

GK31F-191219-C-107B 1375

Revised March 23, 2017

RENEWAL DATE: 12/19/19	PC	pDM1935358235
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ABOVE THIS TABLE FOR OCD DIVISION USE ONLY

**NEW MEXICO OIL CONSERVATION DIVISION**  
 - Geological & 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

**Applicant:** OXY USA INC **OGRID Number:** 16696  
**Well Name:** LOST TANK 30 19 FED #031H & LOST TANK 30 19 FED #001H **API:** 30-025-46474 & 30-025-45182  
**Pool:** BILBREY BASIN; BONE SPRING, SOUTH & WC-025 G-09 S223219D; WOLFCAMP **Pool Code:** 97366 & 98296

**SUBMIT ACCURATE AND COMPLETE INFORMATION REQUIRED TO PROCESS THE TYPE OF APPLICATION INDICATED BELOW**

**1) TYPE OF APPLICATION:** Check those which apply for (A)

A. Location - Spacing Unit - Simultaneous Dedication

☐ NSL ☐ NSP<sub>(PROJECT AREA)</sub> ☐ NSP<sub>(PRORATION UNIT)</sub> ☐ SD

B. Check one only for (I) or (II)

(I) Commingling - Storage - Measurement

☐ DHC ☐ CTB ☐ PLC ☒ PC ☐ OLS ☐ OLM

(II) Injection - Disposal - Pressure Increase - Enhanced Oil Recovery

☐ WFX ☐ PMX ☐ SWD ☐ IPI ☐ EOR ☐ PPR

**2) NOTIFICATION REQUIRED TO:** Check those which apply.

A. ☐ Offset operators or lease holders

B. ☐ Royalty, overriding royalty owners, revenue owners

C. ☐ Application requires published notice

D. ☐ Notification and/or concurrent approval by SLO

E. ☒ Notification and/or concurrent approval by BLM

F. ☐ Surface owner

G. ☐ For all of the above, proof of notification or publication is attached, and/or,

H. ☒ No notice required

**FOR OCD ONLY**

☐ Notice Complete  
☐ Application Content Complete

**3) 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.

Kathleen Mowery  
 Print or Type Name

12/19/19  
 Date

713-366-5109  
 Phone Number

Kathleen Mowery  
 Signature

Kathleen\_Mowery@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

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

Form C-103  
 Revised July 18, 2013

WELL API NO. 30-025-46474
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 LOST TANK 30 19 FEDERAL COM
8. Well Number #001H
9. OGRID Number 16696
10. Pool name or Wildcat BILBREY BASIN; BONE SPRING, SOUTH

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 <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other <input type="checkbox"/> 2. Name of Operator OXY USA INC 3. Address of Operator 5 GREENWAY PLAZA SUITE 110, HOUSTON, TX, 77046 4. Well Location Unit Letter <u>D</u> : <u>128</u> feet from the <u>N</u> line and <u>1235</u> feet from the <u>W</u> line Section <u>19</u> Township <u>22S</u> Range <u>32E</u> NMPM County <u></u> 11. Elevation (Show whether DR, RKB, RT, GR, etc.)	
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12. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data

NOTICE OF INTENTION TO:	SUBSEQUENT REPORT OF:
PERFORM REMEDIAL WORK <input type="checkbox"/>	REMEDIAL WORK <input type="checkbox"/>
TEMPORARILY ABANDON <input type="checkbox"/>	ALTERING CASING <input type="checkbox"/>
PULL OR ALTER CASING <input type="checkbox"/>	COMMENCE DRILLING OPNS. <input type="checkbox"/>
DOWNHOLE COMMINGLE <input type="checkbox"/>	CASING/CEMENT JOB <input type="checkbox"/>
CLOSED-LOOP SYSTEM <input type="checkbox"/>	OTHER: <input type="checkbox"/>
OTHER: POOL COMMINGLE <input checked="" type="checkbox"/>	

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 of a surface pool commingle from the wells listed below and future wells within the same pools and leases defined by the Communitization Agreement. Detailed information is attached.

Well Name	API
Lost Tank 30 19 Federal Com #001H*	30-025-46474
Lost Tank 30 19 Federal Com #031H	30-025-45182

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 Kathleen Mowery TITLE REGULATORY ENGINEER DATE 12/19/19

Type or print name KATHLEEN MOWERY E-mail address: Kathleen-Mowery@oxy.com PHONE: 713-366-5109

For State Use Only

APPROVED BY: \_\_\_\_\_ TITLE \_\_\_\_\_ DATE \_\_\_\_\_

Conditions of Approval (if any):

**APPLICATION FOR POOL COMMINGLE****Commingle proposal for the Lost Tank 30 19 Battery**

OXY USA INC respectfully requests approval of a pool commingle at the Lost Tank 30 19 Battery (Lat 32.383472499, Long -- 103.719609014) for the Lost Tank 30 19 Federal Com #001H and Lost Tank 30 19 Federal com #031H wells. The wells feeding the battery are listed below.

**POOL COMMINGLE**

**POOLS: BILBREY BASIN; BONE SPRING, SOUTH (97366) & WC-025 G-08 S223219D; WOLFCAMP (98296)**

**COM AGREEMENT PENDING**

**37.43% BLM ROYALTY 12.5% (NMNM 090587) & 50.10% BLM ROYALTY 12.5% (NMNM 106915) & 18.75% FEE FOR BLM INTEREST ALLOCATION OF 10.941505%**

Well Name	API	Surface Location	Pool	Pool Code	Date Online	Oil (bpd)	Gravity (API)	Gas (MSCFD)	BTU/cf	Water (bpd)
Lost Tank 30 19 Federal Com #001H*	30-025-46474	D-19-22S-32E	BILBREY BASIN; BONE SPRING, SOUTH	97366	Est. Feb-2020	757	44.4	2158	1325	2828
Lost Tank 30 19 Federal Com #031H	30-025-45182	D-19-22S-32E	WC-025 G-09 S223219D; WOLFCAMP	98296	Feb-19	947	45.3	2394	1317	1343

\*Estimated

**Process Description:**

Production from each well is sent through their own 6' X 20' three-phase production separator. Produced oil is combined downstream of the two separators and directed to a 6' X 20' heater treater. The produced oil then flows to two oil storage tanks. The oil remains in the tanks, until a sufficient volume is collected so that it can be measured and sold via a LACT (S/N\*) to a transport truck, which will serve as the FMP for BLM royalty payments.

Gas production from both wells will flow through an orifice meter off of each separator. Gas production will then flow to a 3' x 10' gas scrubber to be combined after the production and test separators. It will then flow through an orifice meter S/N\*, which will serve as the gas FMP for the purpose of royalty payment, then sent to sales.

Oil and gas production will be allocated back to each well based on well test. Each vessel will be equipped with oil turbine meters (S/N\*), gas orifice meters (S/N\*) and water turbine meters.

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.

\*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.

All water from the Lost Tank 30 19 Battery will be sent to the Lost Tank 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.

Both wells have identical ownership therefore notification was not required.

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.

Commingleing 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.



TABLE 1: WELL DETAILS			
		WELL	
	NUMBER	TRAIN	NAME
	1	1	Lost Tank 30 19 Federal #001H
	2	1	Lost Tank 30 19 Federal #031H
			API
			30-025-46474
			30-025-45182

TABLE 1: WELL DETAILS			
		WELL	
	NUMBER	TRAIN	NAME
	1	1	Lost Tank 30 19 Federal #001H
	2	1	Lost Tank 30 19 Federal #031H
			API
			30-025-46474
			30-025-45182

TABLE 2: VALVES					
PRODUCTION PHASE			SALES PHASE		
VALVE ID	POSITION		VALVE ID	POSITION	
V1A	OPEN		V1A	OPEN	
V1B	CLOSED		V1B	CLOSED	
V2A	CLOSED		V2A	CLOSED	
S1	CLOSED		S1	CLOSED	
S2	CLOSED		S2	OPEN	

TABLE 2: VALVES					
PRODUCTION PHASE			SALES PHASE		
VALVE ID	POSITION		VALVE ID	POSITION	
V1A	OPEN		V1A	OPEN	
V1B	CLOSED		V1B	CLOSED	
V2A	CLOSED		V2A	CLOSED	
S1	CLOSED		S1	CLOSED	
S2	CLOSED		S2	OPEN	

METER ID	FMP S/N	TRAIN	SERVICE	TYPE
GM1A	N/A	1	GAS	ORIFICE
GM1B	N/A	1	GAS	ORIFICE
GM4	N/A	1	GAS	ORIFICE
GM5	N/A	1	GAS	ORIFICE
GM6	N/A	1	GAS	ORIFICE
GM2	N/A	1	GAS	ORIFICE
GM3	TBD	1	GAS	ORIFICE
OM1A	N/A	1	OIL	TURBINE
OM1B	N/A	1	OIL	TURBINE
SOM1A	TBD	1	OIL	CORIOLIS

METER ID	FMP S/N	TRAIN	SERVICE	TYPE
GM1A	N/A	1	GAS	ORIFICE
GM1B	N/A	1	GAS	ORIFICE
GM4	N/A	1	GAS	ORIFICE
GM5	N/A	1	GAS	ORIFICE
GM6	N/A	1	GAS	ORIFICE
GM2	N/A	1	GAS	ORIFICE
GM3	TBD	1	GAS	ORIFICE
OM1A	N/A	1	OIL	TURBINE
OM1B	N/A	1	OIL	TURBINE
SOM1A	TBD	1	OIL	CORIOLIS

TABLE 4: OIL TANK DETAILS			
TANK ID	TRAIN	S/N	
OT1	1	TBD	
OT2	1	TBD	
OT3	1	TBD	

TABLE 4: OIL TANK DETAILS			
TANK ID	TRAIN	S/N	
OT1	1	TBD	
OT2	1	TBD	
OT3	1	TBD	

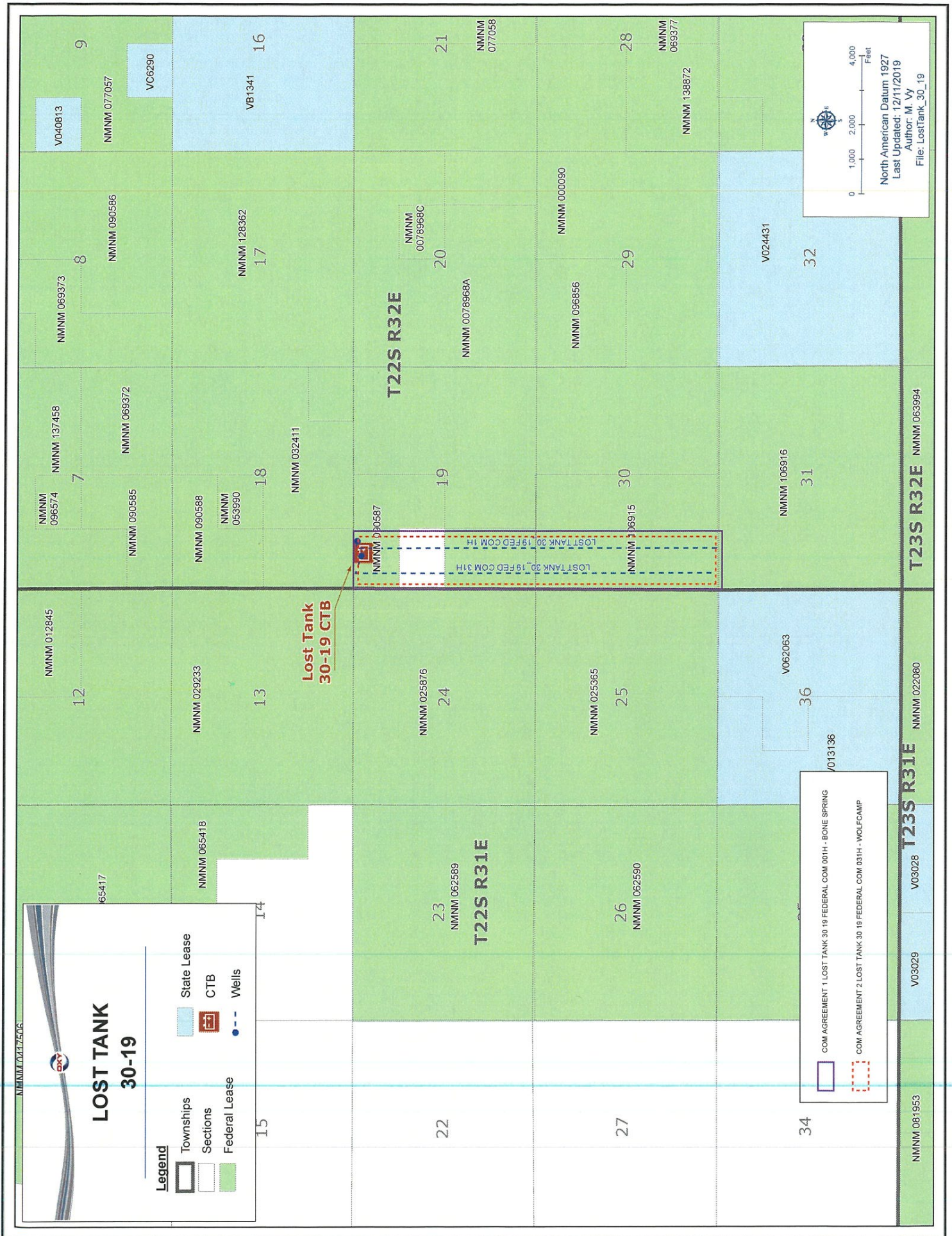
TABLE 5: FUEL GAS USERS		
USER DESCRIPTION	ESTIMATED FUEL USAGE (MSCFD)	METHOD
8'x20' HEATER TREATER	70	MANUFACTURER'S SPECIFICATIONS

TABLE 5: FUEL GAS USERS		
USER DESCRIPTION	ESTIMATED FUEL USAGE (MSCFD)	METHOD
8'x20' HEATER TREATER	70	MANUFACTURER'S SPECIFICATIONS

TABLE 6: GAS LIFT DETAILS		
WELL NO.	GAS LIFT S/N	ESTIMATED GAS LIFT INJECTED VOLUME (MCFD)
1	TBD	400
2	TBD	400

TABLE 6: GAS LIFT DETAILS		
WELL NO.	GAS LIFT S/N	ESTIMATED GAS LIFT INJECTED VOLUME (MCFD)
1	TBD	400
2	TBD	400

[illegible]





**OXY USA WTP Limited Partnership / OXY  
USA INC / OCCIDENTAL PERMIAN LTD**  
A subsidiary of Occidental Petroleum Corporation

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

December 10, 2019

Re: **Pool Commingle Application for Lost Tank 30-19 Central Tank Battery**

**Sections 19/30, T22S R32E, Lea County**

**Lost Tank 30 19 Federal Com #031H – WC-025 G-08 S223219D; Wolfcamp 98296  
Lost Tank 30 19 Federal Com #001H – Bilbrey Basin; Bone Spring, South 97366**

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.

A handwritten signature in blue ink, appearing to read "Amber Delach".

Amber Delach  
Land Negotiator

**HOBBS OCD**

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

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

District I  
1621 N. French Dr., Hobbs, NM 88240  
Phone: (505) 293-4181 Fax: (505) 293-0720  
District II  
411 S. First St., Arroyo, NM 88210  
Phone: (505) 744-1283 Fax: (505) 744-0720  
District III  
1000 Rio Grande Blvd., Lordsburg, NM 87410  
Phone: (505) 334-4170 Fax: (505) 334-4170  
District IV  
1220 S. St. Francis Dr., Santa Fe, NM 87505  
Phone: (505) 476-3450 Fax: (505) 476-3453

AUG 19 2019

**RECEIVED**

AMENDED REPORT  
AS-DRILLED

## WELL LOCATION AND ACREAGE DEDICATION PLAT

WC-025-G09-S22324

API Number <b>30-025-45182</b>	Pool Code	Pool Name <b>W: Heat Wolfcamp</b>
Property Code	Property Name <b>LOST TANK "30-19" FEDERAL Com.</b>	Well Number <b>31H</b>
OGRID No. <b>16696</b>	Operator Name <b>OXY USA INC.</b>	Elevation <b>3609.0'</b>

## Surface Location

UL or lot no.	Section	Township	Range	Lot Ids	Feet from the	North/South line	Feet from the	East/West line	County
<b>D</b>	<b>19</b>	<b>22 SOUTH</b>	<b>32 EAST, N.M.P.M.</b>		<b>240'</b>	<b>NORTH</b>	<b>880'</b>	<b>WEST</b>	<b>LEA</b>

## Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Ids	Feet from the	North/South line	Feet from the	East/West line	County
<b>M</b>	<b>30</b>	<b>22 SOUTH</b>	<b>32 EAST, N.M.P.M.</b>		<b>319'</b>	<b>SOUTH</b>	<b>428'</b>	<b>WEST</b>	<b>LEA</b>
Dedicated Acres <b>320</b>	Joint or Infill <b>Y</b>	Consolidation Code	Order No.	<b>FTP/TP: 451' FNL 400' FNL</b> <b>UTP/BP: 550' FSL 421' FNL</b>					

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.

	<p><b>OPERATOR CERTIFICATION</b></p> <p>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that the organization either owns a working interest or undivided mineral interest in the land including the proposed bottom hole location or has a right to drill the well at the location proposed in a contract with an owner of such a mineral or working interest, or is a voluntary pooling agreement or a compulsory pooling order.</p> <p>Signature: <i>Leslie Reeves</i> Date: <i>10/28/18</i>  <b>LESLIE REEVES</b>          Email Address: <i>LESLIE-REEVES@OXY.COM</i></p>
	<p><b>SURVEYOR CERTIFICATION</b></p> <p>I hereby certify that the information shown on this plat was obtained from a true and correct survey made by me or under my supervision, and that the same is true and correct to the best of my belief.</p> <p>Date of Survey: <i>OCTOBER 6, 2017</i>          Signature and Seal: <i>Tommy J. Alar</i>          Professional Surveyor and Land Surveyor          Certificate Number: <i>15079</i></p>
	<p><b>WELL LOCATION AND ACREAGE DEDICATION PLAT</b></p> <p><b>W: Heat Wolfcamp</b></p> <p><b>LOST TANK "30-19" FEDERAL Com.</b></p> <p><b>OXY USA INC.</b></p> <p><b>3609.0'</b></p>
	<p><b>WELL LOCATION AND ACREAGE DEDICATION PLAT</b></p> <p><b>W: Heat Wolfcamp</b></p> <p><b>LOST TANK "30-19" FEDERAL Com.</b></p> <p><b>OXY USA INC.</b></p> <p><b>3609.0'</b></p>

ALM F/E

District I  
1625 N. French Dr., Hobbs, NM 88240  
Phone: (575) 393-6161 Fax: (575) 393-0720  
District II  
811 S. First St., Artesia, NM 88210  
Phone: (575) 748-1283 Fax: (575) 748-9720  
District III  
1220 San Bruno Road, Amar, NM 87410  
Phone: (505) 334-6178 Fax: (505) 334-6170  
District IV  
1220 S. St. Francis Dr., Santa Fe, NM 87505  
Phone: (505) 476-3460 Fax: (505) 476-3462

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

OCT 25 2019

RECEIVED

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

☐ AMENDED REPORT**WELL LOCATION AND ACREAGE DEDICATION PLAT**

API Number <b>30-025-46474</b>	Pool Code <b>39350</b>	<b>9766 PILBURY BAY; DE SOUTH</b> <b>Quincy, Shadocke Bone Springs</b>	
Property Code <b>322423</b>	Property Name <b>LOST TANK "30_19" FEDERAL COM</b>		Well Number <b>1H</b>
OGRID No. <b>16696</b>	Operator Name <b>OXY USA INC.</b>		Elevation <b>3616.1'</b>

**Surface Location**

UL or lot no.	Section	Township	Range	Lot Ids	Feet from the	North/South line	Feet from the	East/West line	County
<b>0(1)</b>	<b>19</b>	<b>22 SOUTH</b>	<b>32 EAST, N.M.P.M.</b>	<b>1</b>	<b>128'</b>	<b>NORTH</b>	<b>1235'</b>	<b>WEST</b>	<b>LEA</b>

**Bottom Hole Location If Different From Surface**

UL or lot no.	Section	Township	Range	Lot Ids	Feet from the	North/South line	Feet from the	East/West line	County
<b>M(4)</b>	<b>30</b>	<b>22 SOUTH</b>	<b>32 EAST, N.M.P.M.</b>		<b>20'</b>	<b>SOUTH</b>	<b>990'</b>	<b>WEST</b>	<b>LEA</b>

Dedicated Acres	Joint or Infill	Consolidation Code	Order No.
<b>320</b>	<b>Y</b>		

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.

<p><b>SURFACE LOCATION</b> NEW MEXICO EAST NAD 1983 Y=50394.17 US FT X=730993.35 US FT LAT.: N 32.3639079° LONG.: W 103.7189474° GRID A2 = 287°04'32" 258.72'</p> <p><b>KICK OFF POINT</b> NEW MEXICO EAST NAD 1983 Y=504017.20 US FT X=730748.15 US FT LAT.: N 32.3841189° LONG.: W 103.7197409°</p> <p><b>FIRST TAKE POINT</b> NEW MEXICO EAST NAD 1983 Y=503967.21 US FT X=730748.46 US FT LAT.: N 32.3839815° LONG.: W 103.7197409°</p> <p><b>LAST TAKE POINT</b> NEW MEXICO EAST NAD 1983 Y=493520.51 US FT X=730814.04 US FT LAT.: N 32.3552658° LONG.: W 103.7197224°</p> <p><b>BOTTOM HOLE LOCATION</b> NEW MEXICO EAST NAD 1983 Y=493520.51 US FT X=730814.04 US FT LAT.: N 32.3552658° LONG.: W 103.7197224°</p>	<p align="center"><b>OPERATOR CERTIFICATION</b></p> <p>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unshared mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.</p> <p>Signature: <u>David Stewart</u> Date: <u>5/9/19</u> Printed Name: <u>David Stewart</u> E-mail Address: <u>dwid.stewart@oxy.com</u></p> <hr/> <p align="center"><b>SURVEYOR CERTIFICATION</b></p> <p>I hereby certify that the survey shown on this plat was made by me or under my supervision and that the same is true and correct to the best of my belief.</p> <p>Date of Survey: <u>FEBRUARY 20, 2019</u> Signature and Seal: <u>Terry J. Asel</u> Professional Surveyor: <u>15079</u></p> <p align="right">WOJ 190220WL-D (KA)</p>
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