Form 3160-5 (June 2015)

UNITED STATES DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT

Carlsbad	Field	FORM APPROVED OMB NO. 1004-0137 Expires: January 31, 2018

OCD .	A5. Lease Scrial No. Multiple: See Attached
	6. If Indian, Allottee or Tribe Name
	7. If Unit or CA/Agreement, Name and/or No.

Do not use this	NOTICES AND REPO s form for proposals to l. Use form 3160-3 (API	drill or to re-	enter an)CD #	Multiple See A 6. If Indian, Allottee		
SUBMIT IN T	RIPLICATE - Other inst	ructions on	page 2		7. If Unit or CA/Agre MultipleSee A		No.
1. Type of Well					8. Well Name and No.		
Oil Well Gas Well Oth					MultipleSee Atta	ached ————————	
Name of Operator OXY USA INCORPORATED	Contact: E-Mail: SANDRA_	SANDRA MU MUSALLAM@	SALLAM OXY.COM		9. API Well No. MultipleSee A	ttached	
3a. Address 5 GREENWAY PLAZA SUITE HOUSTON, TX 77046-0521	110	3b. Phone No Ph: 713-36	(include area code) 6-5106		 Field and Pool or MultipleSee A 		
4. Location of Well (Footage, Sec., T.	, R., M., or Survey Description)			11. County or Parish,	State	
MultipleSee Attached					EDDY COUNT	Y, NM	
12. CHECK THE AP	PROPRIATE BOX(ES)	TO INDICA	TE NATURE OI	F NOTICE, I	REPORT, OR OTI	HER DATA	
TYPE OF SUBMISSION			TYPE OF	ACTION			
Notice of Intent ■	☐ Acidize	☐ Dee	pen	☐ Production	on (Start/Resume)	☐ Water Shut-C	Off
	☐ Alter Casing	☐ Hyd	raulic Fracturing	Reclama	tion	■ Well Integrit	у
☐ Subsequent Report	□ Casing Repair	□ Nev	Construction	☐ Recompl	ete		inalina
☐ Final Abandonment Notice	☐ Change Plans	Plug	and Abandon	□ Tempora	rily Abandon	Surface Commi	ngmig
13. Describe Proposed or Completed Ope	Convert to Injection	Plug		☐ Water D	<u>.</u>		
If the proposal is to deepen directional Attach the Bond under which the wor following completion of the involved testing has been completed. Final Abdetermined that the site is ready for fit Oxy respectfully requests appropriate for production from the Gila 12 Federal 002H (30-015).	k will be performed or provide operations. If the operation re andonment Notices must be fil nal inspection. Toval for a Pool Lease Core following wells.	the Bond No. or sults in a multipled ed only after all	n file with BLM/BIA e completion or reco requirements, include	. Required sub- impletion in a no ing reclamation	sequent reports must be ew interval, a Form 316 , have been completed	e filed within 30 days 50-4 must be filed one	
-Nimitz 12 Federal 003H (30-0 -Nimitz 12 Federal 004H (30-0	15-41011)				NM OII	. CONSERVA	~
 Nimitz 12 Federal 005H (30-0 	15-41657)		KC 12	1-20-1	7 AR	TESIA DISTRICT	IION
-Patton MDP1 Federal 6H (30-	015-43854)	Â	SC 12 sccepted for rec	ord - NMO	C D	EC 1 9 2017	
Please see attachment for add	litional information.				Į.	RECEIVED	Loren
14. I hereby certify that the foregoing is	Electronic Submission #	INCORPORA	TED, sent to the	Carlsbad			
Name (Printed/Typed) SANDRA	MUSALLAM		Title REGUL	ATORY ENG	SINEER		
Signature (Electronic S	ubmission)		Date 09/08/20	017			
	THIS SPACE FO	OR FEDERA	L OR STATE	OFFICE US	E		
Approved By U.D. WK	tlock 2		Title 740	ET		/2/ Date //2	/17
onditions of approval, if any, are attached ertify that the applicant holds legal or equ which would entitle the applicant to condu	itable title to those rights in the		Office (FO	,			
itle 18 U.S.C. Section 1001 and Title 43	U.S.C. Section 1212, make it a	crime for any pe	erson knowingly and	willfully to mal	ke to any department of	r agency of the United	1

Additional data for EC transaction #388034 that would not fit on the form

5. Lease Serial No., continued

NMNM82896 NMNM89819

Wells/Facilities, continued

Agreement	Lease	Well/Fac Name, Number	API Number	Location
NMNM82896	NMNM82896	GILA 12 FEDERAL 2H	30-015-36401-00-S1	Sec 12 T24S R30E SWSE 630FSL 2250FEL
NMNM82896	NMNM82896	NIMITZ 12 FEDERAL 3H	30-015-41011-00-S1	Sec 12 T24S R30E NWNE 330FNL 2010FEL
NMNM82896	NMNM82896	NIMITZ 12 FEDERAL 4H	30-015-41506-00-S1	Sec 12 T24S R30E SESW 100FSL 2033FWL
				32.225304 N Lat, 103.835853 W Lon
NMNM82896	NMNM82896	NIMITZ 12 FEDERAL 5H	30-015-41657-00-S1	Sec 12 T24S R30E SWSW 275FSL 350FWL
				32.225799 N Lat, 103.841297 W Lon
NMNM89819	NMNM89819	PATTON MDP1 18 FEDERAL 6H	30-015-43854-00-S1	Sec 18 T24S R31E NENE 150FNL 505FEL
				32.224057 N Lat, 103.809539 W Lon

10. Field and Pool, continued

WOLFCAMP

APPLICATION FOR POOL LEASE COMMINGLE, OFF-LEASE MEASUREMENT, SALES, & STORAGE Commingling proposal for Gila 12 Federal 2H Battery

OXY USA INC requests Off-lease Measurement, Storage & Sales for the following wells: Nimitz Federal 3H, 4H, 5H and Patton MDP1 18 Federal 6H. The BLM's interest, 12.5%, is identical in all wells.

The production from all of the wells listed below will flow to the Gila 12-2 Battery where it will be separated and measured.

The oil production will be measured through a LACT, which will serve as the 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 will be separated and measured through ETC sales meter 57419, which will serve as the FMP. The meter is located at NE/4 NW/4 Section 13 T24S R30E at 32.224950°, -103.837417°.

Federal Lease NMNM82896 (12.5% Royalty Rate), POOL: POKER LAKE; DELAWARE, NORTHWEST (96046)

Well Name	First Oil Production	Location	API	BOPD	GRAVITY	MCFPD	BTU
Gila 12 Federal #002H	12/01/2008	O-12-24S-30E	30-015-36401	7	45	7	1240
Nimitz 12 Federal #003H	07/01/2013	B-12-24S-30E	30-015-41011	46	45	70	1238
Nimitz 12 Federal #004H	09/12/2014	N-12-24S-30E	30-015-41506	32	45	396	1238
Nimitz 12 Federal #005H	08/14/2014	M-12-24S-30E	30-015-41657	30	45	113	1238

Federal Lease NMNM89819 (12.5% Royalty Rate). POOL: PURPLE SAGE; WOLFCAMP (98220)

Well Name	First Oil Production	Location	API	BOPD	GRAVITY	MCFPD	BTU
Patton MDP1 18 Federal #6H	11/26/2016	A-18-24S-31E	30-015-43854	429	44	855	1323

Oil, gas and water production from Gila 12 Federal 2H and Nimitz 12 Federal 3H-5H will flow to the Gila 12-2 battery into a common 6' X 20' production separator. Oil production will then be combined with Patton MDP1 6H oil and sent to one of three oil storage tanks located at the Gila 12-2 battery. Oil will then be sold through a LACT meter (S/N 3281223) and truck loaded to sales. The LACT will serve as the FMP. Gas vapors from the oil storage tanks will be metered (S/N 3846) and sent to a vapor combustion unit (VCU).

All wells except the Patton MDP1 federal 6H 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 through a three-phase 4'x 10' test separator with turbine meters for oil (S/N 58250), water (S/N 48600) and an orifice meter for gas (S/N 13135357).

The Patton MDP1 Federal 6H has its own dedicated separation and measurement equipment. Turbine meters measure oil (S/N 431374) and water (S/N 390326) and an orifice meter measures gas (S/N T153637124). Patton MDP1 Federal 6H is in Range 2 decline and is being tested at least twice per month for a minimum of 24 hours. When Range 3 of decline is started, it will be tested at least once per month for a minimum of 24 hours, as specified in Hearing Order R-14299. Patton MDP1 Federal 6H production will be combined with the other wells at the battery in the future as well testing frequency requirements are reduced.

Gas from the test and production separators will be combined and sent to a gas scrubber for further separation. It will then be sent through two compressors before being sold through ETC sales meter (S/N 57419) located in NE/4 NW/4 Section 13 T24S R30E at 32.224950°, -103.837417°. Compressor fuel gas is estimated to be 230 MCFPD and will be allocated to each lease based on percentage of total gas as determined by well test. Tank bottoms will be sent via a recirculating line to a 4′ X 10′ heater treater. The oil from the heater treater will be recombined with the oil from the test and production separators and be sent to oil storage tanks for sale. The gas from the heater treater will combine with the gas from the test and production separators upstream of the gas scrubber.

Gas for lift operations for Patton MDP1 18 Federal 6H will be pulled downstream of the gas sales compressors. An electric compressor as well as a gas lift meter (S/N T163257706) are located on the Patton MDP1 18 Federal 6H well pad. OXY will submit a sundry notice to request off-lease royalty-free beneficial use for gas lift operations at the Patton MDP1 18 Federal 6H. Estimated gas lift volume ranges from 100 MCFPD to 600 MCFPD.

Water will be sent from the Gila 12-2 battery to the Patton 18-1 CTB for disposal.

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.

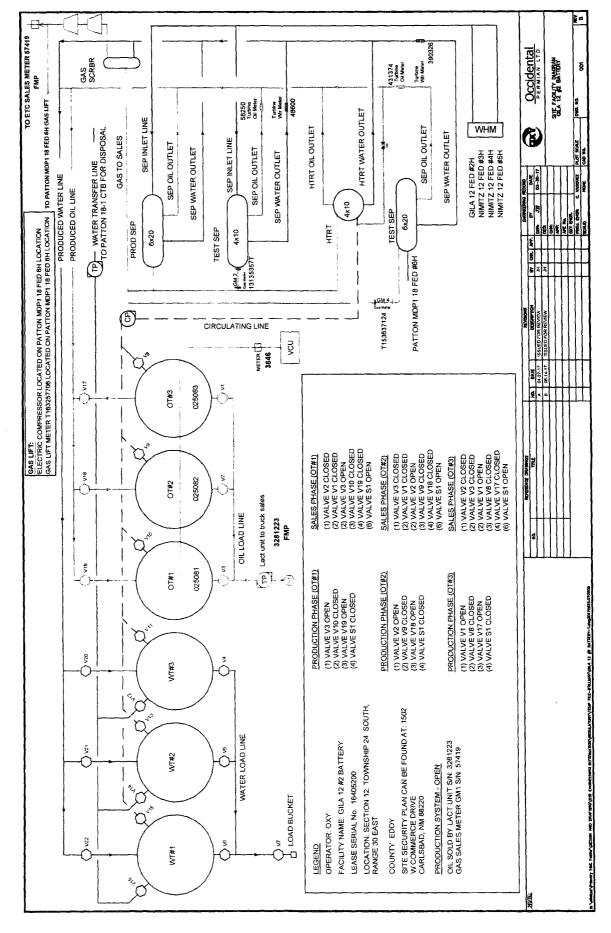
Pursuant to Statewide rule 19.15.12.10(C)(4)(g) OXY USA INC requests the option to include additional pools or leases within the defined parameters set forth in the order for future additions.

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.

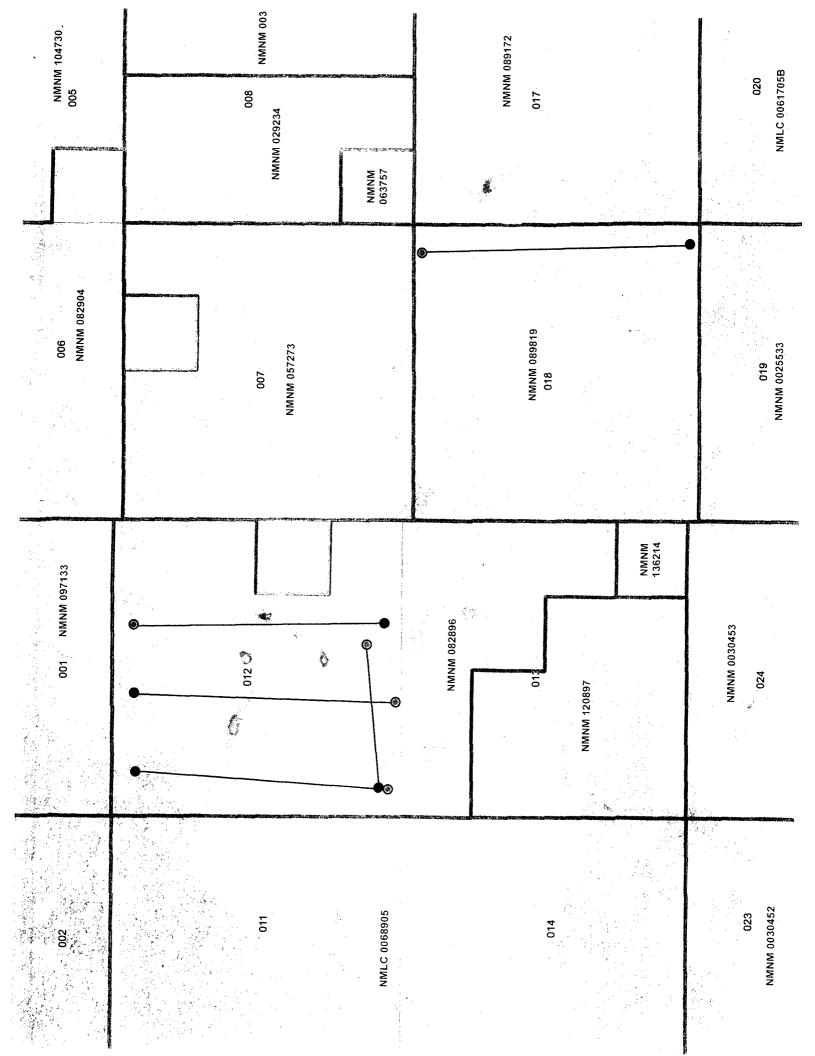
Signed: Skull Mul Mul Mul Printed Name: Sandra Musallam

Title: Regulatory Engineer Date: $n/\sqrt{3/1017}$



Gila 12-2 CTB NMNM 104730 NMNM 089172 --- Laterals NMNM 029234 Wells Legend NMNM 063757 PATTON 18 FEDERAL 6H NMNM 082904 NMNN 089819 NMNM 0025533 NMNM 057273 • NIMITZ 12 FEDERAL 3H NIMITZ 12 NIMITZ 12 FEDERAL 2H FEDERAL 5HEDERAL 4H NMNN 082896 NMNM 0030453 NMNM 097133 NMNM 120897 1.5 Miles NMNM 0030452 NMLC 0068905 0.75 0.375 0

Gila 12-2 NMNM 089819 & NMNM 082896



SALES & FLOWLINE MAP

Economic Justification Worksheet Gila 12-2 CTB

		OIL GRAVITY @				
WELLS	BOPD	09	VALUE/BBL	MCFD	VALUE/BBL MCFD DRY BTU	VALUE/MCF
Gila 12 Federal 2H	7	45		7	1240	
Nimitz 12 Federal 3H	46	45		70	1238	
Nimitz 12 Federal 4H	32	45	\$47.00/bbl	968	1238	\$2.90/mcf
Nimitz 12 Federal 5H	30	45		113	1238	
Patton MDP1 Federal 6H	429	44		855	1323	

Economic Combined Production

		WEIGHTED OIL			WEIGHTED	
ВАТТЕКУ	ВОРБ	BOPD GRAVITY @ 60 VALUE/BBL MCFD DRY BTU	VALUE/BBL	MCFD	DRY BTU	VALUE/MCF
Gila	544	44.2	\$47.00/bbl	1441	1288	\$2.90/mcf

BLM Royalty is 12.5% for all wells

As per our oil purchase contract, all production is sold as sweet crude and paid on a flat 40 API gravity rate As per our gas purchase contract, all production is sold from gas processing plant at same value

Owner Notification

OWNER NAME	CERTIFIED MAIL TRACKING NO
MINERALS MANAGEMENT SERVICE	WIS Sumbission
CARROLL FAMILY TRUST	7014 1820 0000 0732 2032
HANAGAN, MICHAEL GEORGE	7014 1820 000 0732 2117
STEPHEN C AND DORIS JUNE BAXTER JT	7014 1820 000 0732 2049
TAYLOR MINERAL TRUST	7014 1820 000 0732 2056
EOG RESOURCES INC	7014 1820 000 0732 2063
EOG RESOURCES INC	7014 1820 000 0732 2070
MCCOMBS ENERGY, LLC	7014 1820 000 0732 2087

DEPARTMENT OF THE INTERIOR **BUREAU OF LAND MANAGEMENT** CASE RECORDATION

Page 1 of 2

Run Date:

06/21/2016

(MASS) Serial Register Page

01 12-22-1987;101STAT1330;30USC181 ET SE

Case Type 312021: O&G LSE COMP PD -1987 Commodity 459: OIL & GAS

Case Disposition: AUTHORIZED

Total Acres

Serial Number

12:30 PM

647.880 NMNM-- - 089819

Run Time:

Serial Number: NMNM-- - 089819

Name & Address			Int Rei	% Interest
EOG RESOURCES INC	PO BOX 4362	HOUSTON TX 772104362	LESSEE	100.000000000
EOG RESOURCES INC	PO BOX 4362	HOUSTON TX 772104362	OPERATING RIGHTS	0.000000000
OXY USA INC	PO BOX 27570	HOUSTON TX 772277570	OPERATING RIGHTS	0.000000000
OXY USA INC	5 GREENWAY PLZ #110	HOUSTON TX 770460521	OPERATING RIGHTS	0.000000000
PXP PRODUCING CO LLC	717 TEXAS ST STE 2100	HOUSTON TX 770022753	OPERATING RIGHTS	0.000000000

Serial Number: NMNM -- - 089819

Mer Twp Rng Sec	STyp	SNr Suff Subdivision	District/Field Office	County	Mgmt Agency
23 0240S 0310E 018	ALIQ	E2,E2W2;	CARLSBAD FIELD OFFICE	EDDY	BUREAU OF LAND MGMT
23 0240S 0310E 018	LOTS	1,2,3,4;	CARLSBAD FIELD OFFICE	EDDY	BUREAU OF LAND MGMT

Serial Number: NMNM-- - 089819

Act Date	Code	Action	Action Remark	Pending Office
10/20/1992	387	CASE ESTABLISHED	9210123	
10/21/1992	191	SALE HELD		
10/21/1992	267	BID RECEIVED	\$324000.00;	
10/21/1992	392	MONIES RECEIVED	\$324000.00;	
10/23/1992	237	LEASE ISSUED		
11/01/1992	496	FUND CODE	05;145003	
11/01/1992	530	RLTY RATE - 12 1/2%		
11/01/1992	868	EFFECTIVE DATE		
11/24/1992	600	RECORDS NOTED		
01/04/1993	963	CASE MICROFILMED/SCANNED	CUN 569,630	
02/02/1993	575	APD FILED	MERIDIAN OIL INC;	
05/17/1993	576	APD APPROVED	POKER LAKE "18" #1;	
06/20/1993	650	HELD BY PROD - ACTUAL	POKER LAKE 18 #1	
09/10/1993	575	APD FILED	MERIDIAN OIL INC	
09/30/1993	111	RENTAL RECEIVED	\$972 00;21/54572	
10/09/1993	578	APD REJECTED	6 POKER LAKE 18	
10/22/1993	578	APD REJECTED	2 POKER LAKE 18	
10/22/1993	578	APD REJECTED	3 POKER LAKE 18	
10/22/1993	578	APD REJECTED	4 POKER LAKE 18	
11/01/1993	578	APD REJECTED	7 POKER LAKE 18	
11/01/1993	578	APD REJECTED	8 POKER LAKE 18	
11/01/1993	578	APD REJECTED	9 POKER LAKE 18	
05/20/1996	817	MERGER RECOGNIZED	EL PASO PROD/MERIDIAN	
05/20/1996	817	MERGER RECOGNIZED	MERIDIAN PRO/MERIDIAN	
05/20/1996	817	MERGER RECOGNIZED	SOUTHLAND/MERIDIAN	
07/09/1996	366	DEC REVRSD & REMANDED	136 IBLA 91;	
08/02/1996	238	LEASE MODIFIED-AMENDED	10 YR LSE;	
09/18/1996	940	NAME CHANGE RECOGNIZED	MERIDIAN/BURLINGTON	
03/16/1998	932	TRF OPER RGTS FILED	BURLINGTON/POGO	
04/14/1998	933	TRF OPER RGTS APPROVED	EFF 04/01/98;	
04/28/2000	932	TRF OPER RGTS FILED	BURLINGTON/EOG RES	

DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT CASE RECORDATION

Page 1 of 2

12:29 PM

Run Date:

06/21/2016

(MASS) Serial Register Page

01 12-22-1987;101STAT1330;30USC181 ET SE

9 -1987 880

Case Type 312021: O&G LSE COMP PD -1987 Commodity 459: OIL & GAS Case Disposition: AUTHORIZED Total Acres Serial Number 880.000 NMNM-- - 082896

Run Time:

Serial Number: NMNM-- - 082896

Name & Address			Int Rel	% Interest
BURLINGTON PRODUCTION CO	PO BOX 2504	HOUSTON TX 77252	OPERATING RIGHTS	0.000000000
EOG RESOURCES INC	PO BOX 4362	HOUSTON TX 772104362	LESSEE	100.000000000
EOG RESOURCES INC	PO BOX 4362	HOUSTON TX 772104362	OPERATING RIGHTS	0.000000000
OXY USA INC	PO BOX 27570	HOUSTON TX 772277570	OPERATING RIGHTS	0.000000000
OXY USA INC	5 GREENWAY PLZ #110	HOUSTON TX 770460521	OPERATING RIGHTS	0.000000000

Serial Number: NMNM-- - 082896

Mer Twp Rng Sec	STyp	SNr Suff Subdivision	District/Field Office	County	Mgmt Agency
23 0240S 0300E 012	ALIQ	N2,SW,W2SE,SESE;	CARLSBAD FIELD OFFICE	EDDY	BUREAU OF LAND MGMT
23 0240S 0300E 013	ALIQ	NE,N2NW,NESE;	CARLSBAD FIELD OFFICE	EDDY	BUREAU OF LAND MGMT

Serial Number: NMNM-- - 082896

			OUTILI MAIII	CONTACT TO COLUMN	
Act Date	Code	Action	Action Remark	Pending Office	
08/15/1989	387	CASE ESTABLISHED	PARCEL #127		
08/16/1989	191	SALE HELD			
08/16/1989	267	BID RECEIVED	\$51040.00;		
08/16/1989	392	MONIES RECEIVED	\$51040.00;		
08/17/1989	111	RENTAL RECEIVED	\$1320.00;1YR/89-90		
10/11/1989	237	LEASE ISSUED			
10/11/1989	974	AUTOMATED RECORD VERIF	SSP/LBO		
11/01/1989	496	FUND CODE	05;145003		
11/01/1989	530	RLTY RATE - 12 1/2%			
11/01/1989	868	EFFECTIVE DATE			
11/01/1989	909	BOND ACCEPTED	EFF 04/06/89;NM1576		
12/08/1989	,600	RECORDS NOTED			
12/20/1989	963	CASE MICROFILMED/SCANNED	CNUM 567,136		
10/15/1990	111	RENTAL RECEIVED	\$1320.00;21/582739		
10/15/1991	111	RENTAL RECEIVED	\$1320.00;21/590404		
06/11/1992	140	ASGN FILED	SUN OP LTD PRTNS/BAX		
08/24/1992	139	ASGN APPROVED	EFF 07/01/92;		
08/24/1992	974	AUTOMATED RECORD VERIF	TF/JS		
08/26/1992	140	ASGN FILED	BAX INC/HANAGAN PETR	0	
09/02/1992	139	ASGN APPROVED	EFF 09/01/92;		
09/02/1992	974	AUTOMATED RECORD VERIF	MV/JS		
09/18/1992	111	RENTAL RECEIVED	\$1320 00;21/20352		
10/09/1992	140	ASGN FILED	HANAGAN/MERIDIAN		
10/23/1992	899	TRF OF ORR FILED			
02/01/1993	139	ASGN APPROVED	EFF 11/01/92;		
02/01/1993	974	AUTOMATED RECORD VERIF	SSP/JS		
09/30/1993	111	RENTAL RECEIVED	\$1320.00;21/54571		
04/07/1994	575	APD FILED	MERIDIAN OIL INC		
04/29/1994	576	APD APPROVED	1 GILA 13 FED		
10/20/1994	084	RENTAL RECEIVED BY ONRR	\$1760.00;21/10200101	8	
10/31/1994	235	EXTENDED	THRU 10/31/96;		

Bureau of Land Management Carlsbad Field Office 620 East Greene Street Carlsbad, New Mexico 88220 575-234-5972

See list of wells, cases, and API numbers below

Oxy USA Incorporated December 12, 2017 Condition of Approval Surface, Pool commingling and off Lease storage, measurement and sales

- 1. This approval is subject to like approval by the New Mexico Oil Conservation Division.
- This agency shall be notified of any spill or discharge as required by NTL-3A.
- This agency reserves the right to modify or rescind approval whenever it determines continued use of the approved method may adversely affect the surface or subsurface environments or product accountability.
- 4. This approval does not constitute right-of-way approval for any off-lease activities. Within 30 days, an application for right-of-way approval must be submitted to the Realty Section if not already done.
- 5. Approval for combining production from various sources is a privilege which is granted to lessees for the purpose of aiding conservation and extending the economic life of leases. Applicants should be cognizant that failure to operate in accordance with the provisions outlined in the Authorized Officer's conditions of approval and/or subsequent stipulations or modifications will subject such approval to revocation.
- 6. Gas measurement for allocation must be measured as per Federal Regulations, AGA and API requirements for sales meters.
- 7. All gas and oil subject to royalty shall be measured as per federal regulations and shall be reported to ONRR as required. All gas which is vented, flared or used on lease shall be reported as per 43 CFR 3179 to ONRR. All gas which is vented or flared shall be subject to royalty, unless prior approval was given by the authorized officer. These Volumes are royalty bearing and shall be reported on OGOR "B" as disposition code "33".
- 8. This agency shall be notified of any change in sales method or location of sales point.
- 9. Additional wells require additional commingling approvals.
- 10. Notify this office 24 Hrs. prior to any meter calibration/proving to allow time for an inspector to witness.

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