

Revised March 23, 2017

RECEIVED: 9/06/2017	REVIEWER: mam	TYPE: PLC	APP NO: DMA 1724945293
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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: SANDRA MUSALLAM *Oxy* **OGRID Number:** 16696
Well Name: CEDAR CANYON 23-3H **API:** 30-015-43290
Pool: PIERCE CROSSING; BONE SPRING E **Pool Code:** 96473

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

PLC-483

1) TYPE OF APPLICATION: Check those which apply for [A]

A. Location - Spacing Unit - Simultaneous Dedication

☐ NSL

☐ NSP (PROJECT AREA)

☐ NSP (PRORATION UNIT)

☐ 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.

SANDRA MUSALLAM

Print or Type Name

Signature

Sandra Musallam

08/15/2017

Date

713-366-5106

Phone Number

SANDRA_MUSALLAM@OXY.COM

e-mail Address

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.

APPLICATION FOR SURFACE COMMINGLING (DIVERSE OWNERSHIP)

OPERATOR NAME: OXY USA INC
OPERATOR ADDRESS: PO BOX 4294 HOUSTON, TX 77210
APPLICATION TYPE:

☐ Pool Commingling ☐ Lease Commingling ☒ Pool and Lease Commingling ☐ Off-Lease Storage and Measurement (Only if not Surface Commingled)

LEASE TYPE: ☐ Fee ☐ State ☒ Federal

Is this an Amendment to existing Order? ☒ Yes ☐ No If "Yes", please include the appropriate Order No. R-14299
Have the Bureau of Land Management (BLM) and State Land office (SLO) been notified in writing of the proposed commingling
☒ Yes ☐ No

(A) POOL COMMINGLING

Please attach sheets with the following information

(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 LIST					

- (2) Are any wells producing at top allowables? ☒ Yes ☐ No
(3) Has all interest owners been notified by certified mail of the proposed commingling? ☒ Yes ☐ No.
(4) Measurement type: ☐ Metering ☒ Other (Specify) SEE ATTACHED
(5) Will commingling decrease the value of production? ☐ Yes ☒ No If "yes", describe why commingling should be approved

(B) LEASE COMMINGLING

Please attach sheets with the following information

- (1) Pool Name and Code.
(2) Is all production from same source of supply? ☐ Yes ☐ No
(3) Has all interest owners been notified by certified mail of the proposed commingling? ☐ Yes ☐ No
(4) Measurement type: ☐ Metering ☐ Other (Specify)

(C) POOL and LEASE COMMINGLING

Please attach sheets with the following information

- (1) Complete Sections A and E.

(D) OFF-LEASE STORAGE and MEASUREMENT

Please attach sheets with the following information

- (1) Is all production from same source of supply? ☐ Yes ☐ No
(2) Include proof of notice to all interest owners.

(E) ADDITIONAL INFORMATION (for all application types)

Please attach sheets with the following information

- (1) A schematic diagram of facility, including legal location.
(2) A plat with lease boundaries showing all well and facility locations. Include lease numbers if Federal or State lands are involved.
(3) Lease Names, Lease and Well Numbers, and API Numbers.

I hereby certify that the information above is true and complete to the best of my knowledge and belief.

SIGNATURE: Sandra Musallam TITLE: REGULATORY ENGINEER DATE: 08/15/2017

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

E-MAIL ADDRESS: SANDRA_MUSALLAM@OXY.COM

APPLICATION FOR POOL AND LEASE COMMINGLE, OFF-LEASE MEASUREMENT, SALES AND STORAGE
Commingle proposal for Cedar Canyon 23 Federal 3H Battery and Cedar Canyon 21 Federal Battery

OXY USA INC requests to amend previously approved NMOCD commingle order R-14299.

The oil production from all of the facilities and wells listed below will flow to the Cedar Canyon 21 Federal battery where it will be measured through a LACT, which will serve as the Facility Measurement Point (FMP). Production will then be allocated to each well based on well test and the amount of hours the well was operating in a given month.

Gas production from the Cedar Canyon 23-3H and Cedar Canyon 21 batteries will be separated and measured through Oxy check meters, which will serve as the FMPs, at their respective facilities, as described below.

All water from the Cedar Canyon 23-3H battery will be sent to the Cedar Canyon 21 battery before being sent to the Cedar Canyon water disposal distribution system.

A detailed process description by facility can be found below. The oil and gas meters will be calibrated on a regular basis per API, NMOCD and BLM specifications.

The BLM's interest, 12.5%, is identical in all wells.

Cedar Canyon 23 Federal 3H Battery:

Federal Lease 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
Cedar Canyon 22 Fed 21H	01/30/2017	30-015-43642	I-22-24S-29E	542	43	1377	1330
Cedar Canyon 23-24 Fed 31H		30-015-44179	A-22-24S-29E	1327 (#)	43	1725 (#)	1290
Cedar Canyon 23-24 Fed 32H		30-015-44180	A-22-24S-29E	1327 (#)	43	1725 (#)	1290
Cedar Canyon 23 Fed 3H	02/01/2017	30-015-43290	I-22-24S-29E	1112	44	2016	1290
Cedar Canyon 23 Fed 4H	01/17/2016	30-015-43281	H-22-24S-29E	144	42.9	127	1290
Cedar Canyon 23 Fed 5H	01/20/2016	30-015-43282	A-22-24S-29E	196	43	540	1290

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
Cedar Canyon 22 Fed Com 4H	01/30/2017	30-015-43708	I-22-24S-29E	684	43.9	1732	1330

Federal CA PENDING 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
Cedar Canyon 23 Fed Com 6H	08/06/2017	30-015-44095	I-22-24S-29E	1960	43.5	3800	1290
Cedar Canyon 23 Fed Com 33H		30-015-44074	I-22-24S-29E	1106 (#)	43	1776 (#)	1290

Represents wells not yet drilled, values are estimated

Production at the Cedar Canyon 23-3H battery will be separated and measured through a 10' X 40' three-phase separator. Oil production will flow through a turbine meter (S/N*) before being sent to the Cedar Canyon 21 battery. Combined oil from the Cedar Canyon 23-3H and Cedar Canyon 21 batteries will be sold through a LACT (S/N*), which will serve as the oil FMP, located at the Cedar Canyon 21 Federal Battery.

*Meter number will be submitted upon installation.

For testing purposes, the facility will be equipped with five 6' x 20' and one 4' x 10' permanent three-phase test separators. The facility will also be equipped with two 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 will be equipped with oil turbine meters (S/N 65987 & S/N 68538, others S/N*), gas orifice meters (S/N 150043392 & S/N 150043401, others S/N*), and water turbine meters (S/N 71098 & S/N 68535, others S/N*).

Cedar Canyon 23 Federal 4H and 5H have been on production for over a year and are in Range 3 of decline. The wells can be reasonably expected to have a decline rate of less than 5 percent, as specified in Hearing Order R-14299. Therefore, wells will be tested at least once per month for a minimum of 24 hours.

The Cedar Canyon 22 Federal 21H, Cedar Canyon 23-24 Federal 31H and 32H, Cedar Canyon 22 Fed Com 4H, Cedar Canyon 23 Federal 3H, Cedar Canyon 23 Fed Com 6H and 33H will have their own dedicated separation and measurement equipment* and tested daily prior to Range 1 of decline, and will be tested at least three times per month for a minimum of 24 hours during Range 1 of decline. When Range 2 decline is started, production will be combined with the other wells at the battery, and will be tested at least twice per month for a minimum of 24 hours during Range 2 of decline, and will be tested at least once per month for a minimum of 24 hours during Range 3 of decline, as specified in Hearing Order R-14299.

Cedar Canyon 22 Federal 21H and Fed Com 4H, Cedar Canyon 23 Federal 3H, 4H and 5H 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. The table below details the gas lift meter numbers for each well. OXY will submit a sundry notice to request off-lease royalty-free beneficial use for gas lift operations at the aforementioned wells. Estimated volume ranges from 100 MCFPD to 600 MCFPD.

WELL	GAS LIFT METER NO.
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

Gas will be sent from the production and test separators to a 54"X 10' gas scrubber then sent through two check meters (S/Ns*) that will 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 Battery will be sent to the Cedar Canyon 21 Battery before being sent to the Cedar Canyon water disposal distribution system.

*Meter number will be submitted upon installation.

Cedar Canyon 21 Federal Battery:

Federal CA PENDING Lease (NMNM85893, NMNM86550 & NMNM86908) (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
Cedar Canyon 21 Fed Com 22 H		30-015-44190	E-21-24S-29E	1327 (#)	43	1991 (#)	1300
Cedar Canyon 21 Fed Com 23 H		30-015-44191	E-21-24S-29E	1327 (#)	43	1991 (#)	1300
Cedar Canyon 21 Fed Com 21 H		30-015-44181	A-21-24S-29E	1327 (#)	43	1991 (#)	1300

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
Cedar Canyon 22 Fed Com 5H	11/29/2016	30-015-43758	M-22-24S-29E	637	43.9	1017	1330

Federal CA PENDING Lease (NMNM85893, NMNM86550, NMNM86908 & 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
Cedar Canyon 21-22 Fed Com 32H		30-015-44176	E-21-24S-29E	1327 (#)	44	1725 (#)	1300

Federal CA PENDING Lease (NMNM85893, NMNM86550 & NMNM86908) (12.5% Royalty Rate)

POOL: PURPLE SAGE; WOLFCAMP (98220)

Well Name	First Oil Production	API	Surface Location	Oil (bpd)	Gravity	Gas (MSCFD)	BTU/cf
Cedar Canyon 21 Fed Com 31H		30-015-44182	A-21-24S-29E	814 (#)	44	895 (#)	1300

Represents wells not yet drilled, values are estimated

All wells will have their own dedicated separation and measurement equipment* and be tested daily prior to Range 1 of decline, and will be tested at least three times per month for a minimum of 24 hours during Range 1 of decline. When Range 2 decline is started, production will be combined with the other wells at the battery and separated through a three-phase 10' X 40' production separator and measured through an oil turbine meter (S/N*), water turbine meter (S/N*) and gas orifice meter (S/N*). Wells will be tested at least twice per month for a minimum of 24 hours during Range 2 of decline, and will be tested at least once per month for a minimum of 24 hours during Range 3 of decline, as specified in Hearing Order R-14299. There will be 3 permanent three-phase test separators (6' X 20') at the battery equipped with gas orifice meters (S/N*), oil turbine meters (S/N*) and water turbine meters (S/N*).

Oil will flow through one of two heater treaters (8' X 20'). It will then be combined with oil production from the Cedar Canyon 23-3H facility and sent to storage tanks. The combined oil production will then be sold through one of three trucked LACT meters (S/N*). There are future plans to construct a pipeline to oil sales at the end of 2017.

Cedar Canyon 22 Fed Com 5H is on gas lift. It has a gas-driven compressor located on the well pad and a gas lift meter (S/N 149781) at the well pad to measure the amount of gas used for lift operations. OXY will submit a sundry notice to request off-lease royalty-free beneficial use for gas lift operations at the aforementioned wells. Estimated volume ranges from 100 MCFPD to 600 MCFPD.

Gas will be measured off the production and test separators through gas orifice meters (S/Ns*) and sent to a gas scrubber then measured through a check meter (S/N*) that will serve as the FMP for the purpose of royalty payment. Gas vapors from oil tankage will flow to a Vapor Recovery Unit (VRU) then tie into the gas from the separators, upstream of the gas scrubber. If the VRU is operating at maximum capacity, the gas will flow to a Vapor Combustion Unit (VCU).

*Meter number will be submitted upon installation.

Water production will be sent to the Cedar Canyon Salt Water Disposal Distribution system, where it will flow to the nearest SWD which has capacity to accept water.

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.

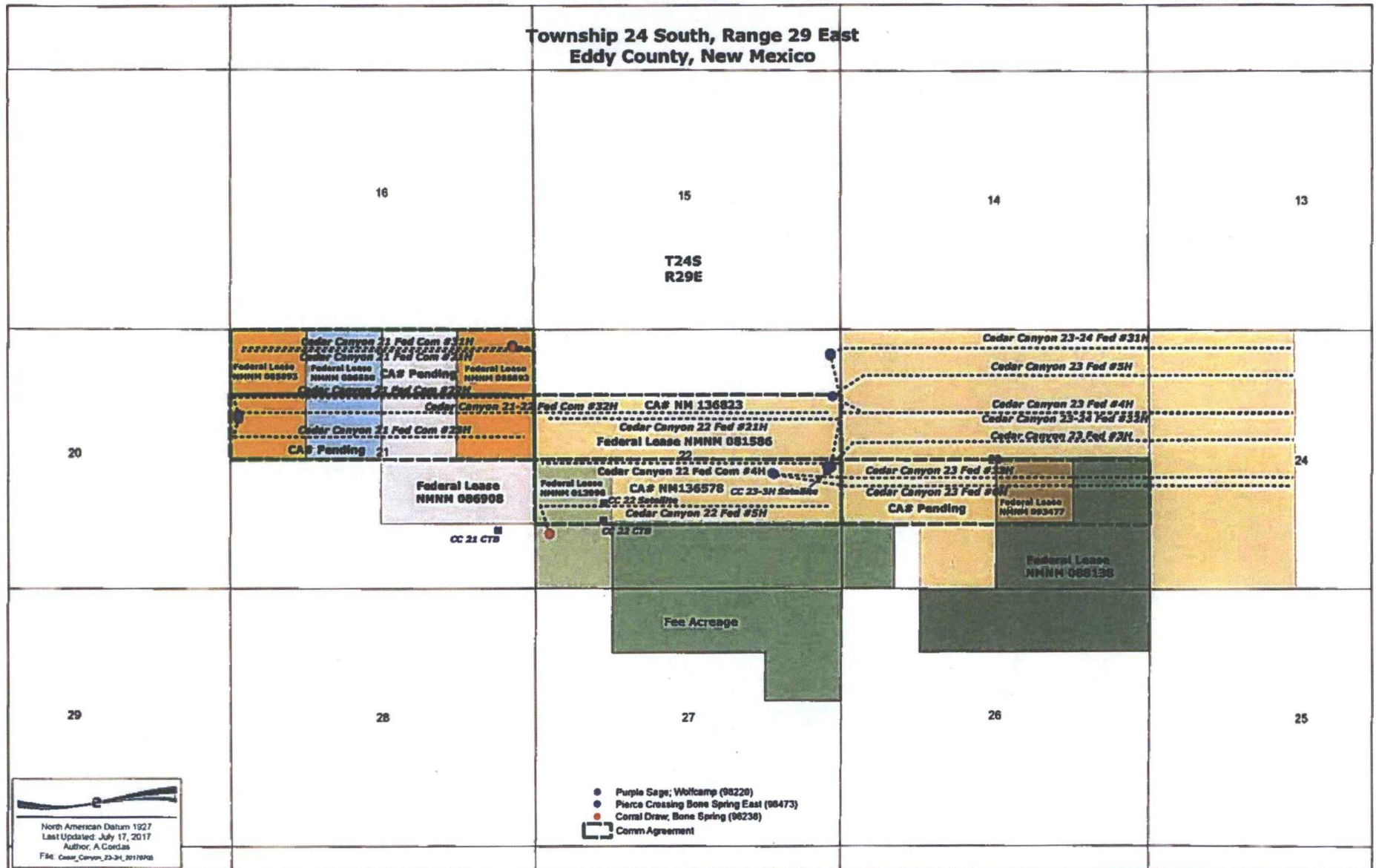
The working interest, royalty interest and overriding royalty interest owners have been notified of this proposal by certified mail (see attached).

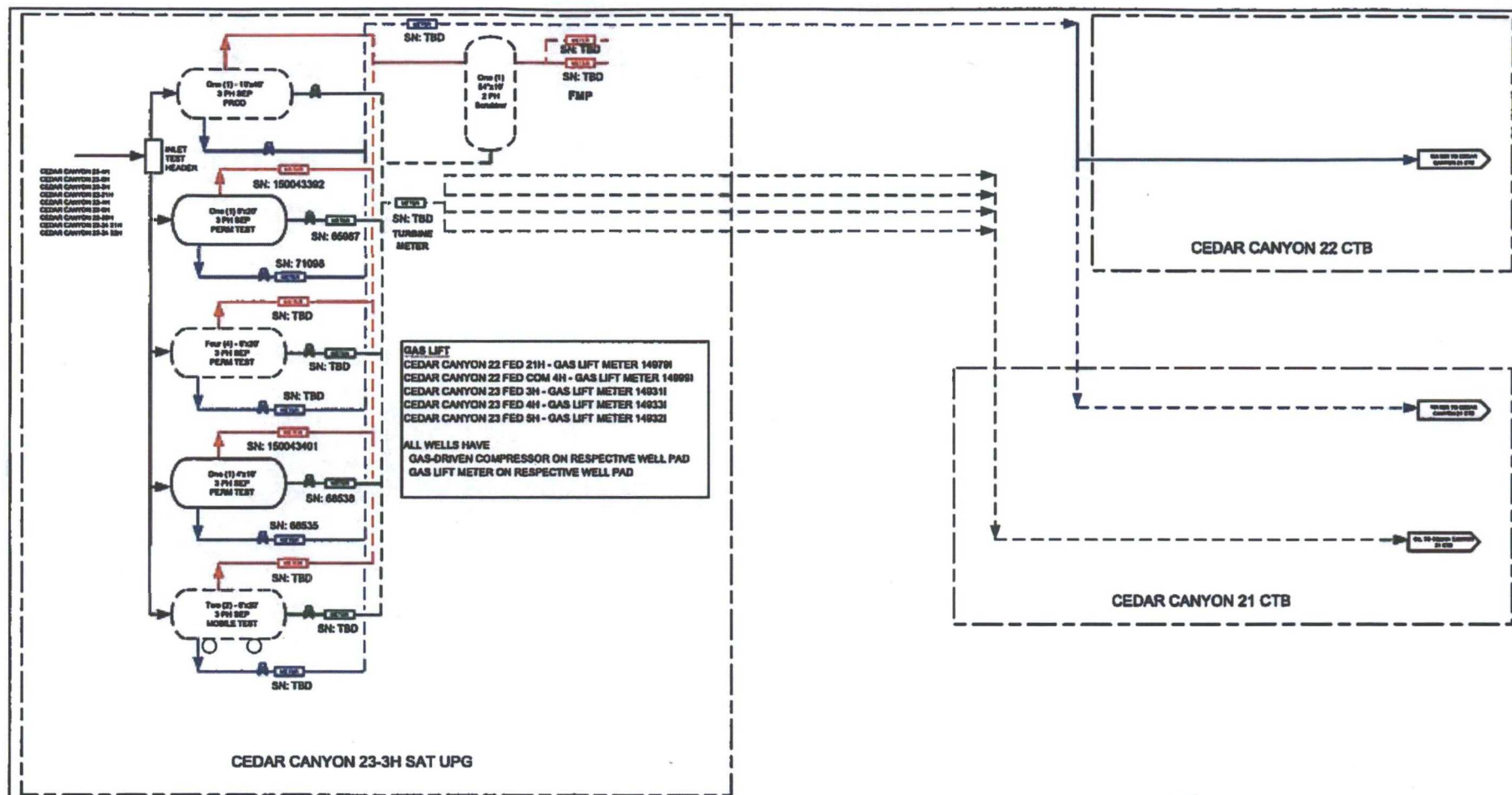
Pursuant to Statewide rule 19.15.12.10(C)(4)(g) OXY USA INC requests the option to include additional pools or leases within the defined parameters set forth in the order for future additions.

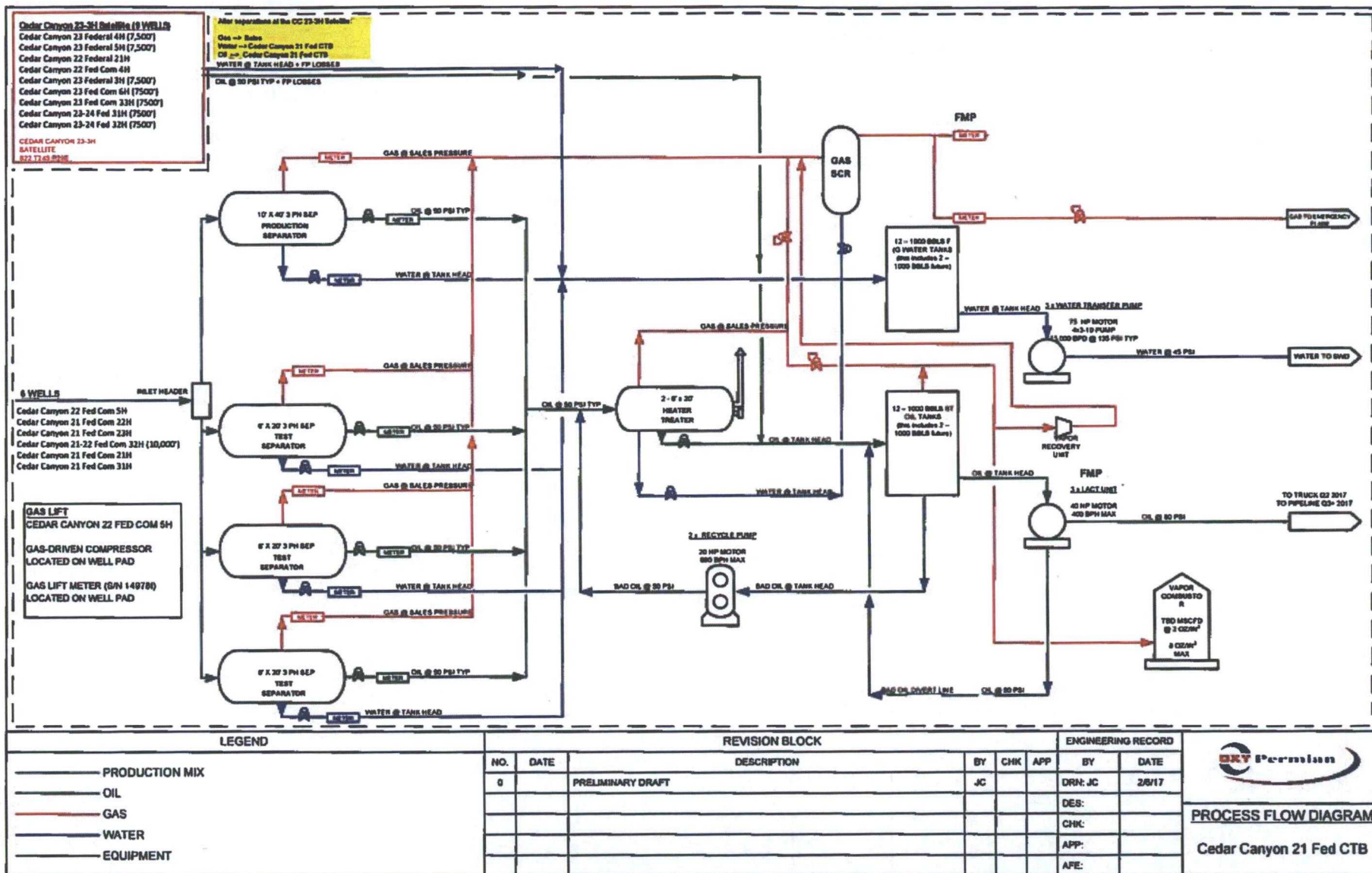
After completion of facility modifications, OXY will provide BLM with an updated facility diagram.

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.

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







OWNER NAME	ADDRESS	CITY	STATE	ZIP	TRACKING
ANDERSON,CURTIS A & EDNA I ANDERSON	9314 CHERRY BROOK LANE	FRISCO	TX	75033	7017 0660 0000 5197 5727
BARWIS,PAUL R	P O BOX 230	MIDLAND	TX	79702	7017 0660 0000 5197 5710
BEN J FORTSON III CHILDRENS TRUST	P O BOX 29	FORT WORTH	TX	76101	7017 0660 0000 5197 5703
BERYL OIL AND GAS LP	P O BOX 51440	MIDLAND	TX	79710	7017 0660 0000 5197 5697
BOYT,ERIC D	P O BOX 2602	MIDLAND	TX	79702	7017 0660 0000 5197 5680
Brazos, LP	PO BOX 911	BRECKENRIDGE	TX	76424	7017 0660 0000 5197 5673
Brian C. Wagner	500 COMMERCE ST SUITE 600	FORT WORTH	TX	76102	7017 0660 0000 5197 5666
BURTON,WILLIAM K	306 WEST 7TH STREET, STE 901	FORT WORTH	TX	76102	7017 0660 0000 5197 5659
CCB 1998 TRUST	306 WEST 7TH STREET, STE 901	FORT WORTH	TX	76102	7017 0660 0000 5197 5642
CHISOS MINERALS LLC	1111 BAGBY STREET, STE 2150	HOUSTON	TX	77002	7017 0660 0000 5197 5635
Claiborne, LP	500 COMMERCE ST SUITE 600	FORT WORTH	TX	76102	7017 0660 0000 5197 5628
COLLINS & WARE INC	950 THIRD AVE, 23RD FLOOR	NEW YORK	NY	10022	7017 0660 0000 5197 5611
CORNERSTONE FAMILY TRUST	PO BOX 17656	GOLDEN	CO	80402	7017 0660 0000 5197 5604
CORONADO RESOURCES 2015 LP	3811 TURTLE CREEK BLVD, STE 1800	DALLAS	TX	75219	7017 0660 0000 5197 5598
DCB 1998 TRUST	306 WEST 7TH STREET, STE 901	FORT WORTH	TX	76102	7017 0660 0000 5197 5574
Devon Energy Production Company, LP	333 W. Sheridan Avenue	Oklahoma City	OK	73102	7017 0660 0000 5197 5567
DRW ENERGY LLC	400 W ILLINOIS SUITE 970	MIDLAND	TX	79701	7017 0660 0000 5197 5550
FINA OIL & CHEMICAL COMPANY	P O BOX 200669	HOUSTON	TX	77216	7017 0660 0000 5197 5543
FORTSON III CHILDRENS TRUST,BEN J	P O BOX 29	FORT WORTH	TX	76101	7017 0660 0000 5197 5581
GD MCKINNEY INVESTMENTS LP	300 N MARIENFELD SUITE 1100	MIDLAND	TX	79701	7017 0660 0000 5197 5499
GRABLE,ROBERT C	201 MAIN STREET	FORT WORTH	TX	76102	7017 0660 0000 5197 5482
HANTTULA,JUDITH GENE	3704 SAN GABRIEL AVENUE	FRISCO	TX	75033	7017 0660 0000 5197 5475
HARROUN REV TRUST,D STUART	515 TRES LAGUNAS LANE NE	ALBUQUERQUE	NM	87113	7017 0660 0000 5197 5468
INTERNATIONAL PETROLEUM SERVICE CO	P O BOX 201730	DALLAS	TX	75320	7017 0660 0000 5197 0135
J M MINERAL & LAND CO INC	P O BOX 1015	MIDLAND	TX	79702	7017 0660 0000 5197 0128
JAREED PARTNERS LTD	P O BOX 51451	MIDLAND	TX	79710	7017 0660 0000 5197 0111
KEENE,TARA L	18700 COLLINS STREET	TARZANA	CA	91356	7017 0660 0000 5197 0104
KIMBELL ART FOUNDATION	301 COMMERCE ST SUITE 2300	FORT WORTH	TX	76102	7017 0660 0000 5197 0098
KULENGUSKI,MICHAEL A	279 JONES MOUNTAIN ROAD	MADISON	VA	22727	7017 0660 0000 5197 0081
LEOPARD PETROLEUM LP	4200 FAIRWOOD PL	MIDLAND	TX	79707	7017 0660 0000 5197 5307
MAGNOLIA ROYALTY COMPANY INC	P O BOX 10703	MIDLAND	TX	79702	7017 0660 0000 5197 5291
MAP00-NET TX GENERAL PARTNERSHIP	P.O. BOX 268946	OKLAHOMA CITY	OK	73126	7017 0660 0000 5197 5284
MINERALS MANAGEMENT SERVICE	PO BOX 25627	DENVER	CO	80225	7017 0660 0000 5197 5277
MWB 1998 TRUST	306 WEST 7TH STREET, STE 901	FORT WORTH	TX	76102	7017 0660 0000 5197 5260
NEAL,JEFFREY CASWELL	1311 DOEPP DRIVE	CARLSBAD	NM	88220	7017 0660 0000 5197 5369
NELMS,PIPER L	18706 COLLIN ST	TARZANA	CA	91356	7017 0660 0000 5197 5376
NICHOLS,BEVERLY GAY	1118 PIKE PLACE	CHARLOTTESVILLE	VA	22901	7017 0660 0000 5197 5383
PENROC OIL CORPORATION	P O BOX 2769	HOBBS	NM	88241	7017 0660 0000 5197 5390
REED,B JACK	506 CHARISMATIC	MIDLAND	TX	79705	7017 0660 0000 5197 5406
RICHARD K BARR FAMILY TRUST	8027 CHALK KNOLL DR	AUSTIN	TX	78735	7017 0660 0000 5197 0074
ROACH FOUNDATION INC	777 TAYLOR ST PII-J	FORT WORTH	TX	76102	7017 0660 0000 5197 0050
RUTTER & WILBANKS CORPORATION	BOX 3186	MIDLAND	TX	79701	7017 0660 0000 5197 0067

OWNER NAME	ADDRESS	CITY	STATE	ZIP	TRACKING
SCHOENING,M'LISSA M	300 N MARIENFELD STE 1100	MIDLAND	TX	79701	7017 0660 0000 5197 0043
SHARBRO OIL LTD CO	P O BOX 840	ARTESIA	NM	88211	7017 0660 0000 5197 0036
SOFTSEARCH INVESTMENT LP	P O BOX 89	ABILENE	TX	79604	7017 0660 0000 5197 5352
SOFTVEST MANAGEMENT LP	P O BOX 89	ABILENE	TX	79604	7017 0660 0000 5197 5345
SUNDANCE MINERALS I	P O BOX 17744	FORT WORTH	TX	76102	7017 0660 0000 5197 5338
THOMA,SANDRA M	8530 MILL RUN ROAD	ATHENS	TX	75751	7017 0660 0000 5197 5321
VOGT TRUST,ANDREW AND JANET	13404 PIEDRA GRANDE PLACE NE	ALBUQUERQUE	NM	87111	7017 0660 0000 5197 5314
WAGNER OIL COMPANY	500 COMMERCE ST STE 600	FORT WORTH	TX	76102	7017 0660 0000 5197 5529
WALKER III,HERMAN CLIFFORD	P O BOX 10135	MIDLAND	TX	79702	7017 0660 0000 5197 5512
WHEELER,C MARK	719 W KANSAS AVENUE	MIDLAND	TX	79701	7017 0660 0000 5197 5505
WILSON BYPASS TRUST,SCOTT E	4601 MIRADOR DRIVE	AUSTIN	TX	78735	7017 0660 0000 5197 5536



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
Direct: 713.366.5106
Sandra_Musallam@oxy.com

August 15, 2017

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Re: Request for Pool and Lease Commingling, Off-lease Measurement, Sales, & Storage for the Cedar Canyon 23 Federal 3H Battery and Cedar Canyon 21 Federal Battery

Leases: NM 13996, NM 81586, NM 88138, NM 93477, NM 85893, NM 86550, NM 86908
Eddy County, New Mexico

To Whom It May Concern:

This is to advise you that OXY USA INC is filing an application for surface commingling to amend previously approved NMOCD Order R-14299. A copy of the application submitted to the Division 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
Sandra_Musallam@oxy.com

Cedar Canyon 21 Federal CTB

CEDAR CANYON 22 FEDERAL #021H (API 30-015-43642)

Month	Oil (bbls)	Average Daily Volume (bbls)	Gas (MCF)	Water (bbls)
Dec				
Jan				
Feb	29752	1063	21186	0
Mar	27474	886	43340	0
Apr	20808	694	47178	0
May	16787	542	42678	35106

Daily Top Allowable 920 BOPD

CEDAR CANYON 22 FED COM #004H (API 30-015-43708)

Month	Oil (bbls)	Average Daily Volume (bbls)	Gas (MCF)	Water (bbls)
Dec				
Jan				
Feb	33298	1189	20734	0
Mar	35510	1145	53685	0
Apr	27621	921	59062	0
May	21207	684	53685	36422

Daily Top Allowable 920 BOPD

CEDAR CANYON 22 FED COM #005H (API 30-015-43758)

Month	Oil (bbls)	Average Daily Volume (bbls)	Gas (MCF)	Water (bbls)
Dec	57892	1867	43591	0
Jan	4205	601	9104	0
Feb	0	0	0	0
Mar	13351	785	17498	0
Apr	25336	845	31176	0
May	19750	637	31542	21959

Daily Top Allowable 920 BOPD

CEDAR CANYON 23 FEDERAL #003H (API 30-015-43290)

Month	Oil (bbls)	Average Daily Volume (bbls)	Gas (MCF)	Water (bbls)
Dec				
Jan				
Feb	42810	1529	46902	0
Mar	42349	1366	58737	0
Apr	39546	1318	62669	0
May	34459	1112	62487	40519

Daily Top Allowable 1380 BOPD

CEDAR CANYON 23 FEDERAL #004H (API 30-015-43281)

Month	Oil (bbls)	Average Daily Volume (bbls)	Gas (MCF)	Water (bbls)
Dec	9740	314	4273	29120
Jan	2251	125	12855	20400
Feb	734	184	4853	4969
Mar	3638	146	6573	43152
Apr	4938	165	7996	84704
May	4468	144	3943	38830

Daily Top Allowable 1380 BOPD

CEDAR CANYON 23 FEDERAL #005H (API 30-015-43282)

Month	Oil (bbls)	Average Daily Volume (bbls)	Gas (MCF)	Water (bbls)
Dec	8402	271	15556	29778
Jan	2272	78	9721	46752
Feb	3439	123	14644	54534
Mar	6696	216	18472	46255
Apr	6191	206	18607	37037
May	6079	196	16725	20345

Daily Top Allowable 1380 BOPD

CEDAR CANYON 23 FED COM 6H NOT ON PRODUCTION UNTIL AUGUST 2017

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 Blanco Road, Aztec, 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

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
(As Drilled)

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number 30-015-43758	Pool Code 96238	Pool Name Corral Draw Bone Spring
Property Code 316106	Property Name CEDAR CANYON "22" FEDERAL COM	Well Number 5H
OGRID No. 16696	Operator Name OXY USA INC.	Elevation 2939.7'

Surface Location

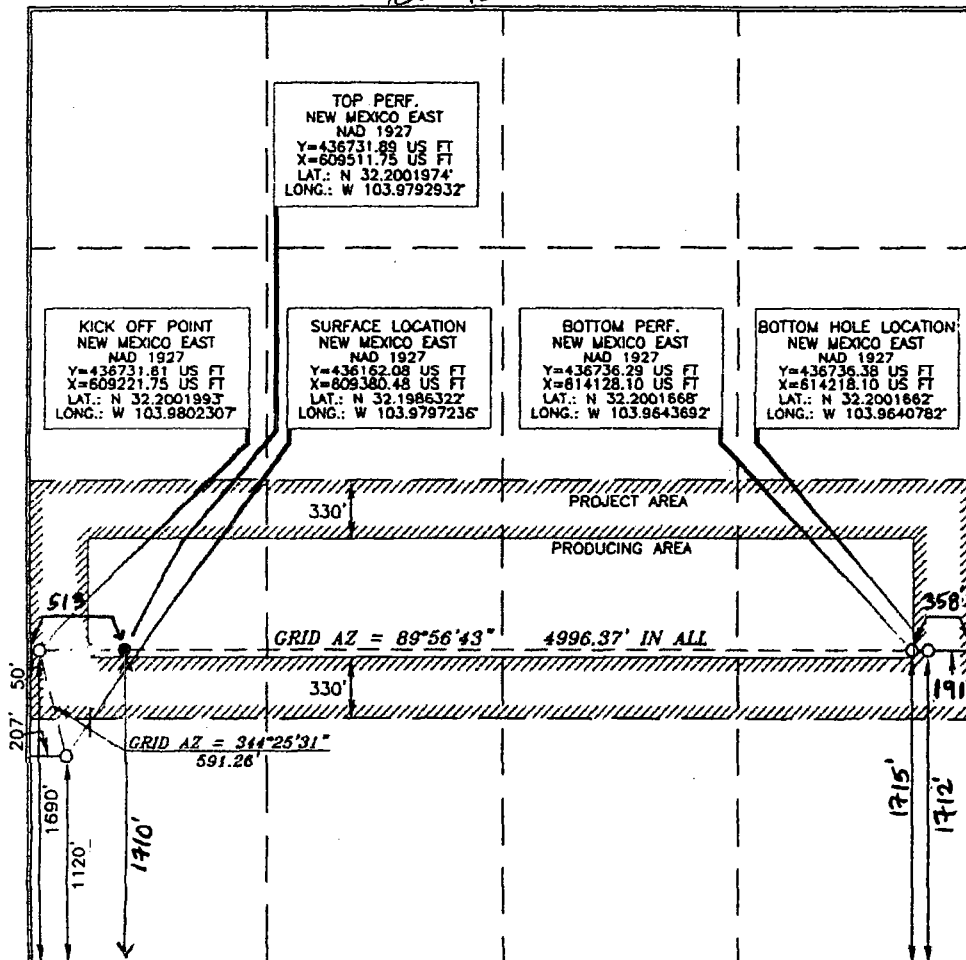
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
M	22	24 SOUTH	29 EAST, N.M.P.M.		1120'	SOUTH	207'	WEST	EDDY

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
I	22	24 SOUTH	29 EAST, N.M.P.M.		1690' 1712'	SOUTH	191' 191'	EAST	EDDY
Dedicated Acres 160	Joint or Infill Y	Consolidation Code	Order No. BP- 1715 FSL 358 FEL TP- 1710 FSL 513 FWL						

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.

1/2 S/2 Sec 22



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 unleased 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 approved by this division.

Signature: *[Signature]* Date: **11/30/16**
Printed Name: **Jana Mendiolak**
E-mail Address: **jana.mendiola@oxy.com**

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.

Date of Survey: **NOVEMBER 8, 2015**
Signature and Seal: *[Signature]*
Professional Surveyor: **15079**
Certificate Number: **15079**

NM OIL CONSERVATION
ARTESIA DISTRICT

MAY 19 2017

DISTRICT I
1025 N. FRENCH DR., HOBBS, NM 88240
Phone: (505) 393-0151 Fax: (505) 393-0720

DISTRICT II
511 S. FIRST ST., ARTESIA, NM 88210
Phone: (505) 748-1283 Fax: (505) 748-9720

DISTRICT III
1000 RIO BRAZOS RD., AZTEC, NM 87410
Phone: (505) 334-8178 Fax: (505) 334-8170

DISTRICT IV
1200 S. ST. FRANCIS DR., SANTA FE, NM 87505
Phone: (505) 476-3480 Fax: (505) 476-3483

State of New Mexico
Energy, Minerals & Natural Resources Department
OIL CONSERVATION DIVISION
1220 SOUTH ST. FRANCIS DR.
Santa Fe, New Mexico 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 30-015-44190	Pool Code 9623B	Pool Name Cornal Draw Bone Springs
Property Code 315207	Property Name CEDAR CANYON 21 FEDERAL COM	Well Number 22H
GRID No. 16696	Operator Name OXY USA INC.	Elevation 2930.8'

Surface Location

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
E	21	24-S	29-E		1764	NORTH	141	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
H	21	24-S	29-E		1387	NORTH	180	EAST	EDDY

Dedicated Acres 160	Joint or Infill Y	Consolidation Code	Order No. NSL will be filed
-------------------------------	-----------------------------	--------------------	---------------------------------------

s/2 M/2 Sec 21 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>SURFACE LOCATION Y=438624.0 N X=645194.4 E LAT.=32.205409° N LONG.=103.997548° W</p> <p>KICK OFF POINT Y=439001.1 N X=645105.1 E LAT.=32.206446° N LONG.=103.997833° W</p> <p>PROPOSED BOTTOM HOLE LOCATION Y=439027.2 N X=650170.7 E LAT.=32.206473° N LONG.=103.981455° W</p> <p>TOP PERE Y=439002.6 N X=645395.1 E LAT.=32.206464° N LONG.=103.996895° W</p> <p>BOTTOM PERE Y=439026.3 N X=650010.7 E LAT.=32.206472° N LONG.=103.981972° W</p> <p>POINT LEGEND</p> <table border="1"> <tr> <td>1</td> <td>Y=439080.4 N X=645055.4 E</td> </tr> <tr> <td>2</td> <td>Y=439088.4 N X=650350.8 E</td> </tr> <tr> <td>3</td> <td>Y=437781.8 N X=650353.2 E</td> </tr> <tr> <td>4</td> <td>Y=437733.8 N X=645049.4 E</td> </tr> </table> <p>* ALL COORDINATES ARE NAD 83 VALUES</p>	1	Y=439080.4 N X=645055.4 E	2	Y=439088.4 N X=650350.8 E	3	Y=437781.8 N X=650353.2 E	4	Y=437733.8 N X=645049.4 E	<p>OPERATOR CERTIFICATION I hereby certify that the information herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased 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 mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.</p> <p>Signature: <i>[Signature]</i> Date: 10/19/16 Printed Name: David Stewart - Sr. Proj. Adv. E-mail Address: david.stewart@oxy.com</p> <p>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.</p> <p>JULY 27, 2016 Date of Survey</p> <p>Signature & Seal of Professional Surveyor <i>[Signature]</i> 9/19/16 Certificate No. CHAD HARCROW 17777 W.O. #16-725 DRAWN BY: CF</p>
1	Y=439080.4 N X=645055.4 E								
2	Y=439088.4 N X=650350.8 E								
3	Y=437781.8 N X=650353.2 E								
4	Y=437733.8 N X=645049.4 E								

NM OIL CONSERVATION
ARTESIA DISTRICT

DISTRICT I
1625 N. FRENCH DR., MORRIS, NM 88240
Phone: (870) 383-4181 Fax: (870) 383-0720

DISTRICT II
811 E. FIRST ST., ARTESIA, NM 88210
Phone: (870) 748-1283 Fax: (870) 748-0720

DISTRICT III
1000 RIO BRAZOS RD., AZTEC, NM 87410
Phone: (805) 334-8178 Fax: (805) 334-8170

DISTRICT IV
1220 S. ST. FRANCIS DR., SANTA FE, NM 87506
Phone: (805) 478-3450 Fax: (805) 478-3452

State of New Mexico
Energy, Minerals & Natural Resources Department
OIL CONSERVATION DIVISION
1220 SOUTH ST. FRANCIS DR.
Santa Fe, New Mexico 87505

MAY 19 2017

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

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number 30-05-44/91	Pool Code 96238	Pool Name Carnal Draw Bone Springs
Property Code 315207	Property Name CEDAR CANYON 21 FEDERAL COM	Well Number 23H
OGRI No. 16696	Operator Name OXY USA INC.	Elevation 2931.0

Surface Location

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
E	21	24-S	29-E		1824	NORTH	141	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
H	21	24-S	29-E		2200	NORTH	180	EAST	EDDY

Dedicated Acres	Joint or Infill	Consolidation Code	Order No.
160	Y		

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>SURFACE LOCATION Y=438564.0 N X=645194.1 E LAT.=32.205244° N LONG.=103.997550° W</p>	<p>BOTTOM PERF. Y=438213.3 N X=650012.3 E LAT.=32.204237° N LONG.=103.981976° W</p>	<p>PROPOSED BOTTOM HOLE LOCATION Y=438214.2 N X=650172.3 E LAT.=32.204238° N LONG.=103.981459° W</p>	<p>OPERATOR CERTIFICATION I hereby certify that the information herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased 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 mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.</p> <p align="right">Signature: <i>[Signature]</i> Date: 10/19/16 Printed Name: David Stewart SR. Reg. Actv. E-mail Address: david_stewart@oxy.com</p>								
<p align="center">PRODUCING AREA PROJECT AREA</p> <p>S.L. K.P.-2200' FNL & 50' FWL GRID AZ. - 193°48'21" HORZ. DIST - 388.2' I.P. GRID AZ. - 89°41'35" HORZ. DIST. - 5070.9' T.P.-2200' FNL & 340' FWL</p>			<p>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.</p> <p align="right">JULY 27 2016 Date of Survey</p> <p align="right">Signature & Seal of Professional Surveyor</p>								
<p>KICK POINT Y=438187.0 N X=645101.5 E LAT.=32.204208° N LONG.=103.997853° W</p>	<p>TOP PERF. Y=438188.6 N X=645391.5 E LAT.=32.204210° N LONG.=103.996916° W</p>	<p align="center">POINT LEGEND</p> <table border="1"> <tr><td>1</td><td>Y=439080.4 N X=645055.4 E</td></tr> <tr><td>2</td><td>Y=439088.4 N X=650350.6 E</td></tr> <tr><td>3</td><td>Y=437781.6 N X=650353.2 E</td></tr> <tr><td>4</td><td>Y=437733.9 N X=645049.4 E</td></tr> </table>	1	Y=439080.4 N X=645055.4 E	2	Y=439088.4 N X=650350.6 E	3	Y=437781.6 N X=650353.2 E	4	Y=437733.9 N X=645049.4 E	<p align="center">CHAD L. HARCROW NEW MEXICO 17777 LICENSED PROFESSIONAL SURVEYOR</p> <p align="right">9/19/16 Certificate No. CHAD HARCROW 17777 W.O. #16-726 DRAWN BY: CF</p>
1	Y=439080.4 N X=645055.4 E										
2	Y=439088.4 N X=650350.6 E										
3	Y=437781.6 N X=650353.2 E										
4	Y=437733.9 N X=645049.4 E										

* ALL COORDINATES ARE NAD 83 VALUES

NM OIL CONSERVATION
ARTESIA DISTRICT

DISTRICT I
1825 N. FRONCE DR., BOBBS, NM 88240
Phone: (505) 353-0101 Fax: (505) 353-0720

DISTRICT II
811 S. FIRST ST., ARTESIA, NM 88210
Phone: (505) 748-1253 Fax: (505) 748-0720

DISTRICT III
1000 RIO BRAZOS RD., AZTEC, NM 87410
Phone: (505) 334-8176 Fax: (505) 334-8170

DISTRICT IV
1220 S. 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, New Mexico 87505

MAY 15 2017

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

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number 30-015-44181	Pool Code 96235	Pool Name Corral Draw Bone Springs
Property Code 315207	Property Name CEDAR CANYON 21 FEDERAL COM	Well Number 21H
GRID No. 16696	Operator Name OXY USA INC.	Elevation 2928.2'

Surface Location

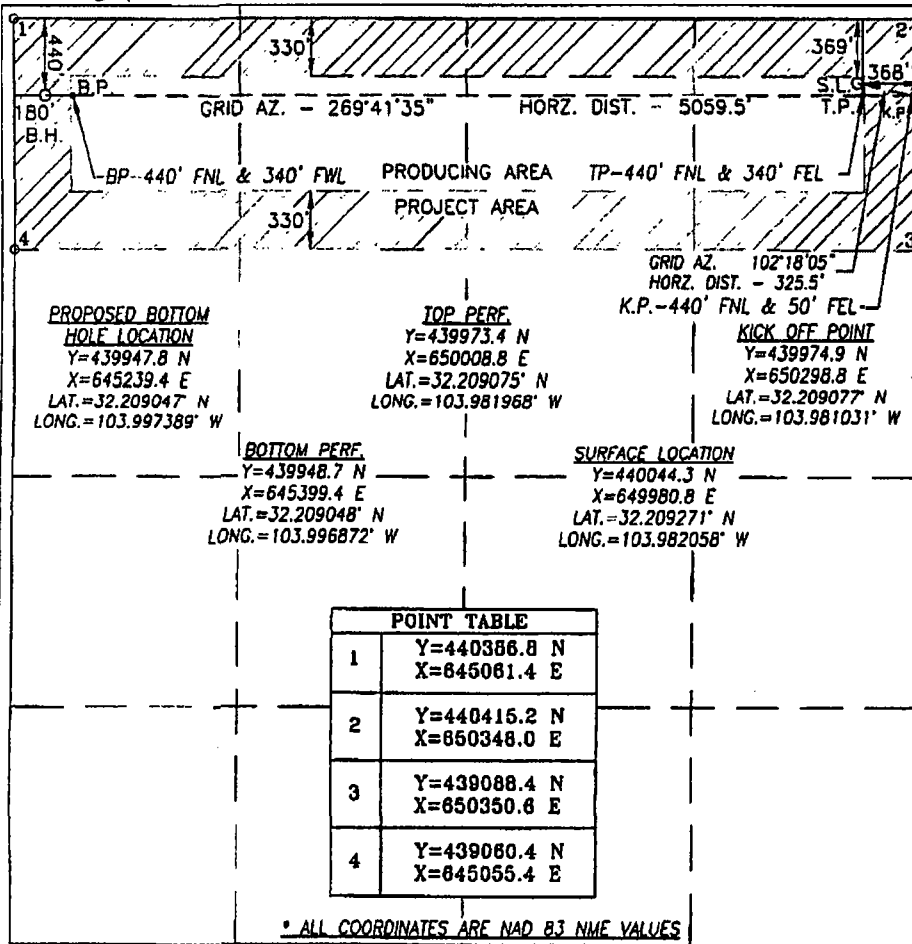
UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
A	21	24-S	29-E		369	NORTH	368	EAST	EDDY

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
D	21	24-S	29-E		440	NORTH	180	WEST	EDDY

Dedicated Acres	Joint or Infill	Consolidation Code	Order No.
160	Y		

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 herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unless 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 mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.

Signature *[Signature]* Date **11/10/16**
Printed Name **David Stewart SR. Reg. Adv.**
E-mail Address **David.Stewart@oxy.com**

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.

JULY 27, 2016

Date of Survey

Signature & Seal of Professional Surveyor



Certificate No. **CHAD HARCROW 17777**
W.O. #16-802 DRAWN BY: AM

DISTRICT I
1625 N. FRENCH DR., BOBBS, NM 88240
Phone: (505) 353-6181 Fax: (505) 353-9720

DISTRICT II
811 S. FIRST ST., ARTESIA, NM 88210
Phone: (505) 748-1283 Fax: (505) 748-9720

DISTRICT III
1000 RIO BRAZOS RD., AZTEC, NM 87410
Phone: (505) 334-8178 Fax: (505) 334-8170

DISTRICT IV
1820 S. ST. FRANCIS DR., SANTA FE, NM 87508
Phone: (505) 476-3450 Fax: (505) 476-3482

State of New Mexico
Energy, Minerals & Natural Resources Department
OIL CONSERVATION DIVISION
1220 SOUTH ST. FRANCIS DR.
Santa Fe, New Mexico 87505

Form C-102
Revised August 1, 2011
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District Office

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number 30015-44176	Pool Code 98220	Pool Name Purple Sage Wolfcamp (gas)
Property Code 317654	Property Name CEDAR CANYON 21-22 FEDERAL COM	Well Number 32H
OGRID No. 16694	Operator Name OXY USA INC.	Elevation 2931.4'

Surface Location

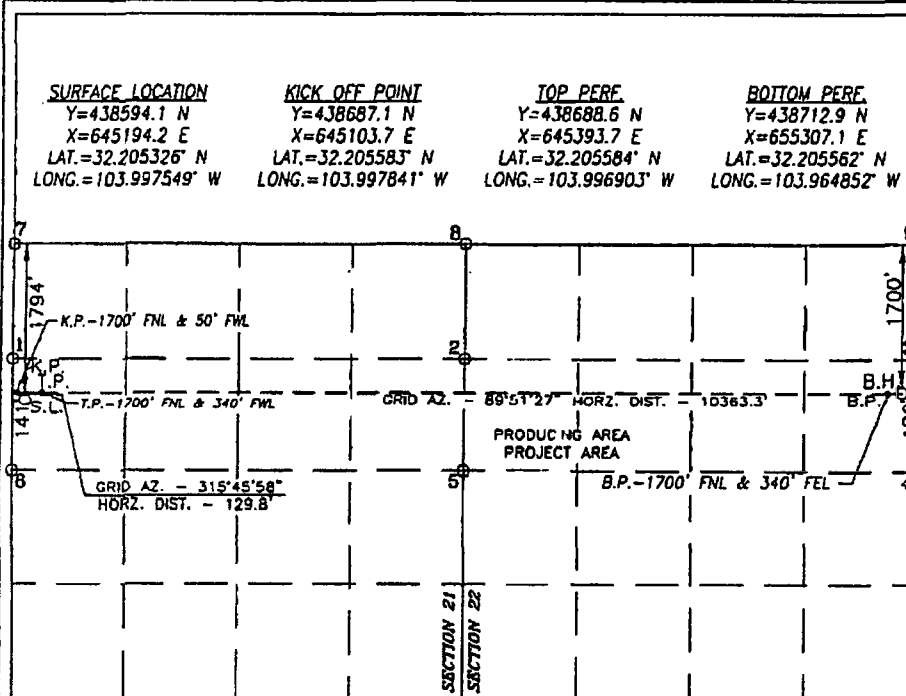
UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
E	21	24-S	29-E		1794	NORTH	141	WEST	EDDY

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
H	22	24-S	29-E		1700	NORTH	180	EAST	EDDY

Dedicated Acres (640)	Joint or Infill Y	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



POINT LEGEND			
1	Y=439080.4 N X=645055.4 E	4	Y=437768.8 N X=655049.8 E
2	Y=439088.4 N X=650350.8 E	6	Y=437761.8 N X=650353.2 E
3	Y=439085.7 N X=655548.1 E	8	Y=437733.8 N X=645049.4 E
		7	Y=440388.8 N X=645081.4 E
		8	Y=440415.2 E X=6550348.0 E
		9	Y=440412.7 N X=655542.5 E

**PROPOSED BOTTOM
HOLE LOCATION**
Y=438712.8 N
X=655467.1 E
LAT.=32.205560° N
LONG.=103.964335° W

* ALL COORDINATES ARE NAD 83 NME VALUES

OPERATOR CERTIFICATION

I hereby certify that the information herein is true and complete to the best of my knowledge and belief, and that this 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 this well at this location pursuant to a contract with an owner of such mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.

Signature *[Signature]* Date **2/27/17**

Printed Name **David Stewart Sr. Reg. Adv.**

E-mail Address **david.stewart@oxy.com**

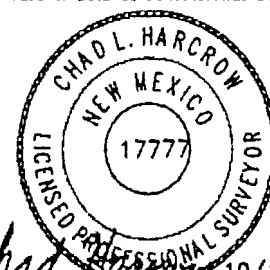
SURVEYOR CERTIFICATION

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.

JULY 27, 2016

Date of Survey

Signature & Seal of Professional Surveyor



Certificate No. **CHAD HARCROW 17777**
W.O. #16-804 DRAWN BY: AM

*M2 Scotti or 22
M2 Section 23*

MAY 15 2017

Form C-102

Revised August 1, 2011
Subject to appropriate
District Office

DISTRICT I
1625 N. FRENCH DR., BOBBS, NM 86240
Phone: (505) 333-8161 Fax: (505) 333-8720

DISTRICT II
511 S. FIRST ST., ARTESIA, NM 86210
Phone: (505) 748-1263 Fax: (505) 748-8720

DISTRICT III
1000 RIO BRAZOS RD., AZTEC, NM 87410
Phone: (505) 334-6178 Fax: (505) 334-6170

DISTRICT IV
1220 S. ST. FRANCIS DR., SANTA FE, NM 87505
Phone: (505) 478-3480 Fax: (505) 478-3482

State of New Mexico
Energy, Minerals & Natural Resources Department
OIL CONSERVATION DIVISION
1220 SOUTH ST. FRANCIS DR.
Santa Fe, New Mexico 87505

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number 30-015-44182	Pool Code 96220	Pool Name Purple Sage Wolfcamp
Property Code 315207	Property Name CEDAR CANYON 21 FEDERAL COM	Well Number 31H
GRID No. 16696	Operator Name OXY USA INC.	Elevation 2928.2'

Surface Location

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
A	21	24-S	29-E		339	NORTH	368	EAST	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
D	21	24-S	29-E		380	NORTH	180	WEST	EDDY

Dedicated Acres 1320	Joint or Infill Y	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
N/2 Sec 21

<p>GRID AZ. - 269°41'35" HORZ. DIST. - 5059.1'</p> <p>T.P. - 380' FNL & 340' FEL</p> <p>B.P. - 380' FNL & 340' FWL GRID AZ. - 97°03'04" HORZ. DIST. - 320.4'</p> <p>K.P. - 380' FNL & 50' FEL</p>		<p>OPERATOR CERTIFICATION</p> <p>I hereby certify that the information herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased 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 mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.</p> <p>Signature: <i>David Stewart</i> Date: 2/27/17</p> <p>Printed Name: David Stewart Sr. Reg. Ad</p> <p>E-mail Address: David.Stewart@oxy.com</p>												
<p>PROPOSED BOTTOM HOLE LOCATION</p> <p>Y=440007.8 N X=645239.7 E LAT.=32.209212° N LONG.=103.997388° W</p>	<p>TOP PERF.</p> <p>Y=440033.4 N X=650008.7 E LAT.=32.209240° N LONG.=103.981968° W</p>	<p>SURFACE LOCATION</p> <p>Y=440074.22 N X=649980.8 E LAT.=32.209353° N LONG.=103.982058° W</p>												
<p>BOTTOM PERF.</p> <p>Y=440008.7 N X=645399.7 E LAT.=32.209213° N LONG.=103.996871° W</p>	<p>POINT LEGEND</p> <table border="1"> <tr> <td>1</td><td>Y=440328.0 N X=603877.4 E</td> <td>4</td><td>Y=439001.6 N X=803871.4 E</td> </tr> <tr> <td>2</td><td>Y=440356.3 N X=609184.0 E</td> <td>5</td><td>Y=437875.1 N X=803885.4 E</td> </tr> <tr> <td>3</td><td>Y=438028.5 N X=609185.6 E</td> <td>6</td><td>Y=437702.6 N X=809189.1 E</td> </tr> </table>	1	Y=440328.0 N X=603877.4 E	4	Y=439001.6 N X=803871.4 E	2	Y=440356.3 N X=609184.0 E	5	Y=437875.1 N X=803885.4 E	3	Y=438028.5 N X=609185.6 E	6	Y=437702.6 N X=809189.1 E	<p>KICK OFF POINT</p> <p>Y=440034.9 N X=650298.7 E LAT.=32.209242° N LONG.=103.981031° W</p>
1	Y=440328.0 N X=603877.4 E	4	Y=439001.6 N X=803871.4 E											
2	Y=440356.3 N X=609184.0 E	5	Y=437875.1 N X=803885.4 E											
3	Y=438028.5 N X=609185.6 E	6	Y=437702.6 N X=809189.1 E											
<p>* ALL COORDINATES ARE NAD 83 NME VALUES</p>		<p>SURVEYOR CERTIFICATION</p> <p>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.</p> <p>DATE: JULY 27, 2016</p> <p>Signature & Seal of Professional Surveyor</p> <p>CHAD L. HARCROW NEW MEXICO 17777 LICENSED PROFESSIONAL SURVEYOR</p> <p>10/13/16</p> <p>Certificate No. CHAD HARCROW 17777 W.D. #15-803 DRAWN BY: AM</p>												

County I
 1430 N. French Dr., Hobbs, NM 88240
 Phone: (505) 793-4111 Fax: (505) 793-4720
 County II
 111 S. First St., Arroyo, NM 88210
 Phone: (505) 746-1211 Fax: (505) 746-4720
 County III
 1020 Ave. Franklin Road, Arroyo, NM 87410
 Phone: (505) 334-4171 Fax: (505) 334-4170
 County IV
 1110 S. St. Francis Dr., Santa Fe, NM 87505
 Phone: (505) 476-3400 Fax: (505) 476-3403

State of New Mexico
 Energy, Minerals & Natural Resources Department
OIL CONSERVATION DIVISION
 1220 South St. Francis Dr.
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Form C-102
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 District Office

☒ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number 30-05-43642	Pool Code 90743	Pool Name Piece Crossing Bone Spring East
Property Code 315242	Property Name CEDAR CANYON "22" FEDERAL	
DGRID No. 16694	Operator Name OXY USA INC.	
	Well Number 21H	Elevation 2958.4'

Surface Location

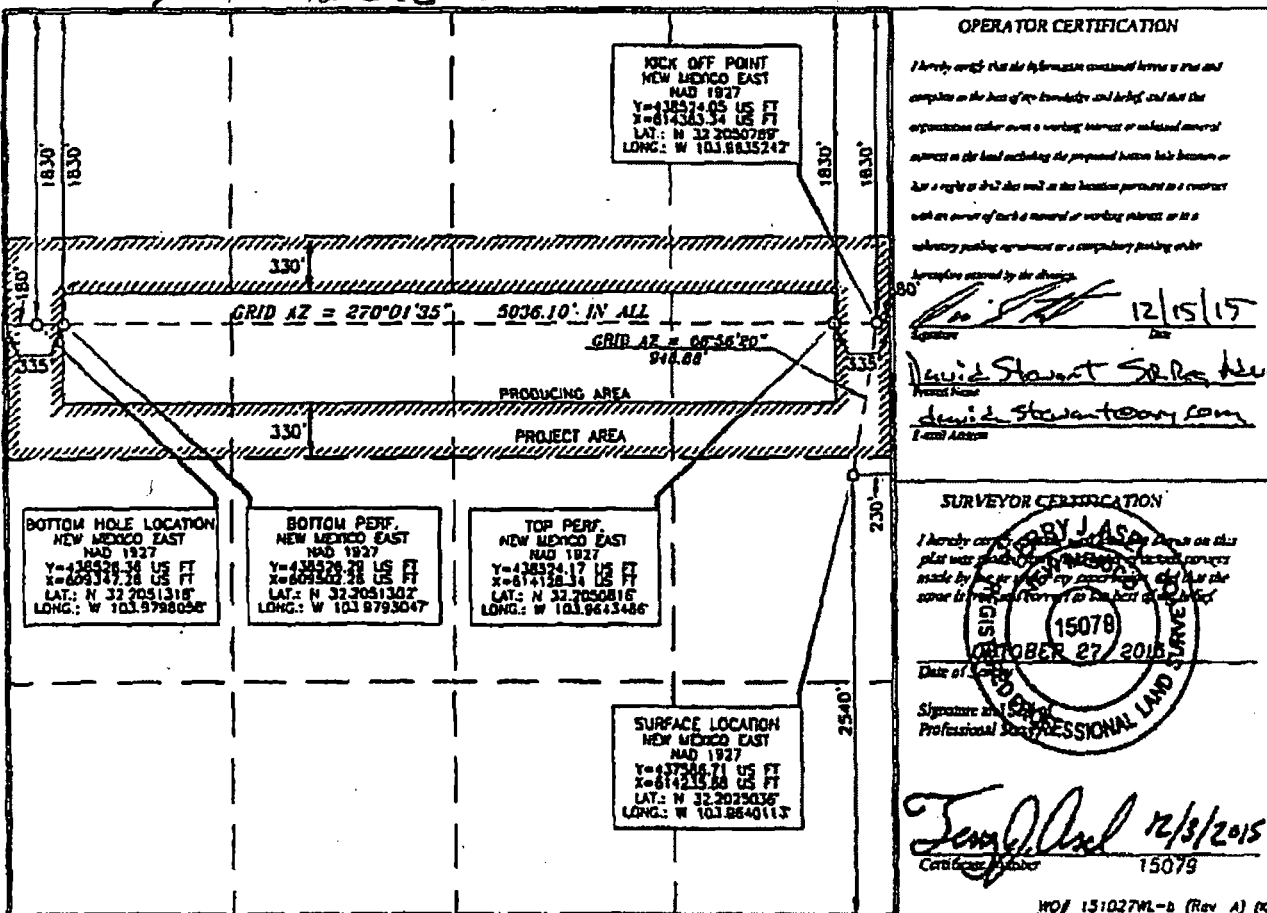
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
1	22	24 SOUTH	29 EAST, N.M.P.M.		2540'	SOUTH	230'	EAST	EDDY

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
E	22	24 SOUTH	29 EAST, N.M.P.M.		1830'	NORTH	180'	WEST	EDDY

Dedicated Acres	Joint or Infill	Consolidation Code	Order No.
No	160		

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.



NM OIL CONSERVATION
ARTESIA DISTRICT

District I
1625 N. Francis Dr., Hobbs, NM 88240
Phone: (505) 383-6161 Fax: (505) 383-0720
District II
811 S. First St., Artesia, NM 88210
Phone: (505) 748-1283 Fax: (505) 748-9720
District III
1000 Rio Grande Road, Aztec, 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) 476-3463

State of New Mexico
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1220 South St. Francis Dr.
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WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number 30-AS-44179	Pool Code 96473	Pool Name Pierce Crossing Bone Spring East
Property Code 317748	Property Name CEDAR CANYON "23-24" FEDERAL	Well Number 31H
OGRID No. 16696	Operator Name OXY USA INC.	Elevation 2943.2'

Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
A	22	24 SOUTH	29 EAST, N.M.P.M.		491'	NORTH	177'	EAST	EDDY

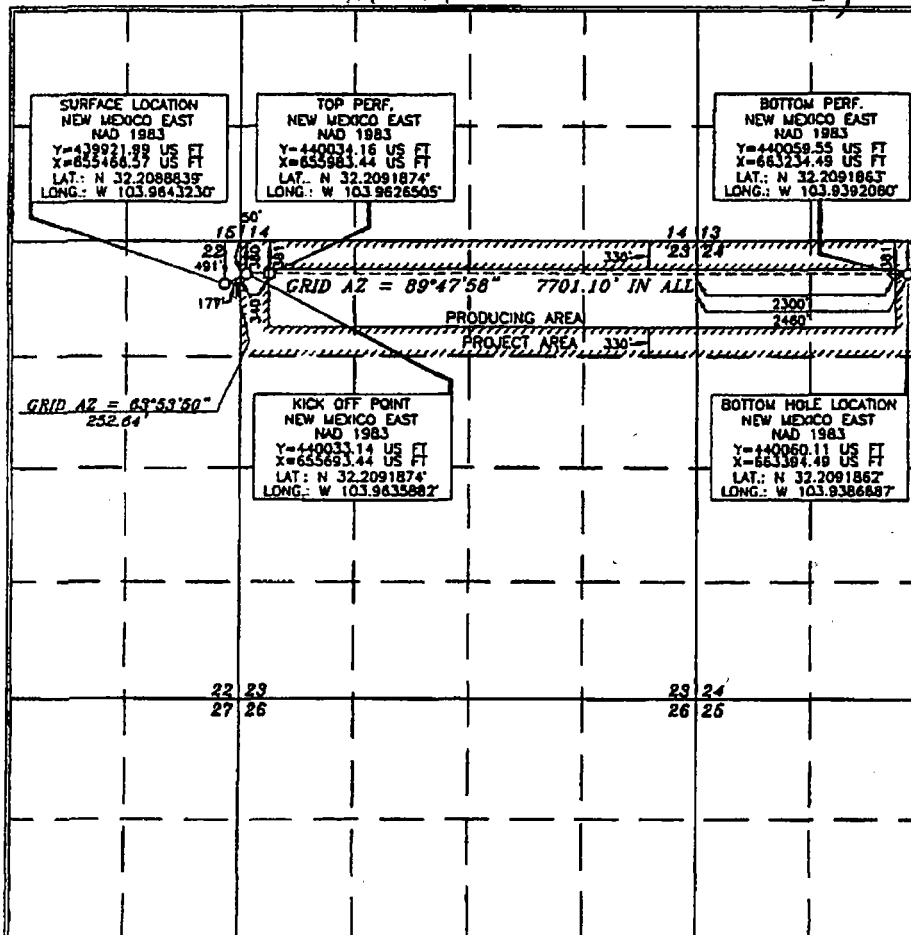
Bottom Hole Location if Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
C	24	24 SOUTH	29 EAST, N.M.P.M.		380'	NORTH	2460'	WEST	EDDY

Dedicated Acres	Joint or Infill	Consolidation Code	Order No.
240	Y		

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.

NE 1/4 N 1/4 Sec 22 (Surface)



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: **David Stewart** Date: **10/5/16**
Printed Name: **David Stewart**
E-mail Address: **stewart@oxy.com**

SURVEYOR CERTIFICATION

I hereby certify that the survey information shown on this plat was obtained from the field, and that the same is true and correct to the best of my belief.

Date of Survey: **MARCH 30, 2016**
Signature and Seal of Professional Land Surveyor: **TERRY J. ASH**
Certificate Number: **15079**

Terry J. Ash 9/16/2016
Certificate Number: **15079**

District I
1623 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) 744-1283 Fax: (575) 744-8720
District III
1000 Rio Bravo Road, Aztec, NM 87410
Phone: (505) 334-6178 Fax: (505) 334-6170
District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505
Phone: (505) 476-3480 Fax: (505) 476-3482

NM OIL CONSERVATION
ARTESIA DISTRICT
State of New Mexico
Energy, Minerals & Natural Resources Department
OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
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WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number 30-015-44180	Pool Code 96473	Pool Name Pierce Crossing Bone Spring, East
Property Code 317748	Property Name CEDAR CANYON "23-24" FEDERAL	Well Number 32H
OGRID No. 16696	Operator Name OXY USA INC.	Elevation 2943.6'

Surface Location

UL or lot no.	Section	Township	Range	Lot Ida	Feet from the	North/South line	Feet from the	East/West line	County
A	22	24 SOUTH	29 EAST, N.M.P.M.		520'	NORTH	172'	EAST	EDDY

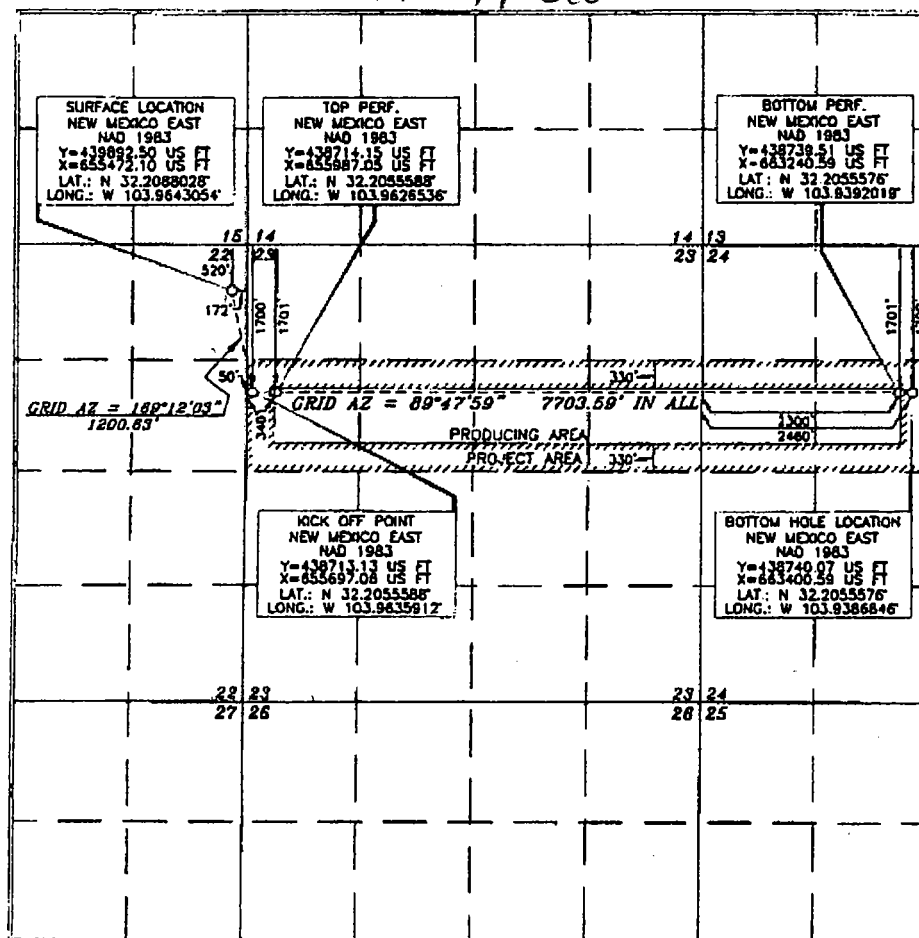
Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Ida	Feet from the	North/South line	Feet from the	East/West line	County
F	24	24 SOUTH	29 EAST, N.M.P.M.		1700'	NORTH	2460'	WEST	EDDY

Dedicated Acres	Joint or Infill	Consolidation Code	Order No.
240	Y		

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.

NE 1/4 NE 1/4 Sec 22



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 unbalanced mineral interest in the land including the proposed bottom hole location or has a right to drill this well as 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: *David Stewart* Date: 10/5/16
Printed Name: David Stewart Sr. Reg. Adv.
E-mail Address: david_stewart@com.com

SURVEYOR CERTIFICATION

I hereby certify that the information contained herein on this plat was prepared 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.

Signature and Seal: *ERRY J. AS...*
Professional Surveyor
Date of Survey: MARCH 30, 2016
Certificate No.: 15079

District I
1625 N. French Dr., Hobbs, NM 88240
Phone: (575) 393-6161 Fax: (575) 393-0720
District II
411 S. First St., Artesia, NM 88210
Phone: (575) 748-1283 Fax: (575) 748-9720
District III
1000 Rio Brazos Road, Aztec, 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

State of New Mexico **NM OIL CONSERVATION**
ARTESIA DISTRICT
Energy, Minerals & Natural Resources Department
OIL CONSERVATION DIVISION FEB 03 2017
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WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number 30-015-43708	Pool Code 96473	Pool Name Piera Crossing Bone Spring, East
Property Code 316106	Property Name CEDAR CANYON "22" FEDERAL COM	Well Number 4H
OGRIID No. 16696	Operator Name OXY USA INC.	Elevation 2958.4'

Surface Location

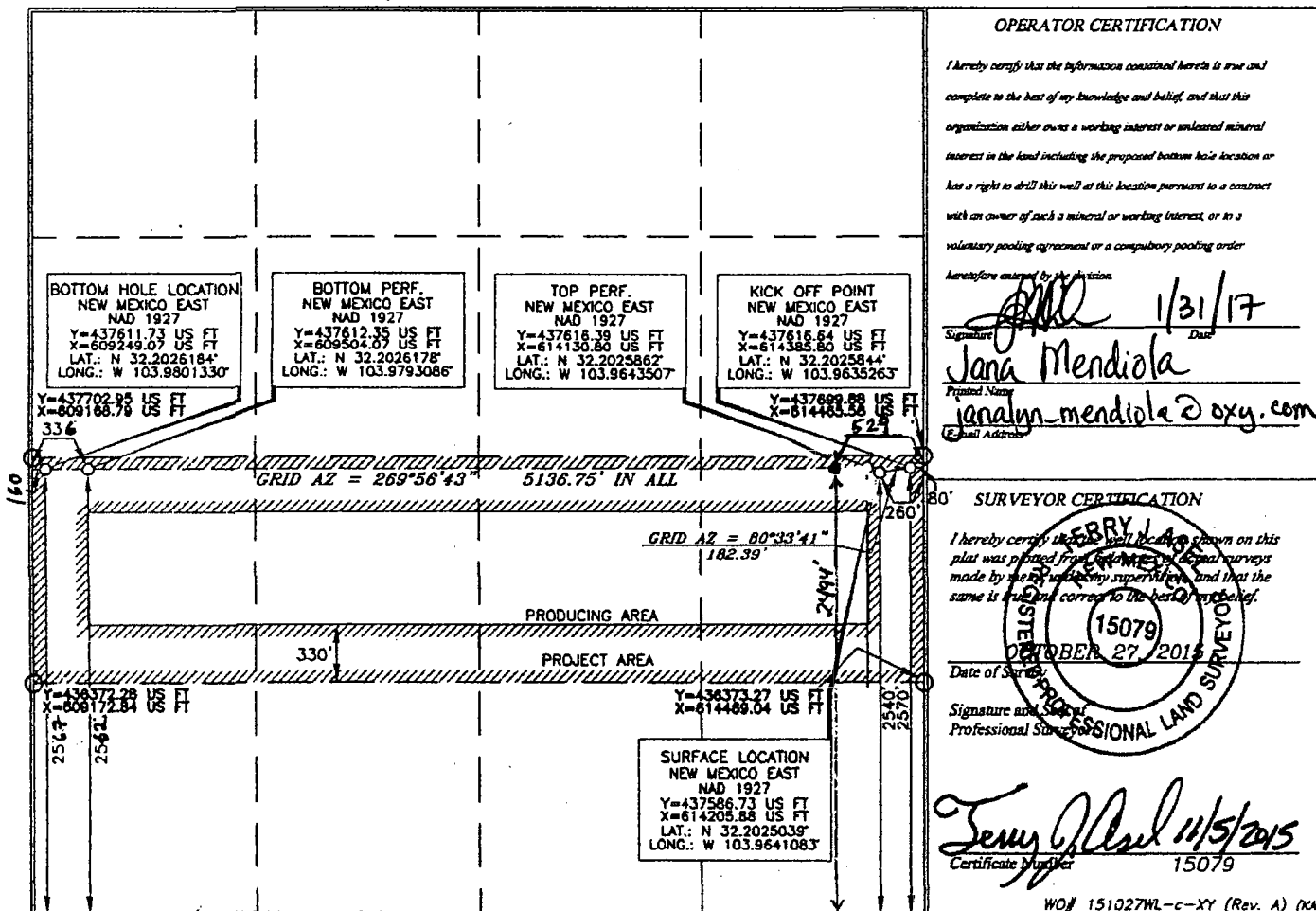
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
I	22	24 SOUTH	29 EAST, N.M.P.M.		2540'	SOUTH	260'	EAST	EDDY

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
L	22	24 SOUTH	29 EAST, N.M.P.M.		2570', 2564'	SOUTH	80', 160'	WEST	EDDY
Dedicated Acres 160	Joint or Infill Y	Consolidation Code	Order No. - NSL 7389	BP-2562 FSL 336 FWL TP-2494 FSL 529 FEL					

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.

N/2 S/2 Sec 22



District I
1625 N. French Dr., Hobbs, NM 88240
Phone: (575) 393-6161 Fax: (575) 393-9720
District II
811 S. First St., Artesia, NM 88210
Phone: (575) 748-1283 Fax: (575) 748-9720
District III
1000 Rio Brazos Road, Aztec, 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

State of New Mexico
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WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number 30-015-43290	Pool Code 96473	Pool Name Pierce Crossing Bone Spring, East
Property Code 315098	Property Name CEDAR CANYON "23" FEDERAL	Well Number 3H
OGRD No. 16696	Operator Name OXY USA INC.	Elevation 2957.1'

Surface Location

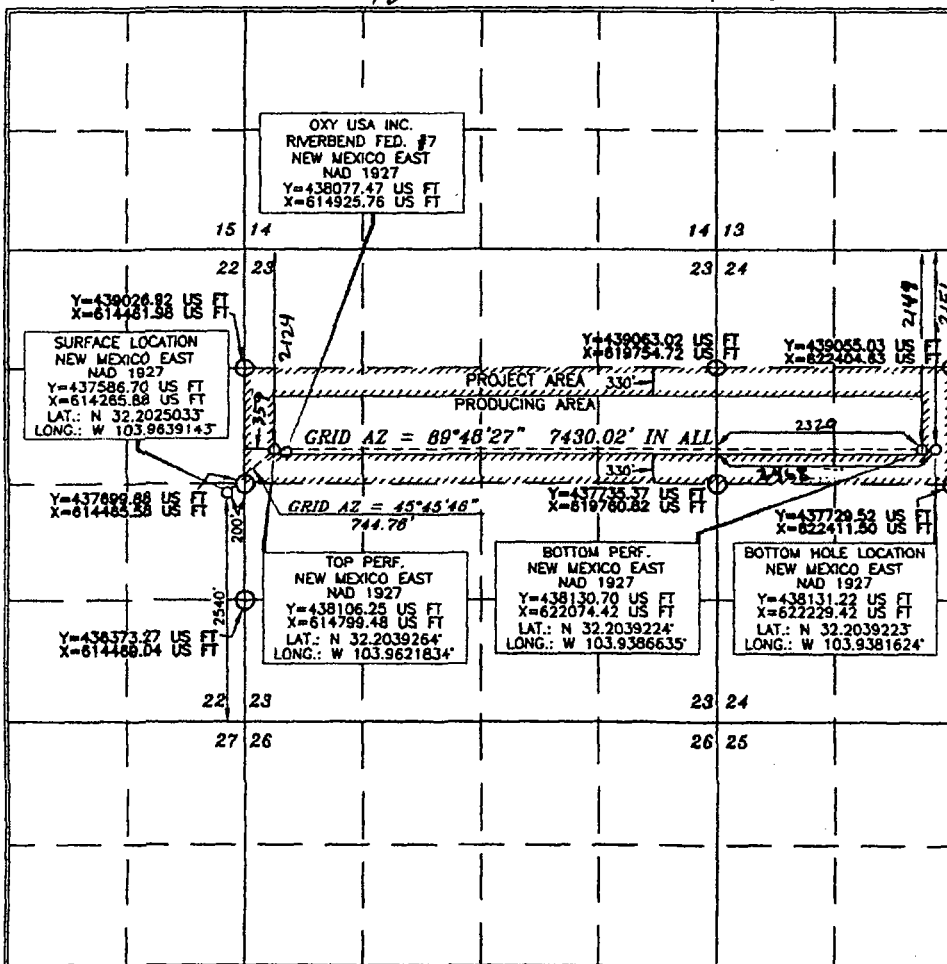
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
I	22	24 SOUTH	29 EAST, N.M.P.M.		2540'	SOUTH	200'	EAST	EDDY

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
F	24	24 SOUTH	29 EAST, N.M.P.M.		2250' 2151'	NORTH	2170' 2165'	WEST	EDDY
Dedicated Acres 240	Joint or Infill Yes	Consolidation Code	Order No. BP- 2149 FNL 2320 FWL TP- 2124 FNL 359 FEL						

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.

S/S N/2 Sec 23, S/2N/4 Sec 24



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 unleased 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] 2/1/17
Date
Jana Mendiola
jana.mendiola@oxy.com
E-mail Address

SURVEYOR CERTIFICATION

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

[Signature]
Date of Survey
OCTOBER 27, 2015
Professional Land Surveyor
15079

[Signature] 10/20/2015
Certificate Number 15079

NM OIL CONSERVATION
ARTESIA DISTRICT

MAY 03 2016
h

State of New Mexico
Energy, Minerals & Natural Resources Department
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(As Drilled)

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number 30-015-43221	Pool Code 96473	Pool Name Pierce Crossing Bone Spring East
Property Code 315098	Property Name CEDAR CANYON "23" FEDERAL	Well Number 4H
OGRID No. 16696	Operator Name OXY USA INC.	Elevation 2942.4'

Surface Location

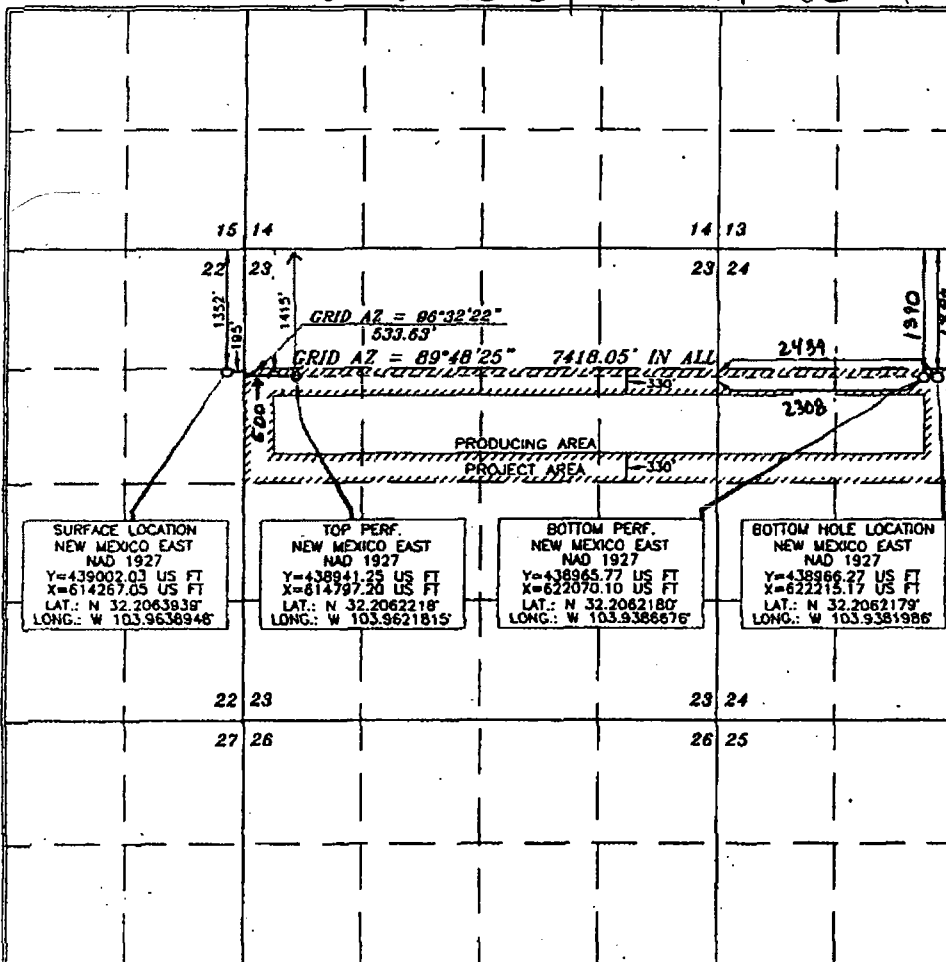
U/L or lot no.	Section	Township	Range	Lot Ida	Feet from the	North/South line	Feet from the	East/West line	County
H	22	24 SOUTH	29 EAST, N.M.P.M.		1352'	NORTH	195'	EAST	EDDY

Bottom Hole Location If Different From Surface

U/L or lot no.	Section	Township	Range	Lot Ida	Feet from the	North/South line	Feet from the	East/West line	County
F	24	24 SOUTH	29 EAST, N.M.P.M.		1415'	NORTH	2439'	WEST	EDDY
Dedicated Acres 240	Joint or Infill Y	Consolidation Code	Order No. NSL # 7356	TD - 1393 FNL 2439 FNL BP - 1390 FNL 2308 FNL TP - 1415 FNL 500 FEL					

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.

5/2 N 1/2 Sec 23, 5/2 NW 1/4 Sec 24



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 unleased 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 assigned to the division.

Signature: *[Signature]* Date: **1/20/16**
Printed Name: **Jana Mendiola**
E-mail Address: **jana.mendiola@oxy.com**

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.

NEW MEXICO
OCTOBER 12, 2015
15079
Date of Survey
Signature of Professional Land Surveyor:
[Signature] 10/20/2015
Certificate Number: 15079

PA N 1/2 S 1/2 Sec 23, 5/2 NW 1/4 Sec 24

District I
1625 N. French Dr., Hobbs, NM 88240
Phone: (505) 393-6161 Fax: (505) 393-0720
District II
811 S. First St., Artesia, NM 88210
Phone: (505) 748-1283 Fax: (505) 748-9720
District III
1000 Rio Brazos Road, Aztec, 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

State of New Mexico
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OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

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WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number 30-a5- 43282	Pool Code 96473	Pool Name Pierce Crossing Bone Springs, E.
Property Code 39439	Property Name 315098 CEDAR CANYON "23" FEDERAL	Well Number 5H
OGRID No. 16696	Operator Name OXY USA INC.	Elevation 2941.5'

Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
A	22	24 SOUTH	29 EAST, N.M.P.M.		1305'	NORTH	155'	EAST	EDDY

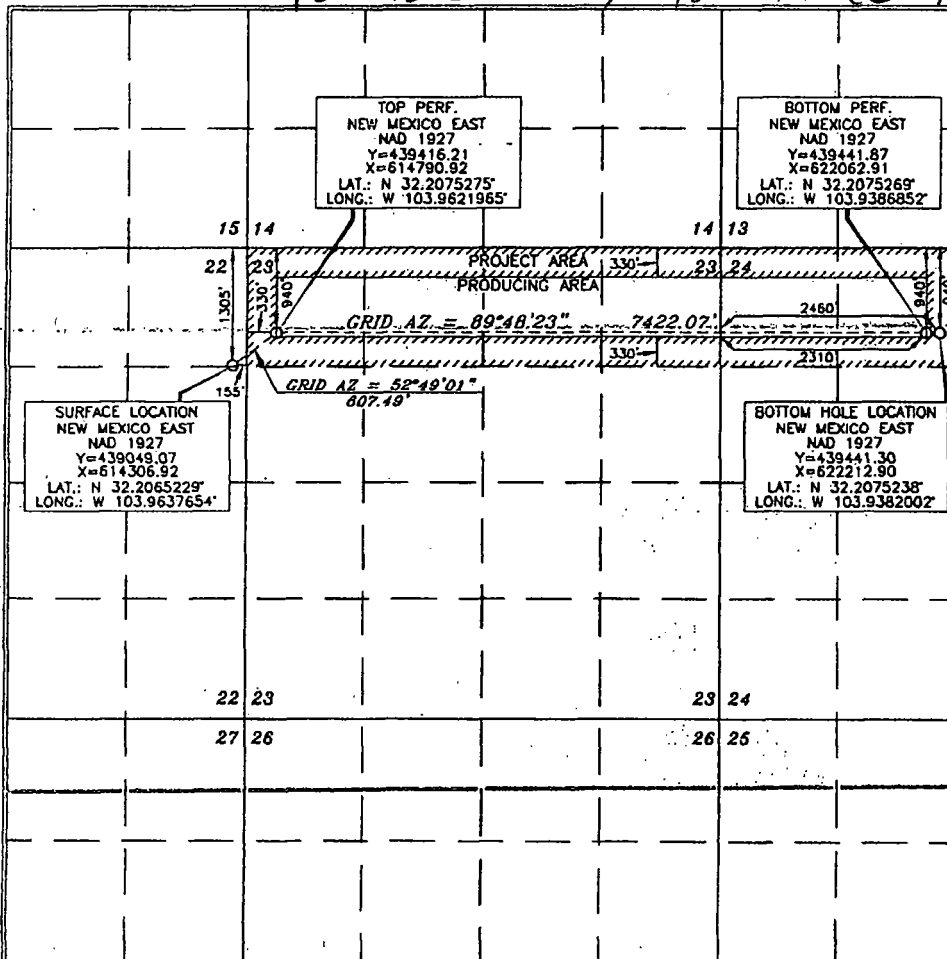
Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
C	24	24 SOUTH	29 EAST, N.M.P.M.		940'	NORTH	2460'	WEST	EDDY

Dedicated Acres	Joint or Infill	Consolidation Code	Order No.
240	N		

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.

N 1/2 Sec 23, N 1/2 NW 1/4 Sec 24



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 unleased 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.

David Stewart Sr. Reg. Adv.
Signature: *[Signature]* Date: **11/14/14**
Printed Name: **David Stewart Sr. Reg. Adv.**
E-mail Address: **david_stewart@oxy.com**

SURVEYOR CERTIFICATION

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

15079
Date of Survey: **DECEMBER 11, 2013**
Signature and Seal: *[Signature]*
Professional Surveyor: **15079**

15079
Certificate Number: **15079**
Date: **8/11/2014**

NM OIL CONSERVATION
ARTESIA DISTRICT

JUL 27 2017

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State of New Mexico
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Phone: (575) 748-1283 Fax: (575) 748-9720
District III
1000 Rio Grande Road, Aztec, 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

☒ **AMENDED REPORT**
(As-Drilled)

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number 30-015-44095	Pool Code 96473	Pool Name Pierce Crossing Bone Spring, East
Property Code 317464	Property Name CEDAR CANYON "23" FEDERAL COM	Well Number 6H
OGRID No. 16096	Operator Name OXY USA INC.	Elevation 2948.7'

Surface Location

UL or lot no.	Section	Township	Range	Lot Ids	Feet from the	North/South line	Feet from the	East/West line	County
I	22	24 SOUTH	29 EAST, N.M.P.M.		2329'	SOUTH	1173'	EAST	EDDY

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
K	24	24 SOUTH	29 EAST, N.M.P.M.		2100' 2175'	SOUTH	2400' 2434'	WEST	EDDY
Dedicated Acres 240	Joint or Infill Y	Consolidation Code	Order No.	TD - 2175' FSL 2434' FWL BP - 2171' FSL 2285' FWL TP - 2133' FSL 359' FWL					

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.

N 1/2 S 1/2 Sec 23, N 1/2 SW 1/4 Sec 24

				<p>OPERATOR CERTIFICATION</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 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.</p> <p>hereby assigned to the division.</p> <p><i>[Signature]</i> 7/24/17 Jana Mendiola Principal Name jaramen-mendiola@oxy.com Email Address</p>
<p>SURVEYOR CERTIFICATION</p> <p>I hereby certify that the well location shown on this plat was located from the survey of actual survey made by me or under my supervision, and that the same is true and correct to the best of my belief.</p> <p><i>[Signature]</i> 9/15/2016 Professional Surveyor Certificate Number 15079</p>				<p>SEAL</p> <p>15079 FEBRUARY 22, 2016 PROFESSIONAL LAND SURVEYOR</p>

NM OIL CONSERVATION

ARTESTA DISTRICT

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District I
1633 N. French Dr., Hobbs, NM 88246
Phone: (575) 393-4161 Fax: (575) 393-0720
District II
811 S. First St., Aramis, NM 88210
Phone: (575) 746-1283 Fax: (575) 749-9720
District III
1000 Rio Grande Road, Aztec, 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

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number 30-015-44074	Pool Code 78220	Pool Name Purple Sage Wolfcamp
Property Code 317464	Property Name CEDAR CANYON "23" FEDERAL COM	
OGRID No. 16696	Operator Name OXY USA INC.	Well Number 33H
		Elevation 2947.9'

Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
1	22	24 SOUTH	29 EAST, N.M.P.M.		2344'	SOUTH	1199'	EAST	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
K	24	24 SOUTH	29 EAST, N.M.P.M.		2299' 2299'	SOUTH	2460' 2460'	WEST	EDDY
Dedicated Acres 490	Joint or Infill Y	Consolidation Code	Order No. NSP-2063	TD - 2299' FSL 2460 FWL BP - 2299' FSL 2274 FWL TP - 2256' FSL 346 FWL					

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.

5/2 S/2 Sec 23, 1/4 S/4 Sec 24

<p>SURFACE LOCATION NEW MEXICO EAST NAD 1983 Y=437448.50 US FT X=654451.37 US FT LAT.: N 32.2020942° LONG.: W 103.9676325°</p> <p>TOP PERF. NEW MEXICO EAST NAD 1983 Y=437377.11 US FT X=655980.88 US FT LAT.: N 32.2018835° LONG.: W 103.9628567°</p> <p>BOTTOM HOLE LOCATION NEW MEXICO EAST NAD 1983 Y=437411.79 US FT X=663408.92 US FT LAT.: N 32.2019053° LONG.: W 103.9386799°</p> <p>GRID AZ = 88°43'55" 7723.32' IN ALL</p> <p>PRODUCING AREA</p> <p>PROJECT AREA</p> <p>KICK OFF POINT NEW MEXICO EAST NAD 1983 Y=437375.67 US FT X=655683.68 US FT LAT.: N 32.2018824° LONG.: W 103.9638493°</p> <p>BOTTOM PERF. NEW MEXICO EAST NAD 1983 Y=437411.09 US FT X=663257.60 US FT LAT.: N 32.2019058° LONG.: W 103.9391827°</p>		<p>OPERATOR CERTIFICATION</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 undivided 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><i>[Signature]</i> 7/24/17 Date Jana Mendiola Printed Name janakyn-mendiola@oxy.com E-mail Address</p> <p>SURVEYOR CERTIFICATION</p> <p>I hereby certify that the well location shown on this plat was plotted from valid legal or locust surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.</p> <p>15079 FEBRUARY 23 2016 Date of Survey <i>[Signature]</i> Signature and Seal Professional Surveyor 15079 Certificate Number 2/13/2017 Date WO# 16022JWL-b-JY (Rev. B) (N)</p>
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Attachment A:

OXY					
CEDAR CANYON 23-3H BATTERY					
Well Name	API	Surface Location	Project Area	Pool	Pool Name
Cedar Canyon 22 Fed 21H	30-015-43642	I-22-24S-29E	S/2 N/2 SEC 22	96473	Pierce Crossing; Bone Spring E
Cedar Canyon 23-24 Fed 31H	30-015-44179	A-22-24S-29E	NE/4 NE/4 SEC 22 and N/2 N/2 Section 23	96473	Pierce Crossing; Bone Spring E
Cedar Canyon 23-24 Fed 32H	30-015-44180	A-22-24S-29E	NE/4 NE/4 SEC 22	96473	Pierce Crossing; Bone Spring E
Cedar Canyon 22 Fed Com 4H	30-015-43708	I-22-24S-29E	N/2 S/2 SEC 22	96473	Pierce Crossing; Bone Spring E
Cedar Canyon 23 Fed 3H	30-015-43290	I-22-24S-29E	S/2 N/2 SEC 23, S/2 NW/4 SEC 24	96473	Pierce Crossing; Bone Spring E
Cedar Canyon 23 Fed 4H	30-015-43281	H-22-24S-29E	S/2 N/2 SEC 23, S/2 NW/4 SEC 24	96473	Pierce Crossing; Bone Spring E
Cedar Canyon 23 Fed 5H	30-015-43282	A-22-24S-29E	N/2 N/2 SEC 23, N/2 NW/4 SEC 24	96473	Pierce Crossing; Bone Spring E
Cedar Canyon 23 Fed Com 6H	30-015-44095	I-22-24S-29E	N/2 S/2 SEC 23, N/2 SW/4 SEC 24	96473	Pierce Crossing; Bone Spring E
Cedar Canyon 23 Fed Com 33H	30-015-44074	I-22-24S-29E	S/2 SEC 23, SW/4 SEC 24	96473	Purple Sage; Wolfcamp

CEDAR CANYON 21 BATTERY					
Well Name	API	Surface Location	Project Area	Pool	Pool Name
Cedar Canyon 22 Fed Com 5H	30-015-43758	M-22-24S-29E	N/2 S/2 SEC 22	96238	Corral Draw; Bone Spring
Cedar Canyon 21 Fed Com 22 H	30-015-44190	E-21-24S-29E	S/2 N/2 SEC 21	96238	Corral Draw; Bone Spring
Cedar Canyon 21 Fed Com 23 H	30-015-44191	E-21-24S-29E	S/2 N/2 SEC 21	96238	Corral Draw; Bone Spring
Cedar Canyon 21 Fed Com 21 H	30-015-44181	A-21-24S-29-E	N/2 N/2 SEC 21	96238	Corral Draw; Bone Spring
Cedar Canyon 21-22 Fed Com 32H	30-015-44176	E-21-24S-29E	N/2 SEC 22 and N/2 Sec 23	96473	Purple Sage; Wolfcamp
Cedar Canyon 21 Fed Com 31H	30-015-44182	A-21-24S-29-E	N/2 SEC 21	98220	Purple Sage; Wolfcamp



**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
Direct: 713.366.5106
Sandra_Musallam@oxy.com

August 16, 2017

Re: Production of Wells Going to Cedar Canyon 23 Federal 3H Battery & Cedar Canyon 21 Federal Battery

Leases: NM 13996, NM 81586, NM 85893, NM 86550, NM 86908, NM 88138, NM 93477
Eddy County, New Mexico

Dear Mr. McMillan:

Regarding the submitted commingle application amendment for previously approved Order R-14299, the production decline of all of the wells going to Cedar Canyon 23 Federal 23H Battery and Cedar Canyon 21 Federal Battery are in accordance with the production decline presented in the Order.

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

Respectfully,

OXY USA INC
Sandra Musallam
Regulatory Engineer
Sandra_musallam@oxy.com

**STATE OF NEW MEXICO
ENERGY, MINERALS, AND NATURAL RESOURCES DEPARTMENT
OIL CONSERVATION DIVISION**

**IN THE MATTER OF THE HEARING
CALLED BY THE OIL CONSERVATION
DIVISION FOR THE PURPOSE OF
CONSIDERING:**

**CASE NO. 15540
ORDER NO. R-14299**

**APPLICATION OF OXY USA, INC. FOR APPROVAL OF SURFACE LEASE
COMMINGLING, OFF-LEASE STORAGE, AND OFF-LEASE MEASUREMENT,
EDDY COUNTY, NEW MEXICO.**

ORDER OF THE DIVISION

BY THE DIVISION:

This case came on for hearing at 8:15 a.m. on September 15, 2016 at Santa Fe, New Mexico, and again on January 5, 2017, both before Examiner William V. Jones.

NOW, on this 14th day of February, 2017, the Division Director, having considered the testimony, the record, and the recommendations of the Examiner,

FINDS THAT:

(1) Due public notice has been given, and the Division has jurisdiction of this case and its subject matter.

(2) The applicant, OXY USA, Inc. ("OXY"), seeks approval for surface lease commingling within one pool, off-lease storage, and off-lease measurement of oil and associated gas production.

(3) OXY also seeks an exception to the metering requirements of 19.15.12.10 C.(1) NMAC by authorizing the allocation of production from diversely owned, horizontally drilled oil wells on the basis of periodic well tests.

(4) OXY proposes to commingle oil and gas production from all current and future wells producing from the Pierce Crossing, Bone Spring, East Pool (96473) underlying the following acreage ("subject acreage"):

Township 24 South, Range 29 East, NMPM, Eddy County, New Mexico.

Section 22: S/2 N/2 and N/2 S/2

Section 23: All

Section 24: W/2

(5) The following wells (with associated acreage dedication) are drilled or currently planned for drilling within the subject acreage:

Cedar Canyon 22 Federal Well No. 21H S/2 N/2 Section 22	(API No. 30-015-43642) (160 acres)
Cedar Canyon 22 Federal Com Well No. 4H N/2 S/2 Section 22	(API No. 30-015-43708) (160 acres)
Cedar Canyon 23 Federal Well No. 3H Cedar Canyon 23 Federal Well No. 4H S/2 N/2 Section 23 and S/2 NW/4 Section 24	(API No. 30-015-43290) (API No. 30-015-43281) (240 acres)
Cedar Canyon 23 Federal Well No. 5H N/2 N/2 Section 23 and N/2 SW/4 Section 24	(API No. 30-015-43282) (240 acres)
Cedar Canyon 23 Federal Com Well No. 6H Cedar Canyon 23 Federal Com Well No. 33H N/2 S/2 Section 23 and N/2 SW/4 Section 24	(API No. 30-015-Pending) (API No. 30-015-Pending) (240 acres)
S/2 S/2 Section 23 SW/4 Section 24	No Wells Permitted at this time No Wells Permitted at this time

(6) Each well proposed for commingling within this acreage produces from the Pierce Crossing; Bone Spring, East Pool (96473) which is governed by Special Rules promulgated by Division Order No. R-13248 in Case No. 14420. Said rules allow a Limiting Gas Oil Ratio of 5000 to 1, but retain all other Division rules for oil wells.

(7) OXY intends to utilize a production and a test separator at the Cedar Canyon 23-3H satellite facility (the "facility"), located at the well pad of the Cedar Canyon 23 Federal Well No. 3H in Unit I of Section 22, and use periodic well tests to allocate oil and gas production back to diversely owned wells feeding into that facility.

(8) Gas from that facility will be metered from both separators and combined into the low pressure gas gathering system and transported approximately two miles north to the Enterprise Sales Meter.

(9) Oil from that facility will be measured using a test turbine meter and a production turbine meter, then combined and transported southwest to the Cedar Canyon 22 Satellite located in Unit L of Section 22 where it will be tanked, metered through a Coriolis meter and sold at the nearby central tank battery, also within Unit L.

(10) OXY provided the following testimony at the hearing from a Landman and two engineers:

- (a) OXY proposed this diversely owned commingle using well tests for allocation in an earlier administrative application. The Division asked that it be presented before an examiner where the well test method for horizontal Bone Spring wells which have been hydraulically fractured and are exhibiting hyperbolic oil production decline behavior could be presented in more detail.
- (b) The SW/4 SW/4 of Section 23 is privately owned and leased at higher than 1/8th royalty rate. All other lands being proposed for commingling are federally owned and leased at 1/8th royalty. Four Federal oil and gas leases (NMNM013996, NMNM088138, NMNM081586, and NMNM093477) cover the federal lands being proposed for commingling.
- (c) The horizontal well project areas being proposed for commingling are diversely owned. There are numerous overriding royalty owners in the federal leases. The leases in Section 23 are 100 percent OXY working interest.
- (d) All owners, including the Bureau of Land Management ("BLM"), were noticed of the administrative application as well as the application(s) for hearing, and no one has voiced an objection.
- (e) The production from each well will be gathered into the Cedar Canyon 23-3H satellite facility, located on fee surface at the well pad of the Cedar Canyon 23 Federal Well No. 3H in Unit I of Section 22 where the oil and gas from each well will be tested and measured using periodic well tests.
- (f) The Cedar Canyon 22 Satellite is located in Unit L of Section 22 where oil production from all the wells will be tanked, metered through a Coriolis LACT and sold at the nearby central tank battery, also within Unit L.
- (g) There would be considerable additional costs to install the additional separators needed to provide constant metering from the diversely owned tracts; and those additional meters would also be turbine meters and not Coriolis meters.
- (h) Approval of this commingle as proposed would allow OXY to efficiently and effectively transport, store, and market production from the subject acreage.
- (i) OXY's proposed testing methodology is based on the American Petroleum Institute Manual of Petroleum Measurement Standards, Chapter 20 (API MPMS 20.1).

- (j) The decline life cycle of these Bone Spring horizontal wells would be partitioned into four stages beginning with the flow back after fracturing to peak production rate. For each of these stages, the wells would be tested at differing frequencies for optimum accuracy. For example, the early time stage would need more frequent testing of that well to accurately utilize well tests to allocate monthly production volumes among all wells being commingled prior to sales.
- (k) For this commingle application consisting of hyperbolically declining horizontally drilled Bone Spring wells, OXY is proposing Range 1 as the period from peak production to two months after peak production. Range 2 would be months 3 to 12. Range 3 would begin at month 12 and continue through the life of the well. Range 1 would require more frequent well testing, with an adequately sized test separator, than the frequency needed while the same well is within Range 3.
- (l) To adequately install production equipment for each well would require equipment designed for the peak production, which would be an over design for the period commencing only a few months after peak production from that well due to the rapid decline. The wells would in most cases begin production at staggered times; therefore, production equipment designed around the concept of well testing is most efficient and increases the likelihood of a proper design and utilization of the turbine and gas meters.
- (m) The initial production from these wells sometimes includes slug flow which requires larger vessels to have adequate retention time. Early flow also sometimes contains sand from the hydraulic fracture treatment which also creates problems with operation of equipment.
- (n) The time increment for sales through the custody transfer meters is monthly.
- (o) Most of the newer oil custody transfer sites (or LACT) include a Coriolis meter which is fed by a pump; while the older LACTs had displacement meters. The Coriolis meter has been accepted as a sales measurement by the BLM in Onshore Order No. 4 and is regarded as more accurate than the displacement meters. The turbine meters handle gas better than the Coriolis meters and are less expensive, so they are used upstream of the actual sales point.
- (p) OXY generated "type curves" for production from the various Bone Spring sands using available production "Rate vs Time" data and volumetric estimates of recoverable oil. The generated Rate vs

Time plots were supplied to the facilities engineer for properly designing production equipment. The engineers identified the separate segments of the decline behavior for purposes of frequency of well testing.

- (q) These wells may produce over the top allowable for a short, three month period in their early life, then are expected to produce below top allowable for the remaining life of each well. After an initial period of hyperbolic decline, production stabilizes at a more predictable exponential decline rate.

The Division concludes as follows:

(11) The application was properly advertised to affected parties including to the BLM. No other parties entered appearances in this case or otherwise opposed this application.

(12) The proposed method of measurement and allocation of production between the subject wells is reasonable and sufficiently reliable to protect the correlative rights of owners of separate interests in the production from the wells.

(13) The requested exception to the metering requirements of 19.15.12.10 C.(1) NMAC should be approved. The use of periodic well tests for diversely owned wells prior to commingling for oil and gas production and sales should be approved to ensure efficient use of surface facilities and to protect correlative rights. The operator should use more frequent well tests, as proposed in this application, during the earlier stages of each well to ensure accuracy of allocation.

(14) Measurement and allocation methods for commingling of diversely owned production is governed by Division Rule 19.15.12.10 C (1) NMAC. These methods include continuous metering or: "other methods the division has specifically approved prior to commingling." There is a need to allow the commonly used "well test method" as proposed in this case, as an "other method".

(15) Henceforth the Division, upon receiving administrative requests for diversely owned commingling of oil wells, should have the option of considering approval of the Well Testing Method. Any such proposed application should include "type curves" showing expected oil production versus time behavior, the expected completion schedule of all wells to be serviced by the test separator, the maximum number of wells to be serviced at any time by each test separator, the maximum expected daily production from any well, the size and type of the test separator and specifics of the test meters. The application should propose a well testing frequency which is acceptable based on these parameters, which varies based on the stages of oil production decline, and which follows guidance provided in the American Petroleum Institute Manual of Petroleum Measurement Standards, Chapter 20 (API MPMS 20.1). These requirements should be in the application advertised to all affected parties and the administrative application must be unopposed.

(16) OXY's proposed commingling of oil and gas production from the Pierce Crossing; Bone Spring, East Pool (96473) within the lands described above for all existing and future wells should be approved to protect correlative rights and prevent waste.

(17) Off-lease storage, measurement, and sales should be approved for all leases not located on measurement or sales points.

(18) This application should be approved.

IT IS THEREFORE ORDERED THAT:

(1) The applicant, OXY USA, Inc. ("OXY"), is hereby authorized to surface commingle oil and gas production from all current and future wells producing from the Pierce Crossing; Bone Spring, East Pool (96473) underlying the following acreage:

Township 24 South, Range 29 East, NMPM, Eddy County, New Mexico.

Section 22: S/2 N/2 and N/2 S/2

Section 23: All

Section 24: W/2

(2) The production facilities for well testing and measurement shall be the Cedar Canyon 23-3H satellite facility, located at the well pad of the Cedar Canyon 23 Federal Well No. 3H in Unit I of Section 22, and the Cedar Canyon 22 Satellite located in Unit L. The sales point for oil is located within Unit L. The sales point for gas is located off-lease approximately two miles north of this commingle. Off-lease storage, measurement, and sales is approved for all leases not located on these measurement or sales locations.

(3) The requested exception to the metering requirements of Rule 19.15.12.10 C.(1) NMAC is hereby approved. The use of periodic well tests for diversely owned wells prior to commingling for oil and gas production and sales is approved. The operator shall use more frequent well tests, as proposed in this application, during the earlier stages of each well's oil production to ensure accuracy of allocation.

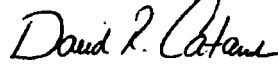
(4) Henceforth the Division, upon receiving administrative requests for commingling of oil and associated gas from diversely owned leases, shall have the option of considering approval of the Well Testing Method if the operator supplies evidence in the application acceptable to the Division of proper test facility design, proposes a well testing frequency which is acceptable, which varies based on the stages of oil production decline, and which follows guidance provided in the American Petroleum Institute Manual of Petroleum Measurement Standards, Chapter 20 (API MPMS 20.1).

(5) Expansion of this permitted area as specified in ordering Paragraph (1) or the addition of any pool other than the pool specified in ordering Paragraph (1) shall entail an amended permit application. Amendments shall be permitted administratively, after proper notice, unless deemed necessary for Division hearing by the Division Director.

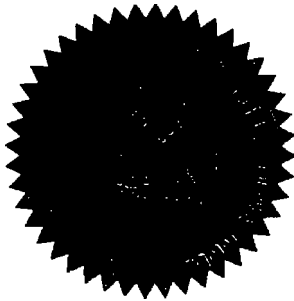
(6) Jurisdiction is hereby retained for the entry of such further orders as the Division may deem necessary.

DONE at Santa Fe, New Mexico, on the day and year hereinabove designated.

STATE OF NEW MEXICO
OIL CONSERVATION DIVISION



DAVID R. CATANACH
Director



SEAL