•		•		244.104	
1V13/2018	REVIEWER:	TYPE: PCC	APP NO: DMAM	18317	44110
1	- Geologic	ABOVE THIS TABLE FOR OCC DIVISION I D OIL CONSERVATIO al & Engineering Bu Incis Drive, Santa Fe	on <b>Division</b> Treau –		
	ADMINISTRA	ATIVE APPLICATION	CHECKLIST		
		ADMINISTRATIVE APPLICATION DUIRE PROCESSING AT THE DIVISION		DIVISION RULES	AND
pplicant: OXY USA INC			OGRID	Number:	16696
ell Name: IRIDIUM MDP	28 21 FED COM 11H & C	OTHERS	<b>API:</b> 30-0	15-45073 & OTI	HERS
ool: INGLE WELLS, BONE SP	RING & WC-015 G-08 \$2	33135D;WOLFCAMP	Pool Co	ode: 33740 8	k 98236
1) TYPE OF APPLICATIO A. Location – Spa		neous Dedication	ration unit) \begin{align*} \text{SC}		C-53
DHC  [II] Injection –  WFX  2) NOTIFICATION REQU  A. Offset opera  B. Royalty, ove  C. Application  D. Notification  E. Notification  F. Surface owr	ng – Storage – Me  CTB PLC  Disposal – Pressure  PMX SW  IRED TO: Check the stors or lease hold ending royalty ow requires published and/or concurrer and/or concurrer and/or concurrer above, proof of a storage of the	D PC OLS e Increase - Enhance D IPI EOR nose which apply, ers ners, revenue owners	□ PPR	FÖR  Notice  Appli  Conte	olete
· •	oval is <b>accurate</b> ar action will be take	nd <b>complete</b> to the ben on this application	est of my know	ledge. I als	so
Note: State	ment must be complete	d by an individual with mand	gerial and/or superv	isory capacity	·.
ANDRA MÜSALLAM		Ē	Date 11/12/18		
rint or Type Name			713-366-5106		

Sandya Mulya

Signature

Phone Number

e-mail Address

SANDRA\_MUSALLAM@OXY.COM

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.

APPLICATI	ON FOR SURFACE	<b>COMMINGLING</b>	G (DIVERSE	OWNERSHIP)	
OPERATOR NAME: OX	Y USA INC				
OPERATOR ADDRESS: 5 C	GREENWAY PLAZA SUIT	E 110 HOUSTON, TX	77046		
APPLICATION TYPE:					
☐ Pool Commingling ☐ Lease Com	mingling Pool and Lease Co	ommingling Doff-Lease	Storage and Measu	rement (Only if not Surface	e Commingled)
LEASE TYPE:	☐ State ☐ Fede				
Is this an Amendment to existing Have the Bureau of Land Manage   ☐ Yes ☐ No					ingling
		OL COMMINGLIN ts with the following in			
(1) Pool Names and Codes	Gravities / BTU of Non-Commingled Production	Calculated Gravities / BTU of Commingled Production		Calculated Value of Commingled Production	Volumes
SEE ATTACHED					
<ul> <li>(3) Has all interest owners been no</li> <li>(4) Measurement type:  Meter</li> <li>(5) Will commingling decrease the</li> </ul>	ing 🔯 Other (Specify) : ALL	OCATION BY WELL TI	⊠Yes □No. EST ibe why commingl		
		SE COMMINGLIN ts with the following in		-	
(1) Pool Name and Code.					
<ul><li>(2) Is all production from same sou</li><li>(3) Has all interest owners been notified.</li></ul>			□Yes □N	To.	
(4) Measurement type: Meterin		posed comminging?	LI TES LIN	10	
	(C) POOL and	I LEASE COMMIN	GLING		
	` '	ts with the following in			
(1) Complete Sections A and E.					
	(D) OFF-LEASE ST	TORAGE and MEA ets with the following		H-v-v-	
(1) Is all production from same sou					
(2) Include proof of notice to all in	terest owners.				
(1	E) ADDITIONAL INFO Please attach sheet	DRMATION (for all ts with the following in	• •	ypes)	.,
(1) A schematic diagram of facility					
(2) A plat with lease boundaries sh	_	ions. Include lease number	ers if Federal or St	ate lands are involved.	
(3) Lease Names, Lease and Well !	Numbers, and API Numbers.				
I hereby certify that the information a	bove is true and complete to the	best of my knowledge an	d belief.		
SIGNATURE: MININ MI		TTI E- DECLII ATODV E		DATE: 11/12/18	

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

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

# APPLICATION FOR POOL AND LEASE COMMINGLE, OFF-LEASE MEASUREMENT, SALES AND STORAGE Commingling proposal for the Iridium Battery

OXY USA INC requests to amend previously approved NMOCD commingle order PC-1328 to include pool and lease commingle, and off-lease measurement, sales and storage at the Iridium Battery (K-29-23S-31E). The wells feeding the battery are listed below.

POOL: INGLE WELLS;BONE SPRING (33740) - COM AGREEMENT PENDING 50% SCHEDULE "B" (NMNM38464) & 50% SCHEDULE "B" (NMNM40659)

Well Name	API	Surface Location	EST DATE ONLINE	Est. Oil (BOPD)	Est. Gravity API	Est. Gas (MSGFD)	Est. BTU/cf	Est. Water (BWPD)
IRIDIUM MDP1 28-21 FED COM 11H	30-015-45073	M-28-23S-31E	11/14/2018	1400	43	2811	1300	2028
IRIDIUM MDP1 28-21 FED COM 21H	30-015-45074	M-28-23S-31E	11/27/2018	757	43	2494	1300	878
IRIDIUM MDP1 28-21 FED COM 41H	30-015-45075	M-28-23S-31E	11/27/2018	614	43	1371	1300	1973

POOL: WC-015 G-08 S233135D; WOLFCAMP (98236) - COM AGREEMENT PENDING

50% SCHEDULE "B" (NMNM38464) & 50% SCHEDULE "B" (NMNM40659)

.Well Name	API	Surface Location	EST DATE ONLINE	Est. Oil (BOPD)	Est. Gravity , API	Est. Gas (MSCFD)		Est. Water (BWPD)
IRIDIUM MDP1 28-21 FED COM 171H	30-015-45076	M-28-235-31E	11/14/2018	1192	44.4	2932	1325	3022

Production estimates are average of first 6 month volumes

#### **Process Description:**

#### Temporary Facility - in use approximately 3 months

Each Iridium well will have separate identical facilities described below.

Production will flow to two 42" X 12' three-phase production separators which are equipped with oil turbine meters (S/N\*), gas orifice meters (S/N\*) and water turbine meters. The oil will flow to a 6' X 20' three-phase separator. It then flows to five oil storage tanks before being combined with oil production from the other wells and measured through a LACT meter S/N\* (FMP located at LAT 32.26939, LONG -103.789, M-28-23S-31E) then sent to sales.

Gas production will flow from the 42" X 12' separators to two 30" X 10' two-phase separators which are equipped with gas orifice meters (S/N\*) which will serve as the FMPs (LAT 32.26939, LONG -103.789 & LAT 32.26985, LONG -103.789, M-28-23S-31E) for the purpose of royalty payment.

Oil production will be allocated back to each well based on well tests recorded at the 42" X 12' three-phase separators. All wells will be tested daily prior to Range 1 of decline, and will be tested at least three times per month during Range 1 of decline. When Range 2 decline is started, the wells will be tested at least twice per month. Wells will be tested at least once per month when Range 3 of decline is started, as specified in Hearing Order R-14299.

All water from the Iridium Battery will be sent to the Sand Dunes Water Disposal System.

#### **Permanent Facility**

Production from all four wells is sent through a 10' X 40' three-phase production separator. Oil production flows through two line heaters then two 8' X 20' heater treaters before being sent to a 4' vapor recovery tower. It then flows to ten oil storage tanks before being pumped through two LACT meters S/N\* (FMPs located at Lat 32.272982 Long -103.800421) and sent to the oil sales line. A truck load FMP will be set up at the facility for use as back-up in the event of a LACT meter failure.

<sup>\*</sup>Meter number to be submitted upon installation. The oil and gas meters will be calibrated on a regular basis per API, NMOCD and BLM specifications.

Oil production will be allocated back to each well based on well test. For testing purposes, the facility will be equipped with three permanent 6' x 20' three-phase test separators. Each test vessel will be equipped with oil turbine meters (S/N\*), gas orifice meters (S/N\*) and water turbine meters. In addition, the facility is equipped to add up to three portable 6' X 20' three-phase test separators. Any portable test separator will be equipped with an oil turbine meter (S/N\*), gas orifice meter (S/N\*) and water turbine meter. The well testing schedule will continue to adhere to Hearing Order R-14299, as detailed previously.

Gas production from all wells will be combined after the production and test separators. It will then flow through an orifice meter S/N\* (Lat 32.272982 Long -103.800421), which will serve as the gas FMP for the purpose of royalty payment, then sent to sales.

All water from the Iridium Battery will be sent to the Sand Dunes Water Disposal System.

\*Meter number to be submitted upon installation. The oil and gas meters will be calibrated on a regular basis per API, NMOCD and BLM specifications.

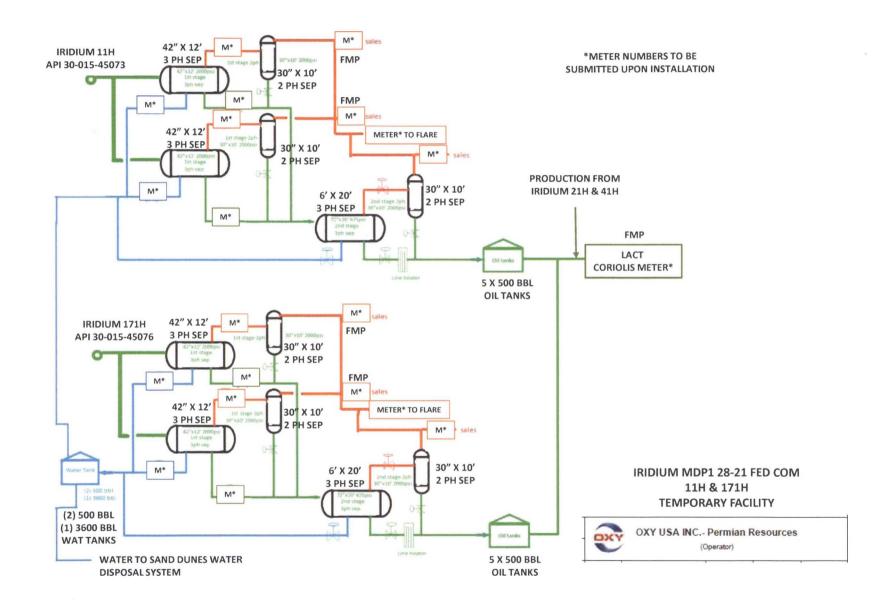
#### **Additional Application Components:**

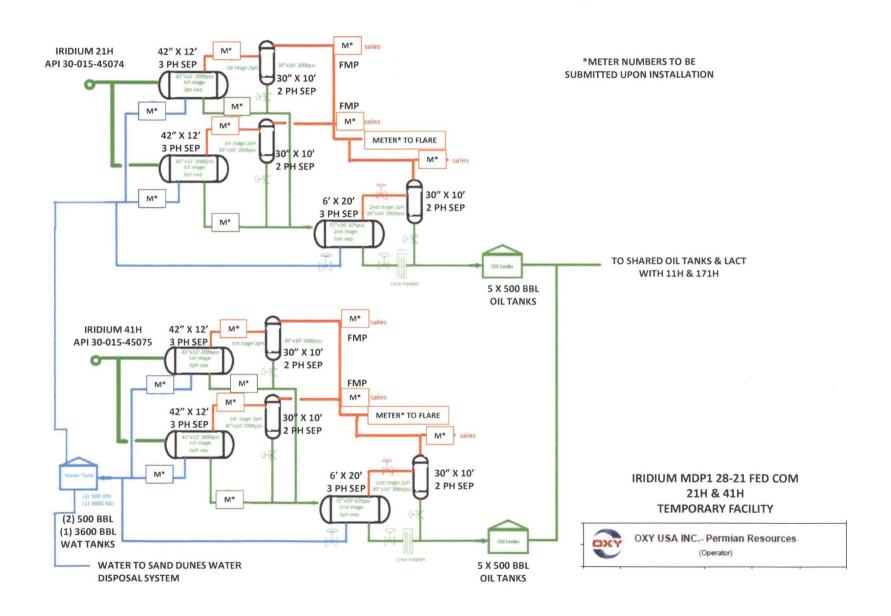
The flow of production is shown in detail on the enclosed facility diagram. Also enclosed is a map detailing the lease boundaries, well and battery locations.

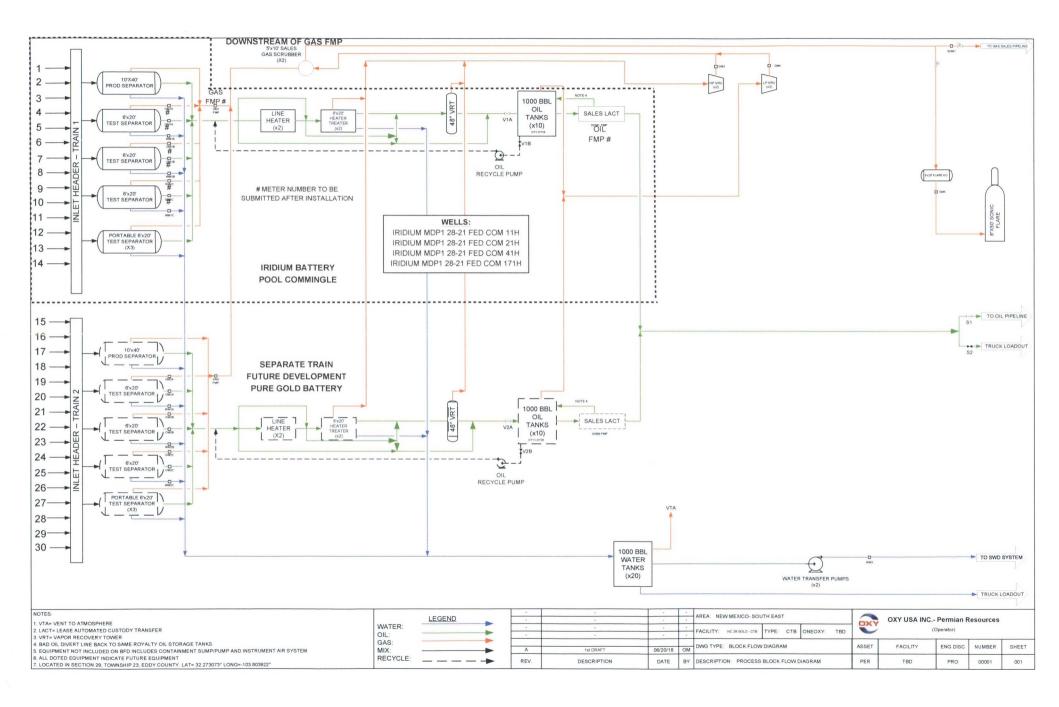
Pursuant to Statewide rule 19.15.12.10(C)(4)(g) OXY USA INC requests the option to include additional pools or leases within the defined parameters set forth in the Order for future additions.

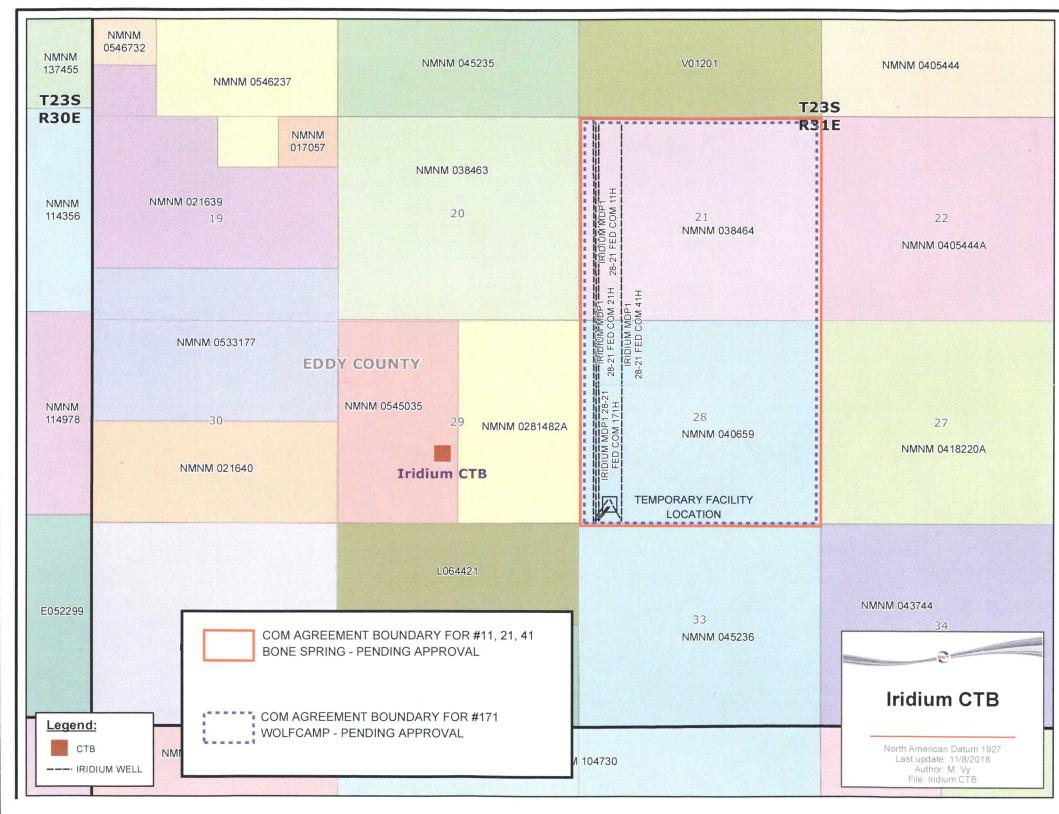
Commingling this production is the most effective means of producing the reserves. The surface commingle application will be submitted separately for approval per NMOCD and BLM regulations.

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.









5 Greenway Plaza, Suite 110, Houston, Texas 77046 P.O. Box 4294, Houston, Texas 77210-4294 Direct: 713.366.5106

Novermber 12, 2018

### <u>CERTIFIED MAIL</u> RETURN RECEIPT REQUESTED

Re: Request for Pool and Lease Commingling for the Iridium Battery

Dear Interest Owner:

This is to advise you that OXY USA INC is applying to the NMOCD and BLM for a surface commingle permit at the Iridium Battery located in Eddy County, Section 28 T23S – R31E. Wells are drilled through Sections 21 and 28 in T23S – R31E. Production will be from the Ingle Wells; Bone Spring and WC-015 G-08 S233135D; Wolfcamp. A copy of the application is attached.

Any objections or requests for a hearing regarding this application must be submitted to the New Mexico Oil Conservation Division Santa Fe Office within 20 Days from the date of this letter.

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.

For questions regarding this application, please contact Sandra Musallam at (713) 366-5106.

Respectfully,

**OXY USA INC** 

Sandra Musallam

Regulatory Engineer - Compliance Lead

Sandra Musallam@oxy.com

Jander Mush

### IRIDIUM PLC OWNER NOTIFICATION

NAME	ADDRESS	CITY	STATE	ZIP	TRACKING
BLM	WIS SUBMITTAL				
EOG RESOURCES INC	5509 CHAMPIONS DR	MIDLAND	TX	79707	7018 0680 0001 8041 8310
LANELL HONEYMAN/TRSUTEE OF LESLIE ROBERT HONEYMAN TRUST	406 SKYWOOD CIRCLE	MIDLAND	TX	79705	7018 0680 0001 8041 8327
GWEN M. WILLIAMS FAMILY LLC	27710 COLD SPRING TRACE	KATY	TX	77494	7018 0680 0001 8041 8334
PHYLLIS SPEIGHT, TRUSTEE CARL E. SPEIGHT WILL	PO BOX 72	MIDLAND	TX	79702	7018 0680 0001 8041 8341
JAMES W. ROGERS/ROGERS RESOURCES LP	416 MANOR VILLAGE CIRCLE	MIDLAND	TX_	79707	7018 0680 0001 8041 8358
JEFFERSON B. GOLDMAN JR	2113 SAINT ANDRES DR	ROUND ROCK	TX	78664	7018 0680 0001 8041 8105
MELINDA ANN MCCONN CHERNOSKY	602 FALL RIVER RD	HOUSTON	TX	77024	7018 0680 0001 8041 8112
JOHN RICK MCCONN	5207 GREEN TREE	HOUSTON	TX	77056	7018 0680 0001 8041 8129
MEREDITH ELLEN MCCONN ZENNER	7923 BURGOYNE	HOUSTON	TX	77063	7018 0680 0001 8041 8136
CONCHO OIL AND GAS LLC	PO BOX 849929	DALLAS	TX	75284	7018 0680 0001 8041 8303

MAILED 11/13/2018

# NM OIL CONSERVATION ARTESIA DISTRICT

JUN 27 2018

Direct 1
1633 N. Peccelo Dr., Hobba, 164 88240
Phome (17) 293-6161 Faz: (171) 283-6720
Denic D.
111 S. Fres St., Aresen, 104 88310
Phome (171) 343-128 Paz: (171) 743-770
Denic D.
1000 Hai Brans Rand, Astor, 104 81410
Phone (190) 314-8178 Faz: (180) 314-8110
Denich D.
1200 S. Pencelo Dr., Santa Fa, 104 81501
Phone: (160) 418-3460 Paz: (160) 476-3462

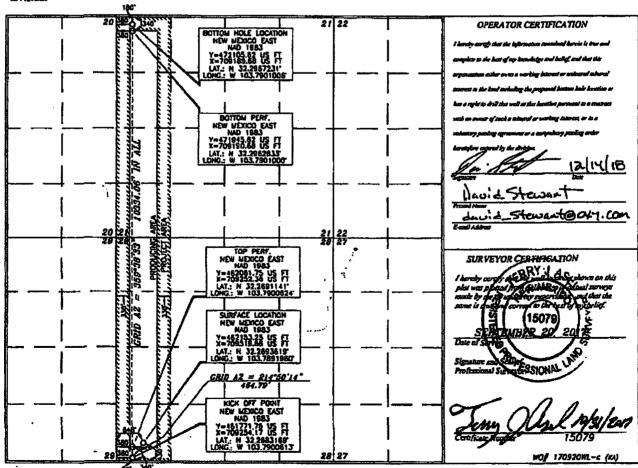
State of New Mexico
Energy, Minerals & Natural Resources Department
OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

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

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT API Number Pool Code le Wells Bone Sprine 30-015-45073 33740 Property Code 321632 "28–21" FEDERAL COM 11H IRIDIUM MDP1 OCH DO NA Operator Nam Elevation OXY USA INC. 16696 3370.3 Surface Location UL or lot oo Section Township Range Lot ldb Feet from the North/South line Feet from the Fact/West line County 28 23 SOUTH 31 EAST, N.M.P.M. 430 **EDDY** SOUTH 648 WEST Bottom Hole Location If Different From Surface UL ar lat na, Section Township San/West line County 21 23 SOUTH 31 EAST. N.M.P.M. 180 **EDDY** NORTH 380' WEST Joint or Infill Consolidation Code Dedicated Acres 320

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



RN 7-3-18

# NM OIL CONSERVATION ARTESIA DISTRICT

JUN 27 2018

Form C-102

District Office

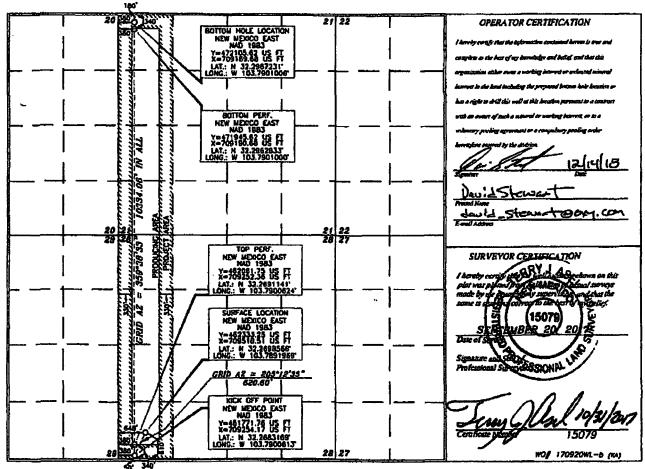
Re**风后仓售内包**1, 2011 Submit one copy to appropriate

☐ AMENDED REPORT

Dermet | | 1613 N. French Dr., Hobbs, NM 88240 | Phone: (573) 393-4161 Faz: (573) 593-4720 Drivin II 811 L Fors D., Arless, NO. 12010 Phone (573) 248-1121 Fax: (573) 248-9720 Phiesis III 1000 km Brass Rosd, Assec, NSV 87410 Phiese (SOS) 334-6176 Fast, (SOS) 334-4170 Dissipt IV 1220 S. S. Francis Dr., Seets Fo, KIA \$1903 Phone: (301) 476-3460 Par. (501) 176-3460

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

WELL LOCATION AND ACREAGE DEDICATION PLAT API Number Pool Code 30-015-45074 33740 Inale Wells Property Code Property Number Well Number 321632 "28-21" FEDERAL COM 21H IRIDIUM MDP1 OCIRID No. Operator Name Elevation 16696 OXY USA INC. 3368.4" Surface Location UL at lot po. Section Township Range Lot lib Feet from the North/South line Feet from the East/West line 28 23 SOUTH 31 EAST, N.M.P.M. 610' SOUTH WEST **EDDY** Bottom Hole Location If Different From Surface Township UL or let no. Section Lot Ida Feet from the North/South line Feet from the East/West line County 23 SOUTH 21 31 EAST, N.M.P.M. 180 EDDY NORTH 380 WEST Joint or Infill Consolidation Code Order No. Dedicated Acres 320 No allowable will be assigned to this completion until all interests have been consolidated or a non-standard unit has been approved by the divisiou.



### NM OIL CONSERVATION ARTESIA DISTRICT

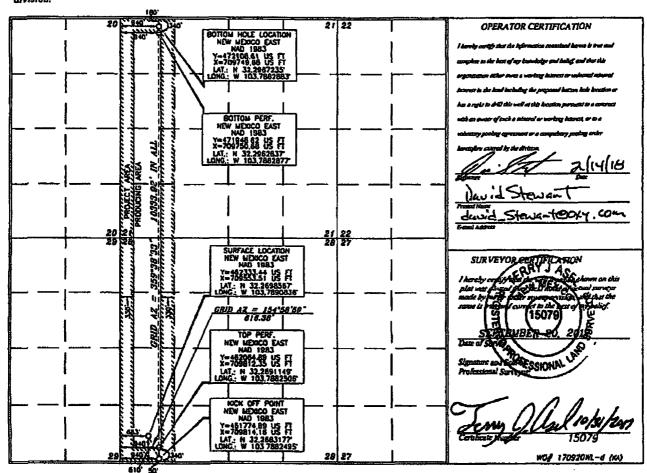
Destri | 1833 N. Presch Dr., Hobbs, NA SERAO Phane: (173) 9934(4) Pro.; (173) 993-0780 Printi (1 611 S. Fara S., Artena, NA 6831(0) Presch (173) 743-1833 Pro.; (173) 743-9720 (Serah (13) 1830 Br. Brusse Ereck, Arten, NA 674(6) Presch (193) 334-6778 Pro.; (193) 344-170 (193) 334-6778 Pro.; (193) 344-170 (193) 334-378 Pro.; (193) 375-543 Presch (193) 375-5450 Pro.; (1931) 375-545 State of New Mexico
Energy, Minerals & Natural Resources Department
OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

JUN 27 2018
Form C-102
Revised August 1, 2011
Submit to the Copy to Spropriate
District Office

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT API Number Pool Code 30-015-45075 33740 Property Code Well Mansher 321632 "28–21" FEDERAL COM 41H IRIDIUM MDP1 Operator Name Elevation 16696 OXY USA INC. 3367.8 Surface Location UL or lot no. Section Range Lot Ida Feet from the North/South line Feet from the Ent/West line County M 28 23 SOUTH 31 EAST, N.M.P.M. 610 SOUTH EDDY 683 WEST Bottom Hole Location If Different From Surface UL ar lot no. Section Township Lot Idn Feet from the North/South line Feet from the East/West line County D 21 23 SOUTH 31 EAST. N.M.P.M. 180' NORTH WEST **EDDY** Dedicated Acres Joint or Lafill Consolidation Code 320

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.



RW 7-3-18

## NM OIL CONSERVATION ARTESIA DISTRICT

JUN 27 2018

Detroit I 1831 N French Dr., Hobbs, PM 82840 Flame: (175) 193-6161 Fex: (175) 393-6770 District B. 611 & Fox St., Aresto, NA 82110 Flame: (175) 348-1821 Fex: (575) 148-9720 Fermir III

API Number

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

WELL LOCATION AND ACREAGE DEDICATION PLAT

Poel Code

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

☐ AMENDED REPORT

WO# 170920WL-0 (KA)

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RW 7-3-18

28 27

August 16, 2018

## Re: Pool Commingle Application For Iridium Wells:

Section 28, T23S R31E, Eddy County

Iridium MDP1 28-21 Fed Com 11H – Ingle Wells; Bone Spring Pool 33740 Iridium MDP1 28-21 Fed Com 21H – Ingle Wells; Bone Spring Pool 33740 Iridium MDP1 28-21 Fed Com 41H – Ingle Wells; Bone Spring Pool 33740 Iridium MDP1 28-21 Fed Com 171H – WC-015 G-08 S233135D; Wolfcamp Pool 98236

## To Whom It May Concern:

OXY USA INC., as Operator, will be filing an application with the New Mexico Oil Conservation Division for approval of the above mentioned commingle project. This letter serves to notice you that the operator and interest owners are identical for the wells listed above.

Best Regards,

OXY USA INC.

Land Negotiator