

DATE: 9/22/2016	SUSPENSE	ENGINEER: MAM	LOG: 2/2/2016	TYPE: OLM	APP NO: 265 3144
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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



CEDEAR CANYON 22-15 PEE WELLS

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 09/22/2016
 Title Date

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

pmAm 16 2653/44y

WELL API NO. 30-015-43759
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 FED COM
8. Well Number 6H
9. OGRID Number 16696
10. Pool name or Wildcat CORRAL DRAW; BONE SPRING

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
5 GREENWAY PLAZA SUITE 110 HOUSTON, TX 77046

4. Well Location

Unit Letter _____: 1060 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:

PERFORM REMEDIAL WORK ☐ PLUG AND ABANDON ☐
TEMPORARILY ABANDON ☐ CHANGE PLANS ☐
PULL OR ALTER CASING ☐ MULTIPLE COMPL ☐
DOWNHOLE COMMINGLE ☐
CLOSED-LOOP SYSTEM ☐
OTHER: OFF-LEASE MEASUREMENT ☒

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 Off-lease Measurement, Storage & Sales for the Cedar Canyon 22 Fed Com 6H.

Oxy proposes to meter production from the Cedar Canyon 22 Fed Com 6H through a three phase separator, located at the Cedar Canyon 22 Satellite Facility in Section 22 T24S R29E.

After separation, gas will flow through an orifice meter (S/N T161149550), which will serve as the gas custody transfer point. Oil will flow through a turbine meter into a dedicated 1000 bbl oil tank and then through a Coriolis meter. The Coriolis meter (S/N 14258746) will serve as the oil custody transfer point.

Royalty payments for oil and gas production will be paid off of the custody transfer meters. Meters will be proved and calibrated according to current API, NMOCD and BLM standards.

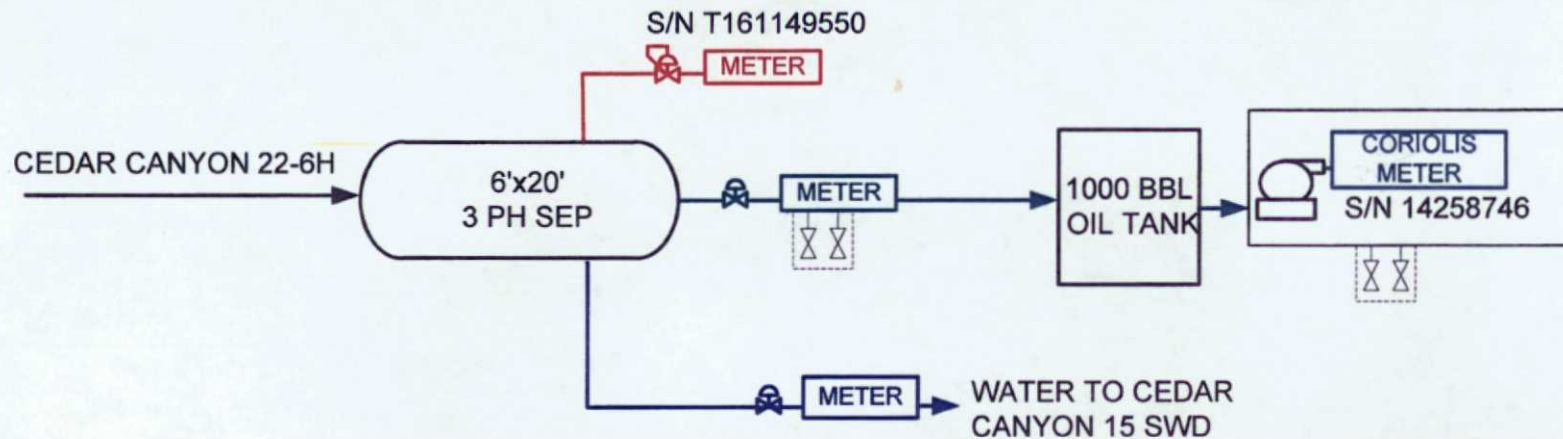
The flow of production is shown in detail on the enclosed facility diagram.

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: 09/19/2016

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):



CEDAR CANYON
22 SATELLITE
S22 T24S R29E

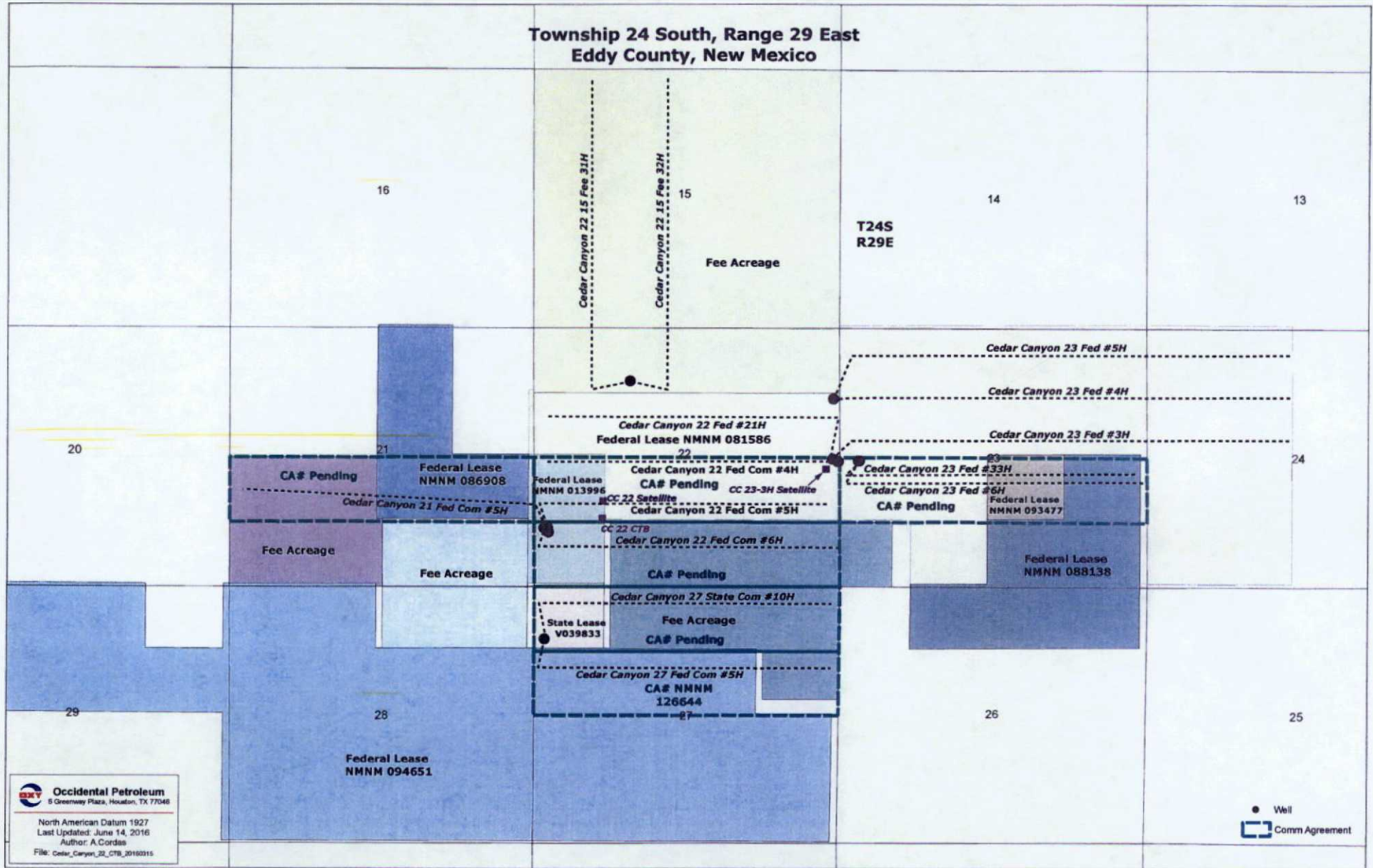
REVISION BLOCK

<p>— PRODUCTION MIX</p> <p>— OIL</p> <p>— GAS</p> <p>— WATER</p> <p>— EQUIPMENT</p>	NO.	DATE	DESCRIPTION	BY
	0		PRELIMINARY DRAFT	KA0
	1		REVISION	JC
	2		OFF LEASE MEASUREMENT APPLICATION	TS



PROCESS FLOW DIAGRAM
CEDAR CANYON 22-6H

**Township 24 South, Range 29 East
Eddy County, New Mexico**



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
1000 Rio Branson Road, Aztec, NM 87410
Phone: (505) 334-6178 Fax: (505) 334-6170
District IV
1320 E. St. Francis Dr., Santa Fe, NM 87505
Phone: (505) 476-3460 Fax: (505) 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
Revised August 1, 2011
Submit one copy to appropriate
District Office

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number	Pool Code 962	Pool Name
Property Code	Property Name CEDAR CANYON "22" FEDERAL COM	Well Number 6H
OGRID No.	Operator Name OXY USA INC.	Elevation 2939.1'

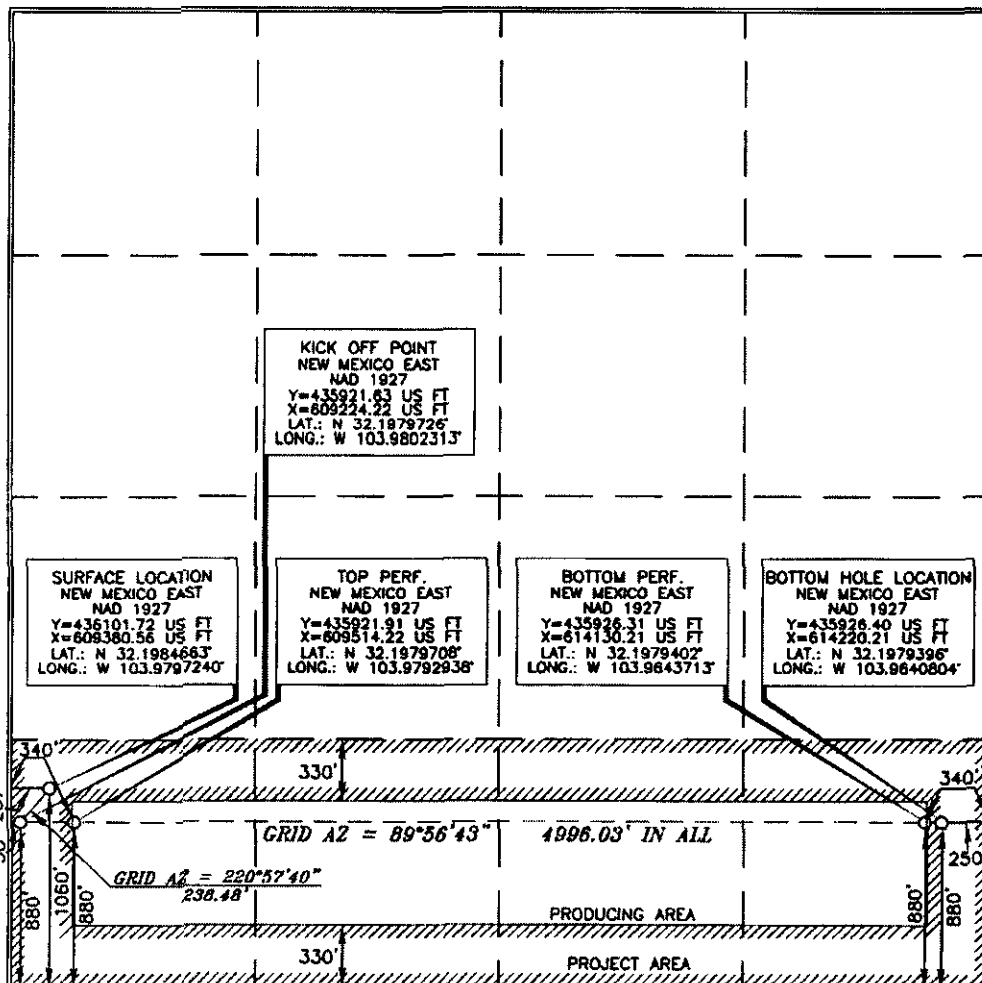
Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
M	22	24 SOUTH	29 EAST, N.M.P.M.		1060'	SOUTH	207'	WEST	EDDY

Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
P	22	24 SOUTH	29 EAST, N.M.P.M.		880'	SOUTH	250'	EAST	EDDY
Dedicated Acres		Joint or Infill	Consolidation Code	Order No.					

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.



OPERATOR CERTIFICATION

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 an undivided 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.

Signature _____ Date _____

Printed Name _____

E-mail Address _____

SURVEYOR CERTIFICATION

I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision and that the same is true and correct to the best of my belief.

15079
NOVEMBER 9, 2015
Date of Survey

Signature and Seal of Professional Surveyor

Terry J. As...
Certificate Number 15079

WO# 151109WL-b (KA)

Cedar Canyon 22 Off-Lease Measurement Working Interest Owner Notification

Owner	Address	City	St	Zip	Tracking no
Mobil Producing Texas & New Mexico	PO BOX 951027	DALLAS	TX	77252	7014 1820 0000 2715 1438
GD McKinney INVESTMENTS LP	300 N MARIENFELD SUITE 1100	MIDLAND	TX	79701	7014 1820 0000 2715 1421
Wayne/Linda Newkumet	PO BOX 11330	MIDLAND	TX	79702	7014 1820 0000 2715 1414
B. Jack Reed	506 CHARISMATIC	MIDLAND	TX	79705	7014 1820 0000 2715 1407
Leopard Petroleum LP	4200 FAIRWOOD	MIDLAND	TX	79707	7014 1820 0000 2715 1469
DRW Energy, LLC	4107 TANFORAN	MIDLAND	TX	79707	7014 1820 0000 2715 1452
Beryl Oil & Gas, LP	6707 PEBBLE COURT	MIDLAND	TX	79707	7014 1820 0000 2715 1445
M'Lissa L .McKinney Schoening	300 N MARIENFELD SUITE 1100	MIDLAND	TX	79701	7014 1820 0000 2715 1476