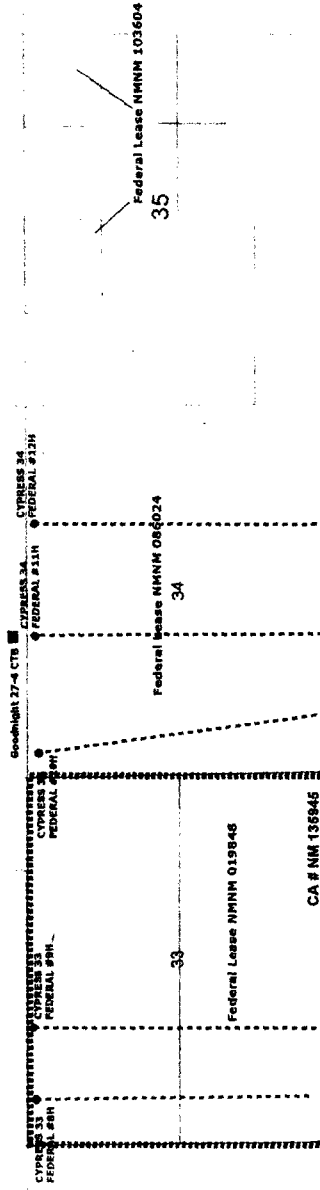
22

T23S R29E

27

26
Federal Lease NNNM 103603

Federal Lease NNNM 105557



32

T24S R29E

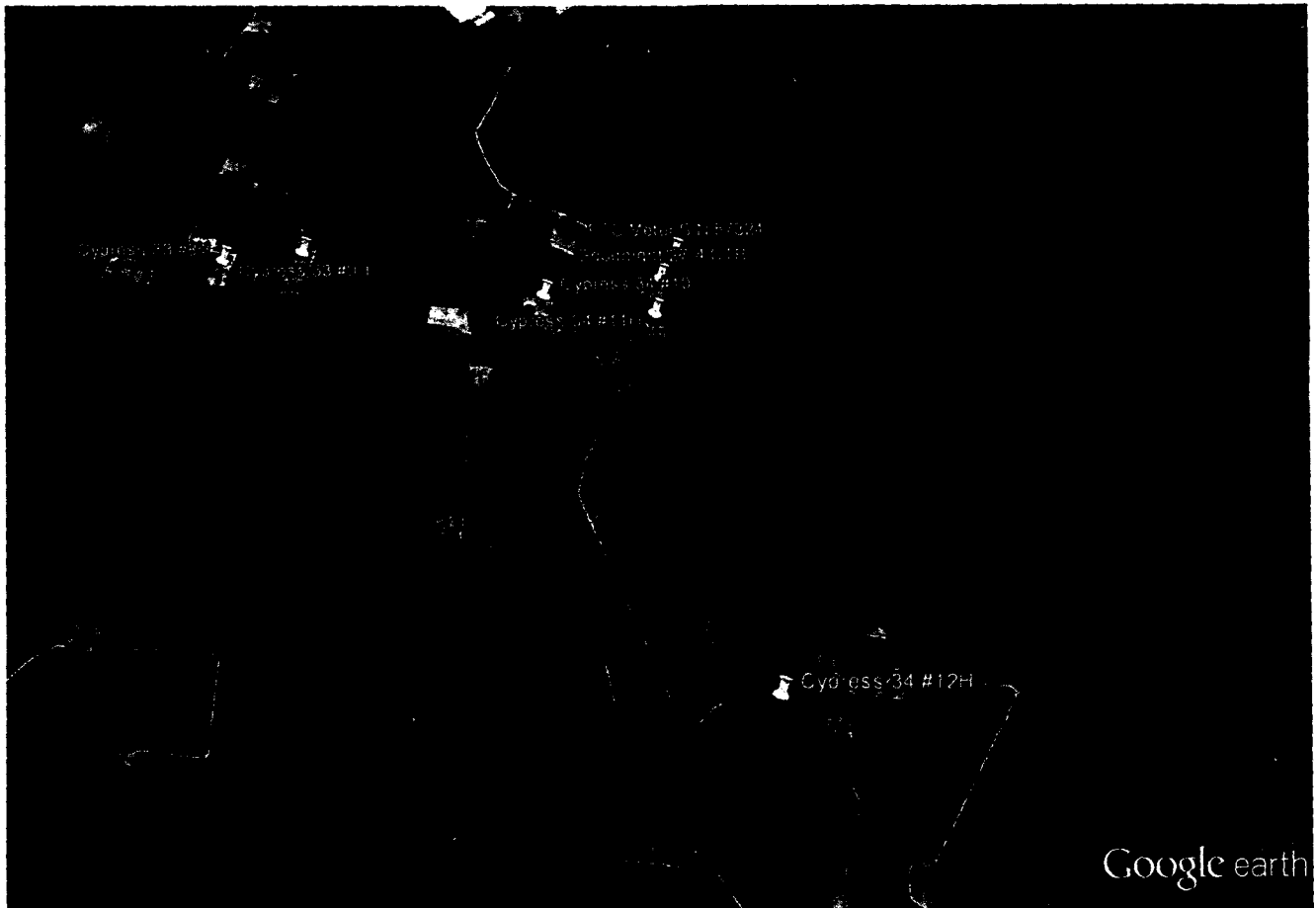
4

3

Occidental Petroleum
9 Greenway Plaza, Houston, TX 77046
North American Datum 1927
Last Updated: December 14, 2016
Author: A. Cordas
File: 20160601_Operations_20160601

Legend
----- Corn Agreement
----- Laterals
• Well

Goodnight 27-4 CTB Flowline & Gas Sales Map



Google Earth Pro

miles 1
km 2





OXY USA Inc.

Box 27570, Houston, TX 77227-7570

**Jeremy D. Murphrey, CPL
Land Negotiator Sr.**

**Phone (713) 350-4816
Fax (713) 985-4942
Jeremy_Murphrey@oxy.com**

December 8, 2016

RE: Surface Commingle Application
Cypress 33 Federal Com #8H (API: 30-015-43075)
Cypress 33 Federal Com #9H (API: 30-015-43751)
Cypress 34 Federal #10H (API: 30-015-43076)
Cypress 34 Federal #11H (API: 30-015-42920)
Cypress 34 Federal #12H (API: 30-015-43849)

To Whom It May Concern:

OXY USA Inc., as Operator, will be filing applications with the New Mexico Oil Conservation Division for approval of the above mentioned commingle project. After a review of internal records, this letter serves as notice that the operator and interest owners are identical for the wells mentioned above. If you have any questions or require any additional information please contact me.

Best Regards

OXY USA Inc.

A handwritten signature in black ink, appearing to read "J. Murphrey", written over the printed name.

**Jeremy Murphrey, CPL
Land Negotiator Sr.**

**DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT
CASE RECORDATION
(MASS) Serial Register Page**

Run Time: 07:17 AM

Page 1 of 2

Run Date: 10/19/2016

01 02-25-1920;041STAT0437;30USC181ETSEQ

Total Acres
1,440.000

Serial Number
NMNM-- - 086024

Case Type 311211: O&G LSE SIMO PUBLIC LAND

Commodity 459: OIL & GAS

Case Disposition: AUTHORIZED

Serial Number: NMNM-- - 086024

Name & Address	Int Rel	% Interest
EXXONMOBIL OIL CORP PO BOX 4358 HOUSTON TX 772104358	OPERATING RIGHTS	0.000000000
EXXONMOBIL OIL CORP PO BOX 4358 HOUSTON TX 772104358	LESSEE	100.000000000
OXY USA INC PO BOX 27570 HOUSTON TX 772277570	OPERATING RIGHTS	0.000000000
OXY USA INC 5 GREENWAY PLZ #110 HOUSTON TX 770460521	OPERATING RIGHTS	0.000000000
PENWELL ENERGY INC 600 N MARIENFELD #1100 MIDLAND TX 79701	OPERATING RIGHTS	0.000000000

Serial Number: NMNM-- - 086024

Mer Twp Rng Sec	STyp	SNr Suff	Subdivision	District/Field Office	County	Mgmt Agency
23 02305 0290E 028	ALIQ		W2E2,W2;	CARLSBAD FIELD OFFICE	EDDY	BUREAU OF LAND MGMT
23 02305 0290E 033	ALIQ		N2;	CARLSBAD FIELD OFFICE	EDDY	BUREAU OF LAND MGMT
23 02305 0290E 034	ALIQ		ALL;	CARLSBAD FIELD OFFICE	EDDY	BUREAU OF LAND MGMT

Serial Number: NMNM-- - 086024

Act Date	Code	Action	Action Remark	Pending Office
10/22/1973	387	CASE ESTABLISHED	SPAR52;	
05/01/1974	496	FUND CODE	05;145003	
05/01/1974	530	RLTY RATE - 12 1/2%		
05/01/1974	868	EFFECTIVE DATE		
03/27/1976	500	GEOGRAPHIC NAME	UDEFINED FLD;	
03/27/1976	510	KMA CLASSIFIED		
06/15/1976	315	RENTAL RATE DET/ADJ	\$2.00;	
09/13/1976	512	KMA EXPANDED		
06/27/1990	209	CASE CREATED BY SEGR	OUT OF NMNM19848;	
06/27/1990	232	LEASE COMMITTED TO UNIT	NMNM82520X;LAGUNA SAL	
06/27/1990	647	MEMO OF LAST PROD-ALLOC	NMNM19848;	
12/02/1992	974	AUTOMATED RECORD VERIF	CM/JS	
12/21/1992	963	CASE MICROFILMED/SCANNED	CNUM 569,689 JMV	
12/29/1992	111	RENTAL RECEIVED	\$1440.00;11/710305	
04/16/1993	111	RENTAL RECEIVED	\$1440.00;21/179895	
04/19/1994	111	RENTAL RECEIVED	\$1440.00;21/185920	
08/01/1994	235	EXTENDED	THRU 08/01/96;	
08/01/1994	336	UNIT AGRMT TERMINATED	NMNM82520X;LAGUNA SAL	
04/24/1995	084	RENTAL RECEIVED BY ONRR	\$1440.00;21/000000500	
04/24/1996	084	RENTAL RECEIVED BY ONRR	\$1440.00;21/000000503	
10/24/1996	974	AUTOMATED RECORD VERIF	GAG;	
04/21/1997	084	RENTAL RECEIVED BY ONRR	\$2880.00;21/000000506	
05/29/1997	932	TRF OPER RGTS FILED	EXXON/PENWELL ENE	
07/08/1997	933	TRF OPER RGTS APPROVED	EFF 06/01/97;	
07/08/1997	974	AUTOMATED RECORD VERIF	MV/MV	
01/15/1998	575	APD FILED		
02/23/1998	576	APD APPROVED	#1 COCHITI "28" FED	
04/17/1998	084	RENTAL RECEIVED BY ONRR	\$2880.00;21/000000508	
10/29/1998	650	HELD BY PROD - ACTUAL	/1/	
10/29/1998	658	MEMO OF 1ST PROD-ACTUAL	/1/#1 COCHITI 28 FED;	

NO WARRANTY IS MADE BY BLM FOR USE OF THE DATA FOR PURPOSES NOT INTENDED BY BLM

**DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT
CASE RECORDATION
(MASS) Serial Register Page**

Run Time: 07:17 AM

Page 1 of 3

Run Date: 10/19/2016

01 02-25-1920;041STAT0437;30USC181ETSEQ

**Total Acres
960.000**

**Serial Number
NMNM-- - 019848**

Case Type 311211: O&G LSE SIMO PUBLIC LAND

Commodity 459: OIL & GAS

Case Disposition: AUTHORIZED

Serial Number: NMNM-- - 019848

Name & Address	Int Rel	% Interest
BIRD CREEK RESOURCES INC 1412 S BOSTON #550 TULSA OK 74119	OPERATING RIGHTS	0.000000000
EXXONMOBIL OIL CORP PO BOX 4358 HOUSTON TX 772104358	OPERATING RIGHTS	0.000000000
EXXONMOBIL OIL CORP PO BOX 4358 HOUSTON TX 772104358	LESSEE	100.000000000
OXY USA INC PO BOX 27570 HOUSTON TX 772277570	OPERATING RIGHTS	0.000000000
OXY USA INC 5 GREENWAY PLZ #110 HOUSTON TX 770460521	OPERATING RIGHTS	0.000000000

Serial Number: NMNM-- - 019848

Mer Twp Rng Sec	STyp	SNr Suff	Subdivision	District/Field Office	County	Mgmt Agency
23 0230S 0290E 029	ALIQ		ALL;	CARLSBAD FIELD OFFICE	EDDY	BUREAU OF LAND MGMT
23 0230S 0290E 033	ALIQ		S2;	CARLSBAD FIELD OFFICE	EDDY	BUREAU OF LAND MGMT

Relinquished/Withdrawn Lands

Serial Number: NMNM-- - 019848

Mer Twp Rng Sec	STyp	SNr Suff	Subdivision	District/Field Office	County	Mgmt Agency
23 0230S 0290E 734	FF		ALL,SEGR;	CARLSBAD FIELD OFFICE	EDDY	BUREAU OF LAND MGMT
23 0230S 0290E 733	FF		N2,SEGR;	CARLSBAD FIELD OFFICE	EDDY	BUREAU OF LAND MGMT
23 0230S 0290E 735	FF		N2NW,SWNW,SEGR;	CARLSBAD FIELD OFFICE	EDDY	BUREAU OF LAND MGMT
23 0230S 0290E 720	FF		SWSE,SEGR;	CARLSBAD FIELD OFFICE	EDDY	BUREAU OF LAND MGMT
23 0230S 0290E 728	FF		W2E2,W2,SEGR;	CARLSBAD FIELD OFFICE	EDDY	BUREAU OF LAND MGMT

Serial Number: NMNM-- - 019848

Act Date	Code	Action	Action Remark	Pending Office
10/22/1973	387	CASE ESTABLISHED	SPAR52;	
10/23/1973	888	DRAWING HELD		
04/24/1974	237	LEASE ISSUED		
05/01/1974	496	FUND CODE	05;145003	
05/01/1974	530	RLTY RATE - 12 1/2%		
05/01/1974	868	EFFECTIVE DATE		
12/01/1975	232	LEASE COMMITTED TO UNIT	NMNM70967X;LAGUNA GRA	
12/01/1975	700	LEASE SEGREGATED	INTO NMNM27728;	
03/27/1976	500	GEOGRAPHIC NAME	UNDEFINED FLD;	
03/27/1976	510	KMA CLASSIFIED		
06/15/1976	315	RENTAL RATE DET/ADJ	\$2.00;	
07/20/1976	102	NOTICE SENT-PROD STATUS		
09/13/1976	512	KMA EXPANDED		
01/16/1981	512	KMA EXPANDED		
01/16/1981	650	HELD BY PROD - ACTUAL	LAGUNA GRANDE UNIT	
03/27/1981	253	ELIM BY CONTRAC(PARTIAL)	NMNM70967X;LAGUNA GRA	
09/26/1987	974	AUTOMATED RECORD VERIF	GG/LR	
10/20/1988	963	CASE MICROFILMED/SCANNED	CNUM,102,942	
06/27/1990	700	LEASE SEGREGATED	INTO NMNM86024;	
06/03/1991	899	TRF OF ORR FILED	(1)	
06/03/1991	899	TRF OF ORR FILED	(2)	
09/10/1991	932	TRF OPER RGTS FILED	TRIPOD/BIRD CREEK	
01/13/1992	933	TRF OPER RGTS APPROVED	EFF 10/01/91;	
01/13/1992	974	AUTOMATED RECORD VERIF	AR/CG	
07/13/1992	899	TRF OF ORR FILED		
12/02/1992	974	AUTOMATED RECORD VERIF	CM/JS	

NO WARRANTY IS MADE BY BLM FOR USE OF THE DATA FOR PURPOSES NOT INTENDED BY BLM

DATE IN	SUSPENSE	ENGINEER	LOGGED IN	TYPE	APP NO
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ABOVE THIS LINE FOR DIVISION USE ONLY

NEW MEXICO OIL CONSERVATION DIVISION
 - 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

Application Acronyms:

[NSL-Non-Standard Location] [NSP-Non-Standard Proration Unit] [SD-Simultaneous Dedication]
[DHC-Downhole Commingling] [CTB-Lease Commingling] [PLC-Pool/Lease Commingling]
[PC-Pool Commingling] [OLS - Off-Lease Storage] [OLM-Off-Lease Measurement]
[WFX-Waterflood Expansion] [PMX-Pressure Maintenance Expansion]
[SWD-Salt Water Disposal] [IPI-Injection Pressure Increase]
[EOR-Qualified Enhanced Oil Recovery Certification] [PPR-Positive Production Response]

[1] TYPE OF APPLICATION - Check Those Which Apply for [A]

[A] Location - Spacing Unit - Simultaneous Dedication
☐ NSL ☐ NSP ☐ SD

Check One Only for [B] or [C]

[B] Commingling - Storage - Measurement
☐ DHC ☐ CTB ☒ PLC ☐ PC ☒ OLS ☒ OLM

[C] Injection - Disposal - Pressure Increase - Enhanced Oil Recovery
☐ WFX ☐ PMX ☐ SWD ☐ IPI ☐ EOR ☐ PPR

[D] Other: Specify _____

[2] NOTIFICATION REQUIRED TO: - Check Those Which Apply, or ☐ Does Not Apply

- [A] ☐ Working, Royalty or Overriding Royalty Interest Owners**
- [B] ☐ Offset Operators, Leaseholders or Surface Owner**
- [C] ☐ Application is One Which Requires Published Legal Notice**
- [D] ☒ Notification and/or Concurrent Approval by BLM or SLO**
 U S Bureau of Land Management - Commissioner of Public Lands, State Land Office
- [E] ☐ For all of the above, Proof of Notification or Publication is Attached, and/or,**
- [F] ☐ Waivers are Attached**

[3] SUBMIT ACCURATE AND COMPLETE INFORMATION REQUIRED TO PROCESS THE TYPE OF APPLICATION INDICATED ABOVE.

[4] 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.

Taylor Stillman
 Print or Type Name

Taylor Stillman
 Signature

PRODUCTION ENGINEER
 Title

12/14/16
 Date

TAYLOR_STILLMAN@OXY.COM
 e-mail Address

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 July 18, 2013

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

WELL API NO. MULTIPLE
5. Indicate Type of Lease STATE <input type="checkbox"/> FEE <input type="checkbox"/>
6. State Oil & Gas Lease No.
7. Lease Name or Unit Agreement Name Cypress 33 and Cypress 34
8. Well Number MULTIPLE
9. OGRID Number
10. Pool name or Wildcat MULTIPLE
11. Elevation (Show whether DR, RKB, RT, GR, etc.)

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.)

1. Type of Well: Oil Well ☒ Gas Well ☐ Other

2. Name of Operator

OXY USA INC

3. Address of Operator

PO BOX 4294 HOUSTON, TX 77210

4. Well Location

Unit Letter _____: _____ feet from the NORTH line and _____ feet from the WEST line

Section _____ Township _____ Range _____ County _____

11. Elevation (Show whether DR, RKB, RT, GR, etc.)

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 ☐
CLOSED-LOOP SYSTEM ☐
OTHER: POOL LEASE COMMINGLE ☒

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 requests approval for the pool and lease commingling and off-lease measurement, sales and storage for the Goodnight 27-4 CTB fed by the Cypress 33 Fed Com 8H, Cypress 33 Fed Com 9H, Cypress 34 Federal 10H, 11H and 12H.

The central tank battery is located on the well pad for the Goodnight 27 Federal #4H located at 32.269382, -103.974739 on Federal lease NMNM105557 in Eddy County, New Mexico.

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

SIGNATURE Taylor Stillman TITLE: PRODUCTION ENGINEER DATE: 12/14/2016

Type or print name TAYLOR STILLMAN E-mail address: TAYLOR_STILLMAN@OXY.COM PHONE: (713) 366-5945

For State Use Only

APPROVED BY: _____ TITLE _____ DATE _____

Conditions of Approval (if any):

**Bureau of Land Management
Carlsbad Field Office
620 East Greene Street
Carlsbad, New Mexico 88220
575-234-5972**

Condition of Approval

Surface commingling, off lease/off CA storage measurement and sales.

1. This approval is subject to like approval by the New Mexico Oil Conservation Division.
2. This agency shall be notified of any spill or discharge as required by NTL-3A.
3. This agency reserves the right to modify or rescind approval whenever it determines continued use of the approved method may adversely affect the surface or subsurface environments.
4. This approval does not constitute right-of-way approval for any off-lease activities. Within 30 days, an application for right-of-way approval must be submitted to the Realty Section if not already done.
5. Approval for combining production from various sources is a privilege which is granted to lessees for the purpose of aiding conservation and extending the economic life of leases. Applicants should be cognizant that failure to operate in accordance with the provisions outlined in the Authorized Officer's conditions of approval and/or subsequent stipulations or modifications will subject such approval to revocation.
6. Gas measurement for allocation must be measured as per Onshore Order #5 for sales meters.
7. All gas and oil subject to royalty shall be measured as per federal regulations and shall be reported to ONRR as required. All gas which is vented, flared or used on lease shall be reported as per NTL-4A to ONRR. All gas which is vented or flared shall be subject to royalty, unless prior approval was given by the authorized officer.
8. This agency shall be notified of any change in sales method or location of sales point.
9. Additional wells and/or leases require additional commingling approvals.
10. Notify this office 24 Hrs. prior to any meter proving to allow time for an inspector to witness.

Five wells are being commingled (30-015-43075, 30-015-43751, 30-015-43076, 30-015-42920, & 30-015-43849). Two Federal Leases are involved NMNM-86024 and NMNM-19848. Two of the wells have are in a Com Agreement NMNM-135945. Formations being produced are 2nd Bone Spring, 3rd Bone Spring and Wolfcamp. The Operator stated that the quality of hydrocarbons from the three formations will not affect the overall value when combined. Each well is 100% Federal and all leases are 12.5%, thus no royalties will be affected.

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