

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. 30-015-43758
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 CEDAR CANYON 22
8. Well Number 5H
9. OGRID Number 16696
10. Pool name or Wildcat CORRAL DRAW; BONE SPRING

<b>SUNDRY NOTICES AND REPORTS ON WELLS</b> (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 PO BOX 4294 HOUSTON, TX 77210	
4. Well Location Unit Letter _____ M _____ : _____ 1120 _____ feet from the _____ SOUTH _____ line and _____ 207 _____ feet from the _____ WEST _____ line Section 22 Township 24S Range 29E NMPM County EDDY	
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:	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"/>	P AND A <input type="checkbox"/>
CLOSED-LOOP SYSTEM <input type="checkbox"/>	CASING/CEMENT JOB <input type="checkbox"/>
OTHER: Amend Pool/Lease Commingle <input checked="" type="checkbox"/>	OTHER: <input 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 to amend commingle order PLC-483. Cedar Canyon 22 #005H will be removed from the commingle permit.

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 Beth Schenkel TITLE Facilities Engineer DATE August 3, 2020

Type or print name Elizabeth Schenkel E-mail address: Beth\_Schenkel@oxy.com PHONE: 713-497-2055

**For State Use Only**

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

Conditions of Approval (if any):

# APPLICATION FOR POOL AND LEASE COMMINGLE, OFF-LEASE MEASUREMENT, SALES AND STORAGE

## Amended commingling proposal for Cedar Canyon 23 Federal 3H Satellite

OXY USA INC requests to amend previously approved NMOCD commingle order PLC-483.

Cedar Canyon 22 Fed Com 5H (30-015-43758) has been removed from the commingle permit. It will be commingled with Cedar Canyon 21 Satellite wells per previously approved NMOCD commingle order PLC-541.

### CEDAR CANYON 23 FEDERAL 3H SATELLITE

Federal Lease NMNM81586 (12.5% Royalty Rate). POOL: PIERCE CROSSING; BONE SPRING E (96473)

Well Name	Date Online	API	Surface Location	Oil (BPD)	Gravity	Gas (MSCFD)	BTU/cf	Water (BPD)
Cedar Canyon 22 Fed 21H	02/2017	30-015-43642	I-22-24S-29E	93	43.9	744	1301	217
Cedar Canyon 23-24 Fed 31H	09/2017	30-015-44179	A-22-24S-29E	162	45.5	731	1332	1069
Cedar Canyon 23-24 Fed 32H	09/2017	30-015-44180	A-22-24S-29E	187	44.8	933	1301	896
Cedar Canyon 23 Fed 3H	02/2017	30-015-43290	I-22-24S-29E	135	43.5	1462	1301	325
Cedar Canyon 23 Fed 4H	01/2016	30-015-43281	H-22-24S-29E	77	42.9	682	1270	397
Cedar Canyon 23 Fed 5H	01/2016	30-015-43282	A-22-24S-29E	131	43.0	833	1301	790
Guacamole CC 24 23 Fed 11H	Est. 08/2019	30-015-45870	C-24-24S-29E	631	43.9	2727	1271	1029
Guacamole CC 24 23 Fed 12H	Est. 08/2019	30-015-45871	F-24-24S-29E	271	43.9	2603	1271	738

Federal Lease NMNM81586 (12.5% Royalty Rate). POOL: CORRAL DRAW; BONE SPRING (96238)

Well Name	Date Online	API	Surface	Oil (BPD)	Gravity	Gas	BTU/cf	Water
Cedar Canyon 23 1H	04/2013	30-015-40667	E-23-24S-29E	11		0		208

Federal CA NMNM136823 Lease (NMNM13996 & NMNM81586) (12.5% Royalty Rate)

POOL: PIERCE CROSSING; BONE SPRING E (96473)

Well Name	First Oil Production	API	Surface Location	Oil (BPD)	Gravity	Gas (MSCFD)	BTU/cf	Water (BPD)
Cedar Canyon 22 Fed Com 4H	02/2017	30-015-43708	I-22-24S-29E	70	43.9	1041	1263	143

Federal CA NMNM137568 Lease (NMNM81586, NMNM93477 & NMNM88138) (12.5% Royalty Rate)

POOL: PIERCE CROSSING; BONE SPRING E (96473)

Well Name	First Oil Production	API	Surface Location	Oil (BPD)	Gravity	Gas (MSCFD)	BTU/cf	Water (BPD)
Cedar Canyon 23 Fed Com 6H	08/2017	30-015-44095	I-22-24S-29E	198	43	1217	1270	439

### CEDAR CANYON 22 SATELLITE

Federal CA NMNM136578 Lease (NMNM13996 & NMNM81586) (12.5% Royalty Rate)

POOL: CORRAL DRAW; BONE SPRING (96238)

Well Name	First Oil Production	API	Surface Location	Oil (BPD)	Gravity	Gas (MSCFD)	BTU/cf	Water (BPD)
Cedar Canyon 22 1H	04/2013	30-015-40668	K-22-24S-29E	40		76		211

All wells listed above except Cedar Canyon 22-1H flow to the inlet header at Cedar Canyon 23 Federal 3H Satellite. Production at the battery is separated and measured through a 10' X 40' three-phase separator. Oil production will flow to two storage tanks located at Cedar Canyon 22 Satellite (LAT 32.19969, LONG -103.977588, L-21-24S-29E) then sold through a LACT meter (S/N 14504365), which will serve as the oil FMP.

Gas is sent from the production and test separators to a 54"X 10' gas scrubber then sent through two check meters (S/N 171978784 and 171978779) that serve as gas FMPs for the purpose of royalty payment. Two gas meters are installed to accommodate estimated future volumes. Only one meter will be utilized until capacity is exceeded.

All water from the Cedar Canyon 23 Federal 3H Satellite is sent to the Cedar Canyon 22 Battery before being sent to the Cedar Canyon water disposal distribution system.

Cedar Canyon 22-1H has an individual test separator located on Cedar Canyon 22 Satellite. The tester is equipped with an oil turbine meter (S/N TBD), gas orifice meter (S/N TBD) and water turbine meter. Oil production from this separator ties into Cedar Canyon 23 Federal 3H Satellite production upstream of the two storage tanks. Gas flows through the tester orifice meter, which serves as the gas FMP for the purpose of royalty payment, and is then sent to sales. Water is sent to the Cedar Canyon 22 Battery before being sent to the Cedar Canyon water disposal distribution system.

For testing purposes, the Cedar Canyon 23 Federal 3H Satellite is equipped with four 6' x 20' and one 4' x 10' permanent three-phase test separators. The facility is also equipped with three mobile 6' X 20' three-phase test separators that will be removed from location after the wells have declined to the point where the vessels are no longer needed. Each test vessel is equipped with oil turbine meters, gas orifice meters, and water turbine meters. The table below details the oil and gas meter serial numbers on the testers.

<b>CEDAR CANYON 23-3H BATTERY TESTERS</b>	<b>OIL METER #</b>	<b>GAS METER #</b>
Permanent 4 x 10	65987	T152328915
Permanent 6 x 20	1208824315	T170369235
Permanent 6 x 20	63005	T170369228
Permanent 6 x 20	12089268714	T170369223
Permanent 6 x 20	1209337420	T170369233
Permanent 6 x 20	390324	T153234908

Cedar Canyon 23-24 Federal 32H has been on production for over 13 months and is in Range 3 of decline. This well has its own dedicated test separator and is tested at least once per month, as specified in Hearing Order R-14299.

All other wells at the Cedar Canyon 23-3H Satellite and Cedar Canyon 22 Satellites, have also been on production for over a year and are in Range 3 of decline. The Cedar Canyon 23-3H Satellite wells share the five permanent test separators located at the satellite. Cedar Canyon 22-1H has its own individual test separator, as described previously. All of the wells are tested at least once per month, as specified in Hearing Order R-14299.

Production is allocated to each well based on the aforementioned well tests and the amount of hours the well was operating in a given month.

All wells except for Cedar Canyon 23-24 Fed 31H, Cedar Canyon 22-1H and Cedar Canyon 23-1H are on gas lift. Each well has a gas-driven compressor located on the respective well pads and a gas lift meter at the respective well pads to measure the amount of gas used for lift operations. Each compressor uses an estimated 25 MCFPD in fuel gas, based on manufacturer's specifications. The table below details the gas lift meter numbers for each well. Volumes range from 450 MCFPD to 1000 MCFPD.

<b>Well</b>	<b>Gas Lift Meter No.</b>
Cedar Canyon 22 Fed Com 4H	14999I
Cedar Canyon 22 Fed 21H	14979I
Cedar Canyon 23 Fed 3H	14931I
Cedar Canyon 23 Fed 4H	14933I
Cedar Canyon 23 Fed 5H	14932I
Cedar Canyon 23 Fed Com 6H	14882I
Cedar Canyon 23-24 Fed 32H	14884I
Guacamole CC 24 23 Fed 11H	TBD*
Guacamole CC 24 23 Fed 12H	TBD*

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

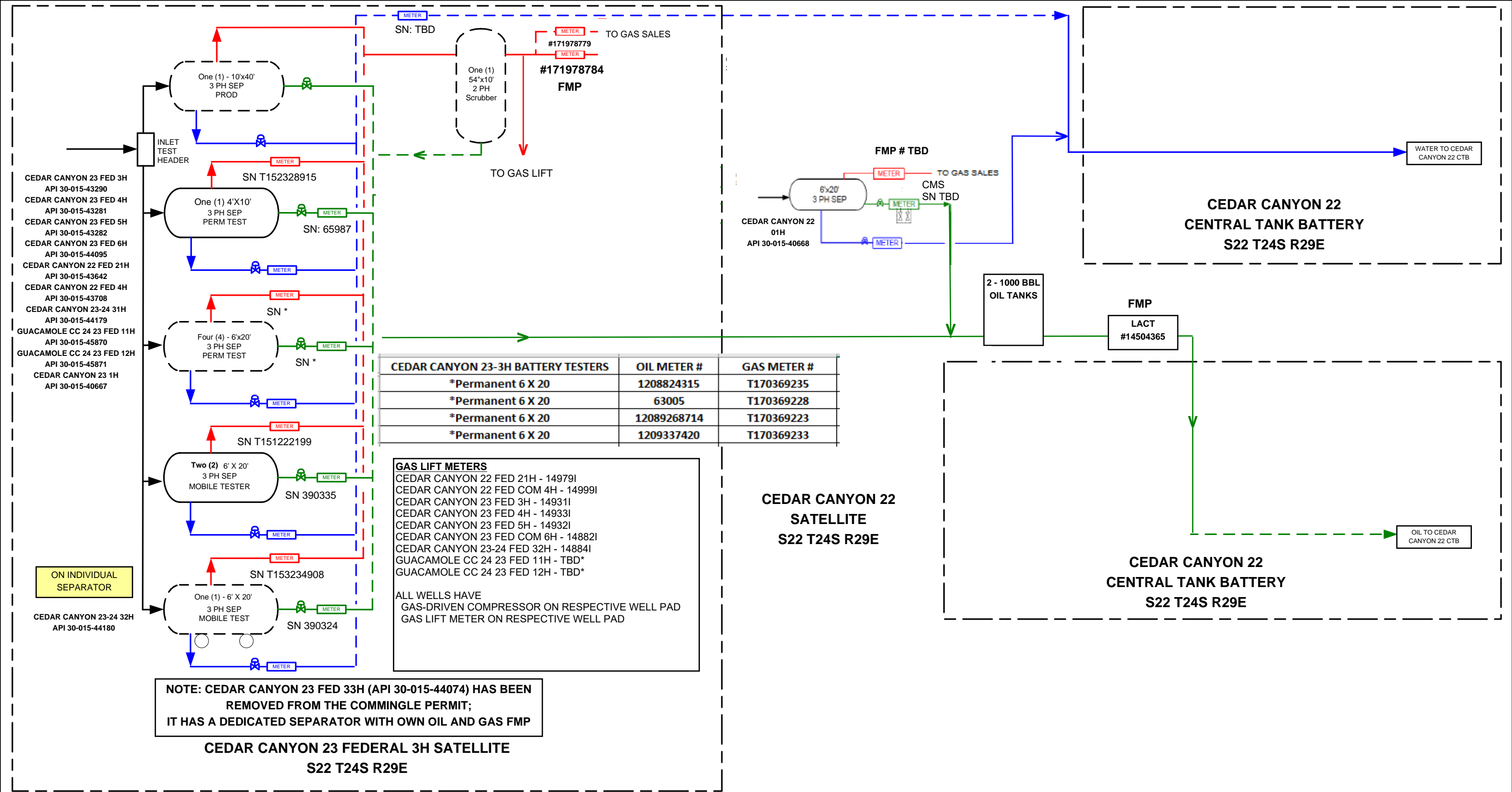
The flow of production is shown in detail on the enclosed facility diagrams. Also enclosed are maps detailing the lease boundaries, well and battery locations.


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.

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

Commingling 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.

Cedar Canyon 23-1H and Cedar Canyon 22-1H are in the previously approved leases and pools, therefore notification was not required (per Administrative Order PLC-483).



LEGEND				REVISION BLOCK						ENGINEERING RECORD		<div></div> <div>PROCESS FLOW DIAGRAM CEDAR CANYON 23-3H SAT</div>
<div><div><div></div> PRODUCTION MIX</div><div><div></div> OIL</div><div><div></div> GAS</div><div><div></div> WATER</div><div><div></div> EQUIPMENT</div></div> <div><div><div></div> Existing Equipment</div><div><div></div> New Equipment</div></div>				NO.	DATE	DESCRIPTION	BY	CHK	APP	BY	DATE	
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										APP:		
										AFE:		