

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENTCarlsbad Field Office  
OCD ArtesiaFORM 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.  
NMNM104730

6. If Indian, Allottee or Tribe Name

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

**SUBMIT IN TRIPLICATE - Other instructions on page 2**

1. Type of Well

☒ Oil Well ☐ Gas Well ☐ Other8. Well Name and No.  
Multiple--See Attached2. Name of Operator  
OXY USA INCORPORATEDContact: SANDRA MUSALLAM  
E-Mail: SANDRA\_MUSALLAM@OXY.COM9. API Well No.  
Multiple--See Attached3a. Address  
5 GREENWAY PLAZA SUITE 110  
HOUSTON, TX 77046-05213b. Phone No. (include area code)  
Ph: 713-366-510610. Field and Pool or Exploratory Area  
SAND DUNES  
SAND DUNES WEST

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

Multiple--See Attached

11. County or Parish, State

EDDY COUNTY, NM

**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 recompleat 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 requests approval of a pool commingling at the Sundance A Federal Battery. The wells feeding the battery are listed below. The BLM has 12.5% royalty interest in all wells.

WELL NAME/API

SUNDANCE FEDERAL 002/ 30-015-27491  
SUNDANCE FEDERAL 003/ 30-015-27389  
SUNDANCE FEDERAL 004/ 30-015-27390  
SUNDANCE FEDERAL 005/ 30-015-27395  
SUNDANCE FEDERAL 006/ 30-015-27409  
SUNDANCE FEDERAL 007/ 30-015-27576  
SUNDANCE FEDERAL 009/ 30-015-27492  
SUNDANCE FEDERAL 010/ 30-015-27577  
SUNDANCE FEDERAL 011/ 30-015-27578

GC 8-13-18  
Accepted for record - NMOCNM OIL CONSERVATION  
ARTESIA DISTRICT

AUG 10 2018

RECEIVED

14. I hereby certify that the foregoing is true and correct.

Electronic Submission #414007 verified by the BLM Well Information System

For OXY USA INCORPORATED, sent to the Carlsbad

Committed to AFMSS for processing by PRISCILLA PEREZ on 04/26/2018 (18PP1542SE)

Name (Printed/Typed) SANDRA MUSALLAM

Title REGULATORY ENGINEER

Signature (Electronic Submission)

Date 04/22/2018

**THIS SPACE FOR FEDERAL OR STATE OFFICE USE**

Approved By

*J.D. Whitlock*

Title

TLPET

Date

8/9/18

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.

Office

CFO

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)

**\*\* BLM REVISED \*\* BLM REVISED \*\* BLM REVISED \*\* BLM REVISED \*\* BLM REVISED \*\***

## Additional data for EC transaction #414007 that would not fit on the form

### Wells/Facilities, continued

Agreement	Lease	Well/Fac Name, Number	API Number	Location
MMNM104730	MMNM104730	SUNDANCE FEDERAL 2	30-015-27491-00-S1	Sec 4 T24S R31E NWNW 660FNL 660FWL
MMNM104730	MMNM104730	SUNDANCE FEDERAL 1	30-015-20538-00-S1	Sec 4 T24S R31E SENW 1980FNL 1980FWL
MMNM104730	MMNM104730	SUNDANCE FEDERAL 10	30-015-27577-00-S1	Sec 5 T24S R31E SENE 1980FNL 660FEL
MMNM104730	MMNM104730	SUNDANCE FEDERAL 11	30-015-27578-00-S1	Sec 5 T24S R31E NESE 1980FSL 660FEL
MMNM104730	MMNM104730	SUNDANCE FEDERAL 12	30-015-27578-00-S1	Sec 5 T24S R31E NWSE 1980FSL 1980FEL
MMNM104730	MMNM104730	SUNDANCE FEDERAL 13	30-015-27580-00-S1	Sec 5 T24S R31E NESW 1980FSL 1980FWL
MMNM104730	MMNM104730	SUNDANCE FEDERAL 21	30-015-29120-00-S1	Sec 4 T24S R31E NESE 1980FSL 660FEL
MMNM104730	MMNM104730	SUNDANCE FEDERAL 22	30-015-29074-00-S1	Sec 4 T24S R31E NWSE 1980FSL 1980FEL
MMNM104730	MMNM104730	SUNDANCE FEDERAL 23	30-015-33384-00-S1	Sec 4 T24S R31E SWNW 1980FNL 660FWL
MMNM104730	MMNM104730	SUNDANCE FEDERAL 24	30-015-33385-00-S1	Sec 4 T24S R31E SWNE 1980FNL 1980FEL
MMNM104730	MMNM104730	SUNDANCE FEDERAL 25	30-015-33386-00-S1	Sec 4 T24S R31E SENE 1980FNL 660FEL
MMNM104730	MMNM104730	SUNDANCE FEDERAL 28	30-015-33724-00-S1	Sec 4 T24S R31E NENE 990FNL 660FEL
MMNM104730	MMNM104730	SUNDANCE FEDERAL 27	30-015-34787-00-S1	Sec 4 T24S R31E NWSW 1980FSL 660FWL
MMNM104730	MMNM104730	SUNDANCE FEDERAL 29	30-015-33709-00-S1	Sec 4 T24S R31E SWSW 660FSL 660FWL
MMNM104730	MMNM104730	SUNDANCE FEDERAL 3	30-015-27389-00-S1	Sec 5 T24S R31E NENE 660FNL 660FEL
MMNM104730	MMNM104730	SUNDANCE FEDERAL 30	30-015-33673-00-S1	Sec 4 T24S R31E SESW 660FSL 1980FWL
MMNM104730	MMNM104730	SUNDANCE FEDERAL 31	30-015-33674-00-S1	Sec 4 T24S R31E SESE 660FSL 660FEL
MMNM104730	MMNM104730	SUNDANCE FEDERAL 32	30-015-33675-00-S1	Sec 5 T24S R31E SWSE 660FSL 1980FEL
MMNM104730	MMNM104730	SUNDANCE FEDERAL 33	30-015-33676-00-S1	Sec 5 T24S R31E SESE 660FSL 660FEL
MMNM104730	MMNM104730	SUNDANCE FEDERAL 4	30-015-27389-00-S1	Sec 5 T24S R31E NWNE 660FNL 1980FEL
MMNM104730	MMNM104730	SUNDANCE FEDERAL 6	30-015-27389-00-S1	Sec 5 T24S R31E NENW 660FNL 1980FWL
MMNM104730	MMNM104730	SUNDANCE FEDERAL 8	30-015-27409-00-S1	Sec 5 T24S R31E NWNW 660FNL 660FWL
MMNM104730	MMNM104730	SUNDANCE FEDERAL 7	30-015-27578-00-S1	Sec 5 T24S R31E SWNW 1980FNL 660FWL
MMNM104730	MMNM104730	SUNDANCE FEDERAL 9	30-015-27482-00-S1	Sec 5 T24S R31E SWNE 1980FNL 1980FEL

### 32. Additional remarks, continued

SUNDANCE FEDERAL 012/ 30-015-27579  
SUNDANCE FEDERAL 015/ 30-015-27595  
SUNDANCE FEDERAL 021/ 30-015-29120  
SUNDANCE FEDERAL 022/ 30-015-29074  
SUNDANCE FEDERAL 023/ 30-015-33384  
SUNDANCE FEDERAL 024/ 30-015-33385  
SUNDANCE FEDERAL 025/ 30-015-33396  
SUNDANCE FEDERAL 026/ 30-015-33724  
SUNDANCE FEDERAL 027Q/ 30-015-34787  
SUNDANCE FEDERAL 029/ 30-015-33709  
SUNDANCE FEDERAL 030/ 30-015-33673  
SUNDANCE FEDERAL 031/ 30-015-33674  
SUNDANCE FEDERAL 032/ 30-015-33675  
SUNDANCE FEDERAL 033/ 30-015-33676  
SUNDANCE FEDERAL 013/ 30-015-27580  
SUNDANCE FEDERAL 001/ 30-015-20538

#### Process Description:

Production is sent through a 24" X 10" two-phase production separator. The fluid stream then flows to a 6" X 10" FWKO. Oil production then flows through an 6" X 10" heater treater, then is sent to two oil storage tanks before being trucked to sales (FMP located at Lat 32.24807 Long -103.79097).

Oil production will be allocated back to each well based on well test.

Gas production will be sent from the two-phase separator to the DCP sales meter #74028 (Lat 32.24839746 Long -103.79109750), which will serve as the gas FMP for the purpose of royalty payment.

All water from the Sundance A Federal Battery will be sent to the SDS 11 #1 SWD facility.

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

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 rule for future additions.

## APPLICATION FOR POOL COMMINGLE

### Commingle proposal for the Sundance A Federal Battery

OXY USA INC requests approval of a pool commingle at the Sundance A Federal Battery. The wells feeding the battery are listed below. The BLM has 12.5% royalty interest in all wells.

#### POOL: SAND DUNES;DELAWARE, WEST (53815) - NMNM104730

Well Name	API	Surface Location	Status	AVG 6 MO OIL (BOPD)	API Gravity	AVG 6 MO GAS (MCFPD)	BTU/cf	AVG 6 MO WATER (BWPD)
SUNDANCE FEDERAL 002	30-015-27491	D-04-24S-31E	Active	0	41	7	1305	26
SUNDANCE FEDERAL 003	30-015-27389	A-05-24S-31E	Active	2	41	0	1305	32
SUNDANCE FEDERAL 004	30-015-27390	B-05-24S-31E	Active	6	41	2	1305	84
SUNDANCE FEDERAL 005	30-015-27395	C-05-24S-31E	Active	5	41	1	1305	115
SUNDANCE FEDERAL 006	30-015-27409	D-05-24S-31E	Active	2	41	1	1305	31
SUNDANCE FEDERAL 007	30-015-27576	E-05-24S-31E	Active	1	41	2	1305	27
SUNDANCE FEDERAL 009	30-015-27492	G-05-24S-31E	Active	1	41	1	1305	14
SUNDANCE FEDERAL 010	30-015-27577	H-05-24S-31E	Active	7	41	2	1305	28
SUNDANCE FEDERAL 011	30-015-27578	I-05-24S-31E	Active	4	41	0	1305	104
SUNDANCE FEDERAL 012	30-015-27579	J-05-24S-31E	Active	2	41	2	1305	13
SUNDANCE FEDERAL 021	30-015-29120	I-04-24S-31E	Active	2	41	21	1305	64
SUNDANCE FEDERAL 022	30-015-29074	J-04-24S-31E	Active	5	41	14	1305	54
SUNDANCE FEDERAL 023	30-015-33384	E-04-24S-31E	Active	1	41	13	1305	81
SUNDANCE FEDERAL 024	30-015-33385	G-04-24S-31E	Active	2	41	15	1305	27
SUNDANCE FEDERAL 025	30-015-33396	H-04-24S-31E	Active	1	41	12	1305	63
SUNDANCE FEDERAL 026	30-015-33724	I-04-24S-31E	Active	3	41	11	1305	43
SUNDANCE FEDERAL 027	30-015-34787	L-04-24S-31E	Active	2	41	10	1305	20
SUNDANCE FEDERAL 029	30-015-33709	M-04-24S-31E	Active	4	41	18	1305	133
SUNDANCE FEDERAL 030	30-015-33673	N-04-24S-31E	Inactive		41		1305	
SUNDANCE FEDERAL 031	30-015-33674	P-04-24S-31E	Active	1	41	16	1305	26
SUNDANCE FEDERAL 032	30-015-33675	O-05-24S-31E	Active	8	41	17	1305	169
SUNDANCE FEDERAL 033	30-015-33676	P-05-24S-31E	Active	1	41	10	1305	20

#### POOL: SAND DUNES;DELAWARE, SOUTH (53818) - NMNM104730

SUNDANCE FEDERAL 013	30-015-27580	K-05-24S-31E	Active	3	41	1	1305	25
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#### POOL: SAND DUNES;LOWER PENN, SOUTH GAS (84880) - NMNM104730

SUNDANCE FEDERAL 001	30-015-20538	F-04-24S-31E	SI, to be returned to production	0	N/A	60	1195	0
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#### Process Description:

Production is sent through a 24" X 10' two-phase production separator. The fluid stream then flows to a 6' X 10' FWKO. Oil production then flows through an 6' X 10' heater treater, then is sent to two oil storage tanks before being trucked to sales (FMP located at Lat 32.24807 Long -103.79097).

Oil production will be allocated back to each well based on well test. For testing purposes, the facility is equipped with a 6' x 20' three-phase test separator with oil turbine meter (#83337TO), gas orifice meter (T170167686) and water turbine meter. There is an additional temporary three-phase test separator that wells from Header #1 can go to. It is equipped with an oil turbine meter (#16008TO), gas orifice meter (#17412662) and water turbine meter.

Gas production will be sent from the two-phase separator to the DCP sales meter #74028 (Lat 32.24839746 Long -103.79109750), which will serve as the gas FMP for the purpose of royalty payment.

All water from the Sundance A Federal Battery will be sent to the SDS 11 #1 SWD facility.

**Additional Application Components:**

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

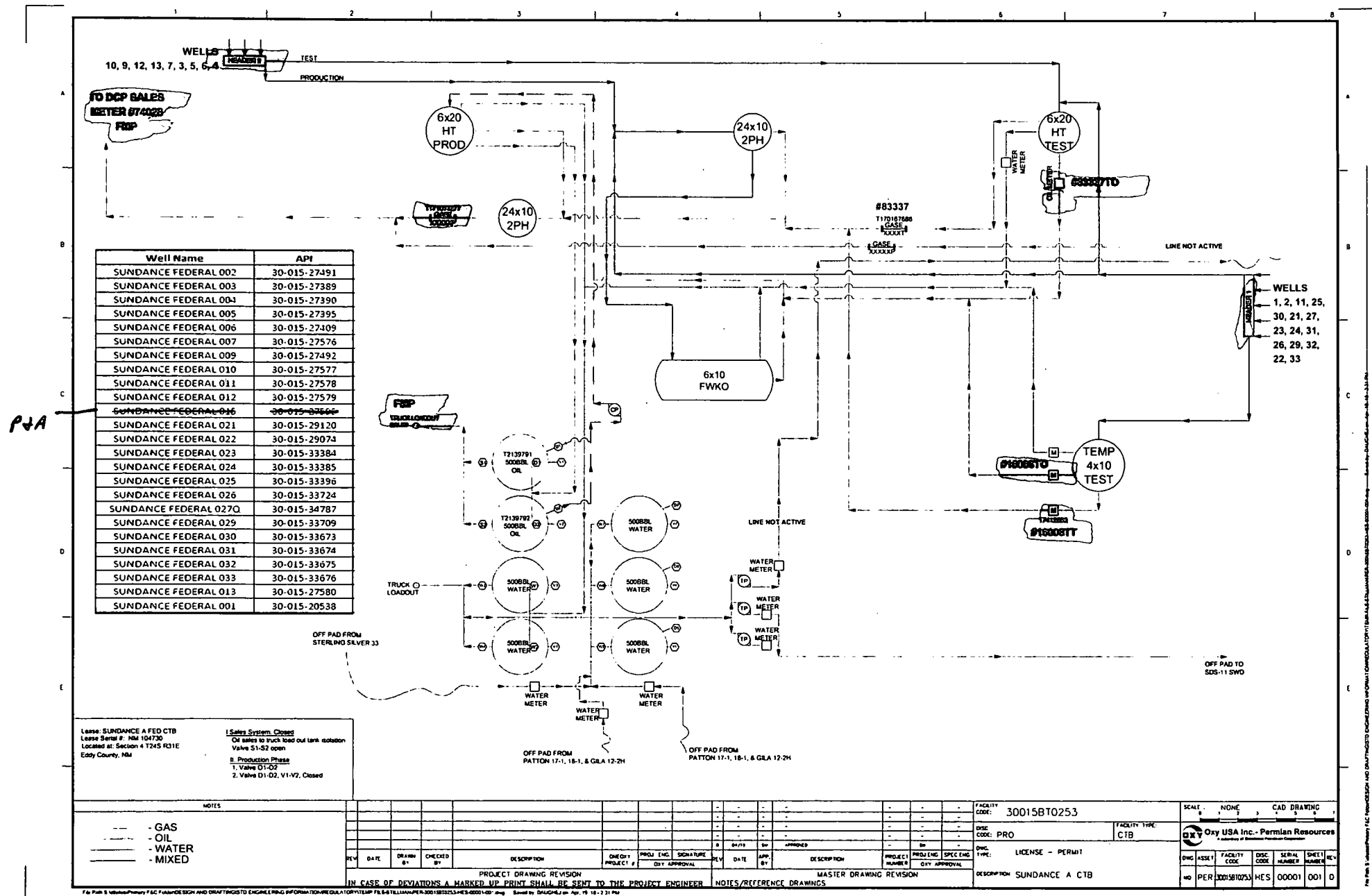
Commingling this production is the only way to economically produce these minerals and maximize reserve recovery. The estimated production of the Sundance Federal #1 Lower Penn completion, and the Sundance Federal #13 current production cannot justify the \$250,000 capital investment needed to separate production into individual batteries. Commingling production will result in maximum ultimate economic recovery of oil and gas with minimum waste and with minimum adverse effect on ultimate recovery of other mineral resources, as per 43 CFR 3162.1(a). It is not in the best interest of the American public to have OXY USA INC plug the wells at this time, since there are still recoverable minerals.

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

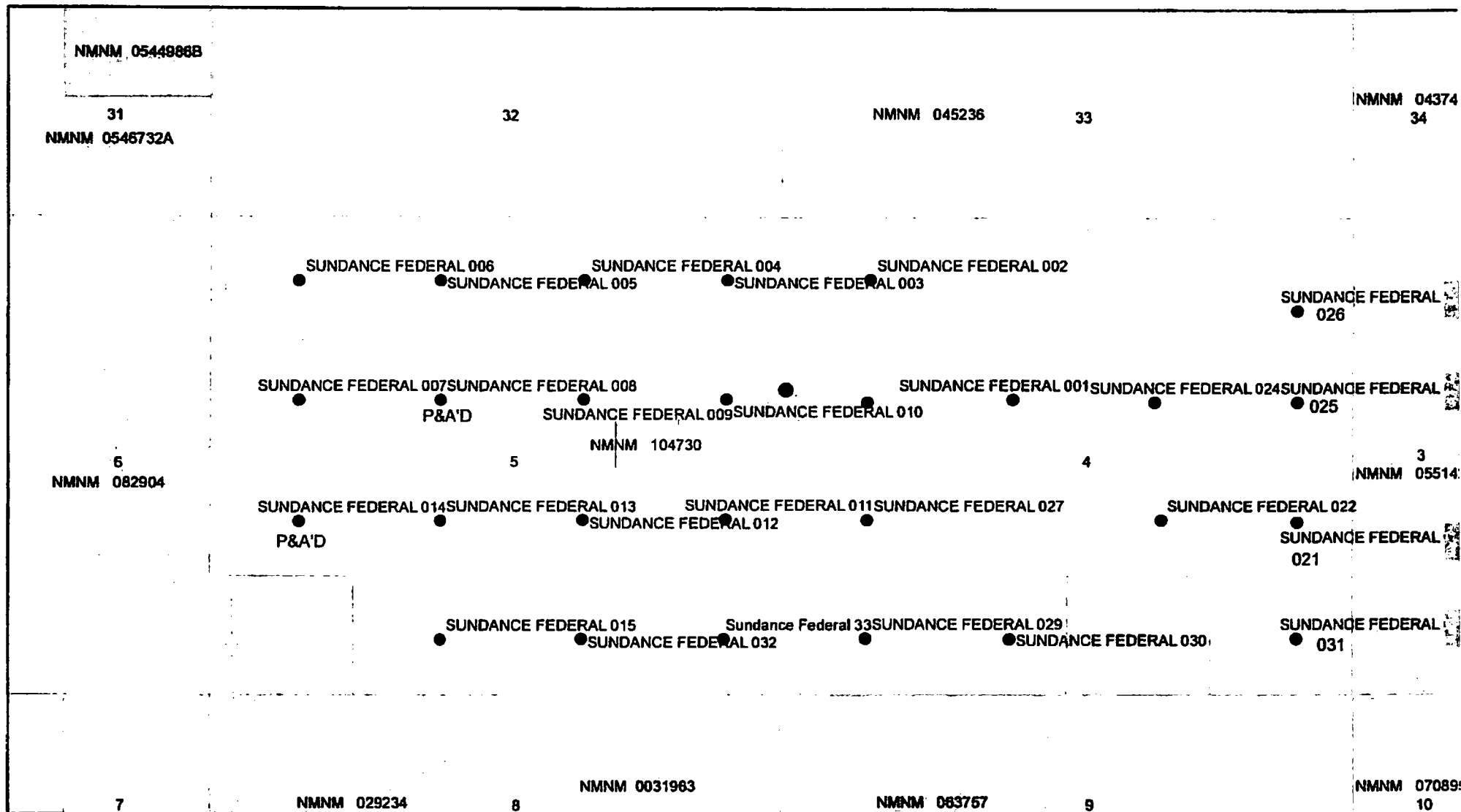
Pursuant to Statewide rule 19.15.12.10(C)(4)(g) OXY USA INC requests the option to include additional pools or leases within the defined parameters set forth in the rule for future additions.

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 FEDERAL CTB



## Legend

- SUNDANCE WELLS
- CTB
- GAS METER

NMNM  
0544986B

031

032

033

NMNM 045236

NMNM  
0546732A

Sundance TB and  
DCP Sales meter #74028

005

NMNM 104730

004

006

NMNM 082904

NMNM 029234

008

NMNM 0031963

NMNM 063757

007

NMNM  
057273

009

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

Run Date/Time: 4/8/2018 13:33 PM

Page 1 Of 2

01 02-25-1920;041STAT0437;30USC226  
Case Type 311111: O&G LSE NONCOMP PUB LAND  
Commodity 459: OIL & GAS  
Case Disposition: AUTHORIZED

Total Acres:  
1,202.120

Serial Number

NMNM 104730

Serial Number: NMNM-- 104730

Name & Address	Int Rel	% Interest
OXY USA INC 5 GREENWAY PLZ #110 HOUSTON TX 770460521	OPERATING RIGHTS	0 000000000
OXY USA INC PO BOX 27570 HOUSTON TX 772277570	LESSEE	100.000000000
OXY USA INC PO BOX 27570 HOUSTON TX 772277570	OPERATING RIGHTS	0 000000000

Serial Number: NMNM-- 104730

Mer	Twp	Rng	Sec	SType	Nr	Suff	Subdivision	District/ Field Office	County	Mgmt Agency
23	0240S	0310E	004	LOTS			1,2,3,4;	CARLSBAD FIELD OFFICE	EDDY	BUREAU OF LAND MGMT
23	0240S	0310E	004	ALIQ			S2N2,SW,N2SE,SESE;	CARLSBAD FIELD OFFICE	EDDY	BUREAU OF LAND MGMT
23	0240S	0310E	005	LOTS			1,2,3,4.	CARLSBAD FIELD OFFICE	EDDY	BUREAU OF LAND MGMT
23	0240S	0310E	005	ALIQ			N2SW,SESW,SE,S2N2;	CARLSBAD FIELD OFFICE	EDDY	BUREAU OF LAND MGMT

Relinquished/Withdrawn Lands

Serial Number: NMNM-- 104730

Serial Number: NMNM-- 104730

Act Date	Act Code	Action Txt	Action Remarks	Pending Off
03/01/1957	387	CASE ESTABLISHED		
01/01/1958	496	FUND CODE	05;145003	
01/01/1958	530	<del>RETRACTED</del>		
01/01/1958	868	EFFECTIVE DATE		
06/22/1972	650	HELD BY PROD - ACTUAL		
12/27/1999	932	TRF OPER RGTS FILED	CNG PROD/POGO PROD	
12/27/1999	932	TRF OPER RGTS FILED	SANTA FE SNYDER/POGO	
05/31/2000	553	CASE CREATED BY ASGN	OUT OF NMNM 0031963;	
06/01/2000	933	TRF OPER RGTS APPROVED	(1)EFF 01/01/2000;	
06/01/2000	933	TRF OPER RGTS APPROVED	(2)EFF 01/01/2000;	
06/01/2000	974	AUTOMATED RECORD VERIF	LBO	
01/17/2002	963	CASE MICROFILMED/SCANNED		
05/01/2008	140	ASGN FILED	POGO PRODUC/OXY USA;1	
05/01/2008	932	TRF OPER RGTS FILED	POGO PRODUC/OXY USA;1	
06/13/2008	139	ASGN APPROVED	EFF 06/01/2008;	

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



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

**Sundance Federal wells (see list below)**

**Oxy USA Inc.**

**August 9, 2018**

**Condition of Approval**

**Lease Pool Commingling of Delaware and Lower Penn/Atoka production**

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 or 43 CFR 3175 and API requirements for sales meters, or as approved in this approval to commingle production.
7. Oil measurement for allocation must be measured as per Onshore Order #4 or 43 CFR 3174 and API requirements for oil measurement, or as approved in this approval to commingle production.
8. 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 43 CFR 3179 to ONRR. All gas which is vented or flared shall be subject to royalty, unless prior approval was given by the authorized officer. These volumes are royalty bearing and shall be reported on OGOR "B" as disposition code "33" for royalty-bearing flared gas and disposition code 63 for royalty-bearing vented gas.  
**DC 33 = Flared gas – royalty due**  
**DC 63 = Vented gas – royalty due**
9. This agency shall be notified of any change in sales method or location of sales point.
10. Additional wells and/or leases/PAs require additional commingling approvals.
11. Notify this office 24 Hrs. prior to any meter proving to allow time for an inspector to witness.

**Sundance Federal 1,2,3,4,5,6,7,9,10,11,12,13,21,22,23,24,25,26,27,29,30,31,32,33,  
Lease NMNM104730 which has a royalty Rate of 12.5%**

**All wells are producing from the Delaware except Sundance Federal #1 which is producing from the Lower Penn/Atoka**