

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENTFORM APPROVED
OMB NO. 1004-0135
Expires: July 31, 2010**SUNDRY NOTICES AND REPORTS ON WELLS**
*Do not use this form for proposals to drill or to re-enter an abandoned well. Use form 3160-3 (APD) for such proposals.*5. Lease Serial No.
NMNM88137

6. If Indian, Allottee or Tribe Name

SUBMIT IN TRIPLICATE - Other instructions on reverse side.

7. If Unit or CA/Agreement, Name and/or No.

1. Type of Well

☒ Oil Well ☐ Gas Well ☐ Other8. Well Name and No.
CEDAR CANYON 15 FED COM 5H2. Name of Operator
OXY USA INCContact: JENNIFER A DUARTE
E-Mail: JENNIFER_DUARTE@OXY.COM9. API Well No.
30-015-424213a. Address
PO BOX 4294
HOUSTON, TX 772103b. Phone No. (include area code)
Ph: 713-513-664010. Field and Pool, or Exploratory
PIERCE CROSSING BONE SPRI

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

Sec 15 T24S R29E NWNW 1095FNL 290FWL

11. County or Parish, and State

EDDY COUNTY, NM

12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION			
<input checked="" type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input checked="" type="checkbox"/> Other
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	Surface Commingling
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	

13. Describe Proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recompleat horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompleat in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.)

Oil & Gas metering:

Harroun 15-15 central tank battery is located in Unit E of Section 15, Township 24 South, Range 29 East, NMPM, Eddy County, New Mexico.

Oil, gas and water volumes from each well routed to Harroun 15-15 central tank battery will be determined by using a test separator and dedicated test oil, water and gas meters located at the lease. Care will be taken that one well is always producing through the testing equipment. Production will be allocated on a daily basis based on the most recent individual well test of oil, gas and water. Well tests for each well will be conducted at least once per month for a minimum of 24 hours each well.

Oil, gas, and water volumes from the Cedar Canyon 15 Fed Com #5H will be routed to the Harroun

NM OIL CONSERVATION
ARTESIA DISTRICT

SEP 21 2015

RECEIVED

LDD 9/23/15

14. I hereby certify that the foregoing is true and correct.

Electronic Submission #287908 verified by the BLM Well Information System
For OXY USA INC, sent to the Carlsbad
Committed to AFMSS for processing by DEBORAH HAM on 02/19/2015 ()

Accepted for record
NMOC

Name (Printed/Typed) JENNIFER A DUARTE

Title REGULATORY SPECIALIST

Signature (Electronic Submission)

Date 01/13/2015

THIS SPACE FOR FEDERAL OR STATE OFFICE USE**DENIED**

Approved By: J.D. Whitaker
Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Title LIE7

Date 9/4/15

Office CFO

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

**** OPERATOR-SUBMITTED ** OPERATOR-SUBMITTED ** OPERATOR-SUBMITTED ****

Additional data for EC transaction #287908 that would not fit on the form

32. Additional remarks, continued

15-15 central tank battery where it will be separated through a dedicated separator with its own metering. Oil volumes will be continuously measured through a turbine meter. Water volumes will be continuously measured through a turbine meter, and gas volumes will be continually measured through an orifice meter.

The oil production from the Harroun and Cedar Canyon wells listed in the list above will be commingled, measured and sold on lease using a LACT Unit. Production will be allocated by well test method. Produced water will be measured through a turbine meter and disposed at the Harroun 15 #3 SWD and/or trucked if necessary from the lease. The gas will be sold after it is measured by Oxy check meter located at the lease. The oil and gas meters will be calibrated on a regular basis per API and NMOCD specifications. The NMOCD will be notified of any future changes in the facility

Process and Flow Descriptions:

Please see attached block flow diagram for the Harroun 15-15 CTB. The flow route of produced fluids is shown in detail along with size of each vessel.

The commingling of production is in the interest of conservation and waste and will result in the most effective economic means of producing the reserves in place from the affected wells and will not result in reduced royalty or improper measurement of production. The proposed commingling will reduce operating expenses as well as reduce the surface facility footprint and overall emissions.

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 regulations.

**APPLICATION FOR CENTRAL TANK BATTERY, LEASE COMMINGLE,
OFF LEASE MEASUREMENT, SALES & STORAGE**

Commingling proposal:

Proposal for Harroun 10-1, Harroun 10-2, Harroun 10-3, Harroun 15-7, Harroun 15-8, Harroun 15-14, Harroun 15-15, Harroun 15-16, Harroun 15-17, Cedar Canyon 15-2, Cedar Canyon 22-2, Cedar Canyon 17-1, Cedar Canyon 15-3.

OXY USA INC is requesting approval for Central Tank Battery, Lease Commingle, Off Lease Measurement, Sales, & Storage from the following wells:

Well Name	API	Location	API Gravities	Oil	Gas	Water
POOL: Cedar Canyon Delaware (11540)						
Harroun 10-1	30-015-30375	Sec.10, T24S R29E	40	11	7	44
Harroun 10-2	30-015-31709	Sec.10, T24S R29E	40	2	4	13
Harroun 10-3	30-015-32617	Sec.10, T24S R29E	40	8	8	35
Harroun 15-7	30-015-29987	Sec.15, T24S R29E	40	5	12	35
Harroun 15-8	30-015-30253	Sec.15, T24S R29E	40	3	4	38
Harroun 15-14	30-015-32620	Sec.15, T24S R29E	40	4	4	16
POOL: Pierce Crossing; Bone Spring (96473)						
Harroun 15-15	30-015-33317	Sec.15, T24S R29E	41	6	191	16.53
Harroun 15-16	30-015-33823	Sec.15, T24S R29E	41	13	101	32
Harroun 15-17	30-015-33822	Sec.15, T24S R29E	41	10	58	55
Cedar Canyon 15-2	30-015-41032	Sec.15, T24S R29E	41	100	239	235
Cedar Canyon 22-2	30-015-41327	Sec.22, T24S R29E	41	128	327	155
Cedar Canyon 17-1	30-015-42058	Sec.17, T24S R29E	42	414	621	455
Cedar Canyon 15-3	30-015-41594	Sec.15, T24S R29E	42	414	621	455
Cedar Canyon 15 Fed Com #5H	30-015-42421	Sec.15, T24S R29E	42	414	621	455

A map is enclosed showing the state leases and well locations in Sections 10/15/17/22, T20S, R25E.

Oil & Gas metering:

Harroun 15-15 central tank battery is located in Unit E of Section 15, Township 24 South, Range 29 East, NMPM, Eddy County, New Mexico.

Oil, gas and water volumes from each well routed to Harroun 15-15 central tank battery will be determined by using a test separator and dedicated test oil, water and gas meters located at the lease. Care will be taken that one well is always producing through the testing equipment. Production will be allocated on a daily basis based on the most recent individual well test of oil, gas and water. Well tests for each well will be conducted at least once per month for a minimum of 24 hours each well.

Oil, gas, and water volumes from the Cedar Canyon 15 Fed Com #5H will be routed to the Harroun 15-15 central tank battery where it will be separated through a dedicated separator with its own metering. Oil volumes will be continuously measured through a turbine meter. Water volumes will be continuously measured through a turbine meter, and gas volumes will be continually measured through an orifice meter.

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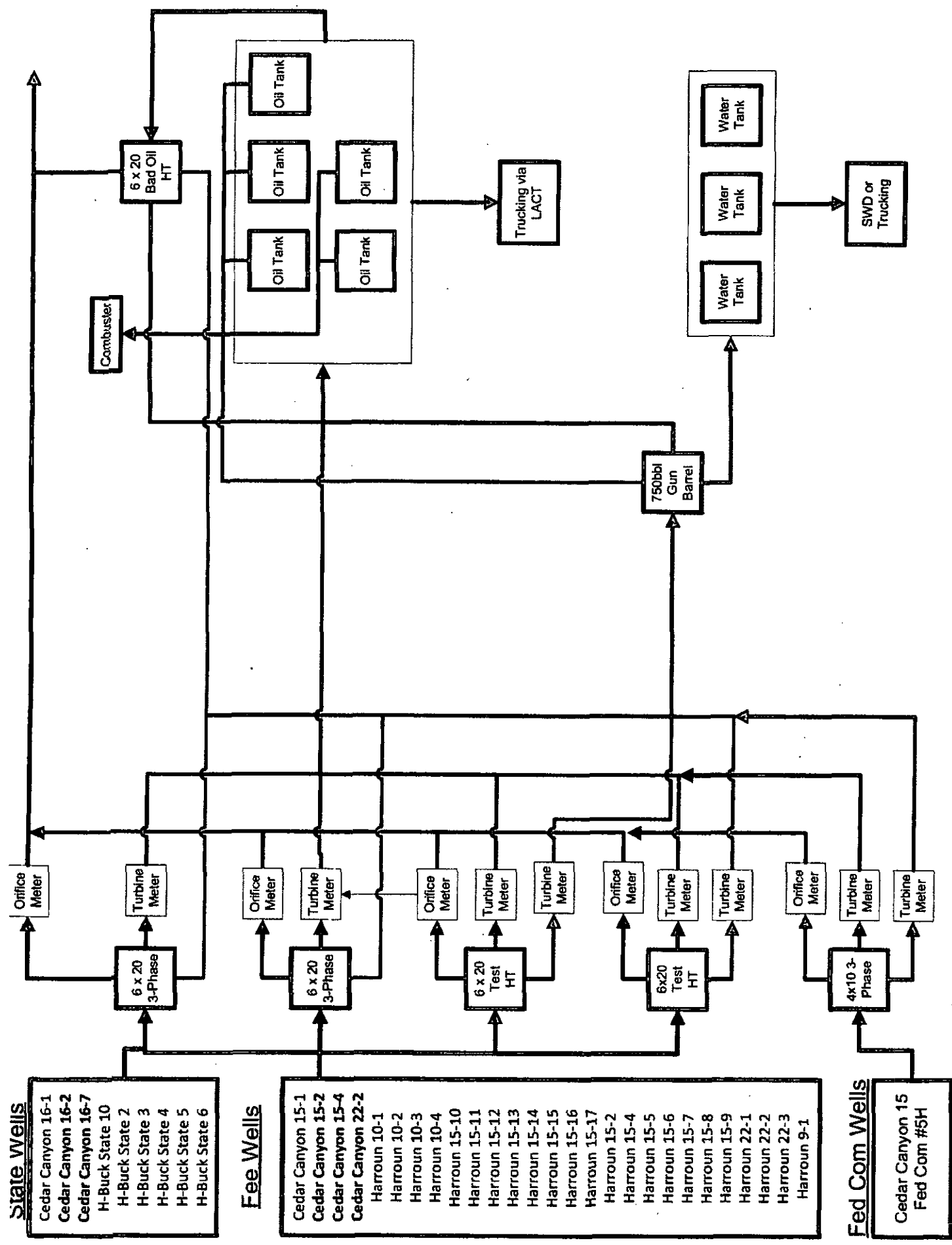
OXY USA INC understands the requested approval will not constitute the granting of any right-of-way or construction rights not granted by the lease instrument. These applications will be submitted separately for approval per NMOCD regulations.

Signed: 

Printed Name: Jennifer Duarte

Title: Regulatory Specialist

Date: 01/13/2015



11

14

23



CEDAR CANYON 15 FEDERAL COM SH ©

Harroun #15
Harroun #15
HARROUN 15 015

**DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT
CASE RECORDATION
(MASS) Serial Register Page**

Run Time: 06:22 AM

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Run Date: 01/07/2015

01 12-22-1987;101STAT1330;30USC181 ET SE
Case Type 312021: O&G LSE COMP PD -1987
Commodity 459: OIL & GAS L
Case Disposition: AUTHORIZED

Total Acres 40.000
Serial Number NMNM-- - 088137

Name & Address		Serial Number: NMNM-- - 088137		Int Rel	% Interest
DEVON ENERGY PROD CO LP	333 W SHERIDAN AVE	OKLAHOMA CITY OK 731025010	LESSEE	100.000000000	
DEVON ENERGY PROD CO LP	333 W SHERIDAN AVE	OKLAHOMA CITY OK 731025010	OPERATING RIGHTS	0.000000000	
MCNIC O&G PROPERTIES	1360 POST OAK BLVD	HOUSTON TX 77056	OPERATING RIGHTS	0.000000000	
PENWELL ENERGY INC	600 N MARIENFELD #1100	MIDLAND TX 79701	OPERATING RIGHTS	0.000000000	

Serial Number: NMNM-- - 088137						
Mer Twp Rng Sec	STyp	SNr Suff	Subdivision	District/Field Office	County	Mgmt Agency
23 0240S 0290E 015	ALIQ		NENE	CARLSBAD FIELD OFFICE	EDDY	BUREAU OF LAND MGMT

Serial Number: NMNM-- - 088137				
Act Date	Code	Action	Action Remark	Pending Office
01/21/1992	387	CASE ESTABLISHED	9201163	
01/22/1992	191	SALE HELD		
01/22/1992	267	BID RECEIVED	\$5600.00;	
01/22/1992	392	MONIES RECEIVED	\$5600.00;	
02/28/1992	237	LEASE ISSUED		
02/28/1992	974	AUTOMATED RECORD VERIF		AT/LBO
03/01/1992	496	FUND CODE	05;145003	
03/01/1992	530	RLTY RATE - 12 1/2%		
03/01/1992	868	EFFECTIVE DATE		
03/18/1992	111	RENTAL RECEIVED	\$60.00;21/0118712163	
04/14/1992	600	RECORDS NOTED		
05/07/1993	932	TRF OPER RGTS FILED	MARALO/SANTA FE ENE	
08/11/1993	933	TRF OPER RGTS APPROVED	EFF 06/01/93;	
08/11/1993	974	AUTOMATED RECORD VERIF		MV/LBO
02/14/1994	111	RENTAL RECEIVED	\$60.00;21/1235	
02/09/1995	084	RENTAL RECEIVED BY ONRR	\$60.00;21/0000000014	
11/13/1995	932	TRF OPER RGTS FILED	MARALO INC/SANTA FE	
11/24/1995	140	ASGN FILED	MARALO/PENWELL	
11/24/1995	932	TRF OPER RGTS FILED	MARALO/PENWELL ENERGY	
01/16/1996	140	ASGN FILED	MARALO/SANTA FE ENE	
02/05/1996	084	RENTAL RECEIVED BY ONRR	\$5.00;21/0000000052	
02/05/1996	084	RENTAL RECEIVED BY ONRR	\$60.00;21/0000000052	
02/27/1996	139	ASGN APPROVED	EFF 02/01/96;	
02/27/1996	139	ASGN APPROVED	EFF 12/01/95;	
02/27/1996	933	TRF OPER RGTS APPROVED	EFF 12/01/95;1	
02/27/1996	933	TRF OPER RGTS APPROVED	EFF 12/01/95;2	
02/27/1996	974	AUTOMATED RECORD VERIF	JLV	
03/25/1996	140	ASGN FILED	PENWELL/COENERGY	
03/25/1996	932	TRF OPER RGTS FILED	PENWELL/COENERGY	
06/12/1996	139	ASGN APPROVED	EFF 04/01/96;	
06/12/1996	933	TRF OPER RGTS APPROVED	EFF 04/01/96;	
06/12/1996	974	AUTOMATED RECORD VERIF	MV/MV	
02/01/1997	676	SUS OPS & PROD/NO PMT	APD PROCESSING DELAY;	
02/10/1997	084	RENTAL RECEIVED BY ONRR	\$71.67;21/0000000057	

NO WARRANTY IS MADE BY BLM FOR USE OF THE DATA FOR PURPOSES NOT INTENDED BY BLM

**DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT
CASE RECORDATION
(MASS) Serial Register Page**

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Run Date: 01/07/2015

03/17/1997	393	DEC ISSUED	SUSP APRVD;
03/17/1997	974	AUTOMATED RECORD VERIF	GAG;
04/01/1997	678	SUSP LIFTED	ADP PROCESSING DELAY;
04/30/1997	235	EXTENDED	THRU 04/30/99;
06/03/1997	379	REFUND AUTHORIZED	\$13.34;
06/03/1997	393	DEC ISSUED	ADP PROCESSING DELAY;
06/03/1997	974	AUTOMATED RECORD VERIF	GAG
06/20/1997	650	HELD BY PROD - ACTUAL	/1/
07/22/1997	643	PRODUCTION DETERMINATION	/1/
07/22/1997	658	MEMO OF 1ST PROD-ACTUAL	/1/H B 15 FEDERAL 1;
12/16/1997	817	MERGER RECOGNIZED	COENE CEN/MICNIC O&G
12/16/1997	974	AUTOMATED RECORD VERIF	BTM
01/25/1999	140	ASGN FILED	MCNIC O&G/PENWELL
01/25/1999	899	TRF OF ORR FILED	
01/25/1999	932	TRF OPER RGTS FILED	MCNIC O&G/PENWELL
02/10/1999	140	ASGN FILED	PENWELL/CONCHO
02/10/1999	932	TRF OPER RGTS FILED	PENWELL/CONCHO
02/17/1999	139	ASGN APPROVED	EFF 02/01/99;
02/17/1999	974	AUTOMATED RECORD VERIF	ANN
02/26/1999	139	ASGN APPROVED	EFF 03/01/99;
02/26/1999	933	TRF OPER RGTS APPROVED	EFF 03/01/99;
02/26/1999	974	AUTOMATED RECORD VERIF	JLV
07/01/1999	940	NAME CHANGE RECOGNIZED	SF ENE RES/SF SNYDER
07/01/1999	974	AUTOMATED RECORD VERIF	JLV
10/11/2000	940	NAME CHANGE RECOGNIZED	SANTA FE/DEVON SFS
10/11/2000	974	AUTOMATED RECORD VERIF	AT
01/17/2001	899	TRF OF ORR FILED	
02/16/2001	899	TRF OF ORR FILED	
08/16/2001	817	MERGER RECOGNIZED	CONCHO RES/DEVON ENE
12/12/2002	817	MERGER RECOGNIZED	DEVONSFS/DEVONENEPD

Serial Number: NMNM-- - 088137

Line Nr	Remarks
0002	02/17/1999 - DEVON SFS OPERATING INC - UT0855 - N/W



**OXY USA WTP Limited Partnership / OXY USA INC /
OCCIDENTIAL PERMIAN LP**
A subsidiary of Occidental Petroleum Corporation

5 Greenway Plaza, Suite 110, Houston, Texas 77046
P.O. Box 4294, Houston, Texas 77210-4294
Direct: 713.513.6640 Cell: 832.740.3716
Jennifer_duarte@oxy.com

January 13, 2015

Interest Owners

Re: Request for a CTB & Pool/Lease Commingle
CTB Location: Section 15, T24S, R29E – Harroun 15-15 CTB
Pools: Delaware and Bone Spring
Eddy County, New Mexico

To Whom It May Concern:

This is to advise you that OXY USA INC. ("OXY") is filing an application with the New Mexico Oil Conservation Division ("NMOCD") seeking approval for a Central Tanks Battery & Pool/Lease commingle for the mentioned wells in the attached copy of our application. Any objection regarding this application must be submitted to the New Mexico Oil Conservation Division Santa Fe Office within 21 Days from the date the NMOCD receives OXY's application. OXY is submitting the application to NMOCD on the same date as this notice.

In an effort to expedite the approval of OXY's application, we respectfully request your waiver of objection to OXY's application for the permitting of the Harroun 15-15 CTB commingle application. Should you be in agreement of such waiver, please sign below and return a copy of this letter in the enclosed self addressed stamped envelope.

Your earliest attention to this matter is greatly appreciated. Please contact me should you have any questions or need anything further. Thank you in advance for your time.

Very Truly Yours,

OXY USA WTP Limited Partnership / OXY USA INC / OCCIDENTIAL PERMIAN LP
Jennifer Duarte
Regulatory Specialist

_____ Waive objection to the permitting of the Harroun 15-15 CTB Commingle application.

Date: _____

Signature: _____

Printed Name: _____

Company: _____

Name	Certified Tracking Number
B JACK REED	70132250000010035351
BEN J FORTSON III CHILDRENS TRUST	
BEN J FORTSON III TRUSTEE	70132250000010035368
BERYL OIL AND GAS LP	70132250000010035375
BITTER END ROYALTIES LP	70132250000010035382
CCB 1998 TRUSTBEN J FORTSON JR TRUSTEE	70132250000010035399
COLLINS & WARE INC	70132250000010023914
CURTIS A ANDERSON AND EDNA I ANDERSON	70132250000010023921
D STUART HARROUN REV TRUST	
D STUART HARROUN JR TRUSTEE	70132250000010023938
DCB 1998 TRUSTBEN J FORTSON JR TRUSTEE	70132250000010023945
DOROTHY S HARROUN IRREV TRUST	
FIRST NATL BK SANTA FE TRUSTEE	
C/O FARMERS NATIONAL CO AGENT	
OIL & GAS DEPT	70132250000010023952
DRW ENERGY LLC	70132250000010023969
ENERGY ROYALTIES LLC	70132250000010023976
ERIC D BOYT	70132250000010023983
GD MCKINNEY INVESTMENTS LP	70132250000010023990
GEORGE G VAUGHT JR	70132250000010024003
GERALD A HANCOCK	70132250000010024010
GOLDKING ENERGY PARTNERS LP	70132250000010024027
HERMAN CLIFFORD WALKER III	70132250000010024034
J M MINERAL & LAND CO INC	70132250000010024041
JANET ELIZABETH VOGT	70132250000010024058
JAREED PARTNERS LTD	70132250000010024065
JEFFREY CASWELL NEAL	70132250000010024072
JOHN THOMA	70132250000010024089
JUDITH GENE HANTTULA	70132250000010024096
KIMBELL ART FOUNDATION	70132250000010024102
KINGDOM INVESTMENTS LIMITED	70132250000010024119
LOWE PARTNERSHIP LPDEPT 5	70132250000010024126
MAGNOLIA ROYALTY COMPANY INC	70132250000010024133
MANIX ROYALTY LTD	70132250000010024140
MAP00-NET TX GENERAL PARTNERSHIP	
C/O MINERAL ACQUIS PARTNERS INC	70132250000010024157
MOBIL PRODUCING TEXAS & NEW MEXICO INC	70132250000010024164
MWB 1998 TRUST	
BEN J FORTSON JR TRUSTEE	70132250000010024171
PAUL R BRAWIS	70132250000010024188
PENROC OIL CORPORATION	70132250000010024195
PENWELL EMPLOYEE ROYALTY POOL	70132250000010024201
PIPER L NELMS	70132250000010024218
RAVE ENERGY INC	70132250000010024225
ROBERT C GRABLE	70132250000010024232
ROBRO ROYALTY PARTNERS LTD	70132250000010024249
RUTTER & WILBANKS CORPORATION	70132250000010024256
SOFTSEARCH INVESTMENT LP	
SETH THOMPSON VP ACCT	70132250000010024263
SUNDANCE MINERALS I	70132250000010024294
TARA L KEENE	70132250000010024560
TAURUS ROYALTY LLC	
C/O ROBERT B PAYNE JR	70132250000010024577
THE ROACH FOUNDATION	
FT WORTH CLUB TWR PENTHOUSE II-J	70132250000010024584
VENDETTA ROYALTY PARTNERS LTD	70132250000010024591
WAYNE & LINDA NEWKUMET	70132250000010024607
WILLIAM K BURTON	70132250000010024617



Shipment Receipt

Address Information

Ship to:	Ship from:
Enginerring Bureau -	Jennifer Duarte
Commingle	
NMOCD	Oxy Inc
1220 S SAINT FRANCIS	5 Greenway Plaza
DR	
	Suite 110
SANTA FE, NM	Houston, TX
875054225	77046
US	US
5054763470	7135136640

Shipment Information:

Tracking no.: 772568402160
 Ship date: 01/13/2015
 Estimated shipping charges: 18.03

Package Information

Pricing option: FedEx Standard Rate
 Service type: Priority Overnight
 Package type: FedEx Envelope
 Number of packages: 1
 Total weight: 0.25 LBS
 Declared Value: 0.00 USD
 Special Services:
 Pickup/Drop-off: Use an already scheduled pickup at my location

Billing Information:

Bill transportation to: Houston Greenway-678
 Your reference: J. DUARTE
 P.O. no.:
 Invoice no.:
 Department no.:

Thank you for shipping online with FedEx ShipManager at fedex.com.

Please Note

FedEx will not be responsible for any claim in excess of \$100 per package, whether the result of loss, damage, delay, non-delivery, misdelivery, or misinformation, unless you declare a higher value, pay an additional charge, document your actual loss and file a timely claim. Limitations found in the current FedEx Service Guide apply. Your right to recover from FedEx for any loss, including intrinsic value of the package, loss of sales, income interest, profit, attorney's fees, costs, and other forms of damage whether direct, incidental, consequential, or special is limited to the greater of \$100 or the authorized declared value. Recovery cannot exceed actual documented loss. Maximum for items of extraordinary value is \$500, e.g., jewelry, precious metals, negotiable instruments and other items listed in our Service Guide. Written claims must be filed within strict time limits. Consult the applicable FedEx Service Guide for details. The estimated shipping charge may be different than the actual charges for your shipment. Differences may occur based on actual weight, dimensions, and other factors. Consult the applicable [FedEx Service Guide](#) or the FedEx Rate Sheets for details on how shipping charges are calculated.



Shipment Receipt

Address Information

Ship to:	Ship from:
Commissioner of Public Lands	Jennifer Duarte
State of New Mexico	Oxy Inc
310 Old Santa Fe Trail	5 Greenway Plaza
Attention: Pete Martinez	Suite 110
SANTA FE, NM	Houston, TX
87504	77046
US	US
5058275760	7135136640

Shipment Information:

Tracking no.: 772568420402
 Ship date: 01/13/2015
 Estimated shipping charges: 18.03

Package Information

Pricing option: FedEx Standard Rate
 Service type: Priority Overnight
 Package type: FedEx Envelope
 Number of packages: 1
 Total weight: 0.20 LBS
 Declared Value: 0.00 USD
 Special Services:
 Pickup/Drop-off: Use an already scheduled pickup at my location

Billing Information:

Bill transportation to: Houston Greenway-678
 Your reference: J Duarte
 P.O. no.:
 Invoice no.:
 Department no.:

Thank you for shipping online with FedEx ShipManager at fedex.com.

Please Note

FedEx will not be responsible for any claim in excess of \$100 per package, whether the result of loss, damage, delay, non-delivery, misdelivery, or misinformation, unless you declare a higher value, pay an additional charge, document your actual loss and file a timely claim. Limitations found in the current FedEx Service Guide apply. Your right to recover from FedEx for any loss, including intrinsic value of the package, loss of sales, income interest, profit, attorney's fees, costs, and other forms of damage whether direct, incidental, consequential, or special is limited to the greater of \$100 or the authorized declared value. Recovery cannot exceed actual documented loss. Maximum for items of extraordinary value is \$500, e.g., jewelry, precious metals, negotiable instruments and other items listed in our Service Guide. Written claims must be filed within strict time limits. Consult the applicable FedEx Service Guide for details. The estimated shipping charge may be different than the actual charges for your shipment. Differences may occur based on actual weight, dimensions, and other factors. Consult the applicable [FedEx Service Guide](#) or the FedEx Rate Sheets for details on how shipping charges are calculated.

NEW MEXICO STATE LAND OFFICE
Commingle PRE-Application ONLINE Version

Please provide the following requested information so that the SLO staff can determine whether or not you qualify to submit a commingle application package.

Name: JENNIFER DUARTE Company: OXY USA INC
Address: PO BOX 4294 City HOUSTON
Telephone: 713-513-6640 Fax: _____ State TX Zip 77210

The State Land Office rule that applies to commingling oil and gas production from New Mexico State Trust Lands is Rule 100.53. The rule is attached to the bottom of this form. If you have any questions, please contact the Oil, Gas, and Minerals Division at 505-827-5791.

1. Briefly describe what you propose to do. COMMINGLE PRODUCTION FROM MULTIPLE WELLS AND LEASES INTO A CENTRAL TANK BATTERY.

2. Fill in the following information for each well. *[Attach additional pages if needed.]*

Well name & number PLEASE SEE ATTACHED NMOCD PERMIT FOR INFO Lease # _____

Lessee of Record _____

Legal land description: Subdivisions _____

Sect _____ T _____ R _____ NMPM _____ County NM

Pool _____

Well name & number _____ Lease # _____

Lessee of Record _____

Legal land description: Subdivisions _____

Sect _____ T _____ R _____ NMPM _____ County NM

Pool _____

Well name & number _____ Lease # _____

Lessee of Record _____

Legal land description: Subdivisions _____

Sect _____ T _____ R _____ NMPM _____ County NM

Pool _____

DATE IN	SUSPENSE	ENGINEER	LOGGED IN	TYPE	APP NO
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ABOVE THIS LINE FOR DIVISION USE ONLY

NEW MEXICO OIL CONSERVATION DIVISION

- Engineering Bureau -

1220 South St. Francis Drive, Santa Fe, NM 87505



ADMINISTRATIVE APPLICATION CHECKLIST

THIS CHECKLIST IS MANDATORY FOR ALL ADMINISTRATIVE APPLICATIONS FOR EXCEPTIONS TO DIVISION RULES AND REGULATIONS WHICH REQUIRE PROCESSING AT THE DIVISION LEVEL IN SANTA FE

Application Acronyms:

[NSL-Non-Standard Location] [NSP-Non-Standard Proration Unit] [SD-Simultaneous Dedication]
[DHC-Downhole Commingling] [CTB-Lease Commingling] [PLC-Pool/Lease Commingling]
[PC-Pool Commingling] [OLS - Off-Lease Storage] [OLM-Off-Lease Measurement]
[WFX-Waterflood Expansion] [PMX-Pressure Maintenance Expansion]
[SWD-Salt Water Disposal] [IPI-Injection Pressure Increase]
[EOR-Qualified Enhanced Oil Recovery Certification] [PPR-Positive Production Response]

[1] TYPE OF APPLICATION - Check Those Which Apply for [A]

[A] Location - Spacing Unit - Simultaneous Dedication
☐ NSL ☐ NSP ☐ SD

Check One Only for [B] or [C]

[B] Commingling - Storage - Measurement
☐ DHC ☐ CTB ☒ PLC ☐ PC ☐ OLS ☐ OLM

[C] Injection - Disposal - Pressure Increase - Enhanced Oil Recovery
☐ WFX ☐ PMX ☐ SWD ☐ IPI ☐ EOR ☐ PPR

[D] Other: Specify _____

[2] NOTIFICATION REQUIRED TO: - Check Those Which Apply, or Does Not Apply

[A] ☒ Working, Royalty or Overriding Royalty Interest Owners

[B] ☐ Offset Operators, Leaseholders or Surface Owner

[C] ☐ Application is One Which Requires Published Legal Notice

[D] ☒ Notification and/or Concurrent Approval by BLM or SLO
 U.S. Bureau of Land Management - Commissioner of Public Lands, State Land Office

[E] ☒ For all of the above, Proof of Notification or Publication is Attached, and/or,

[F] ☐ Waivers are Attached

[3] SUBMIT ACCURATE AND COMPLETE INFORMATION REQUIRED TO PROCESS THE TYPE OF APPLICATION INDICATED ABOVE.

[4] **CERTIFICATION:** I hereby certify that the information submitted with this application for administrative approval is **accurate and complete** to the best of my knowledge. I also understand that **no action** will be taken on this application until the required information and notifications are submitted to the Division.

Note: Statement must be completed by an individual with managerial and/or supervisory capacity.

Jennifer Duarte *Jennifer Duarte* Regulatory Specialist 1-13-15
 Print or Type Name Signature Title Date
 jennifer-duarte@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 WTP LP

OPERATOR ADDRESS: 5 GREENWAY PLAZA, SUITE 110; HOUSTON, TX 77046

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. PC-1261

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 Attachments

(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) See attachments

(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 attached 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:

TITLE: REGULATORY SPECIALIST

DATE: 01/13/2015

TYPE OR PRINT NAME: JENNIFER DUARTE TELEPHONE NO.: 713-513-6640 E-MAIL ADDRESS: jennifer_duarte@oxy.com

Well and Notice Remarks

Doc. Number 15DMH0599SE	Doc. Type SURCOM	Case IID NNMM134544 NNMM88137	Type 318310 312021	Name CEDAR CANYON 15 FED COM 5H H B 15 FEDERAL
API 300154242100S1	Well Name CEDAR CANYON 15 FEDERAL COM 5H	Number	Operator OXY USA INCORPORATED	

Doc. Number 15DMH0599SE	Date 02/19/2015	Author DEBORAH HAM	Subject SURCOM	Category APPROVAL
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Category GENERAL

Date 02/19/2015

Oil & Gas metering:
Harroun 15-15 central tank battery is located in Unit E of Section 15, Township 24 South, Range 29 East, NMPM, Eddy County, New Mexico.

Oil, gas and water volumes from each well routed to Harroun 15-15 central tank battery will be determined by using a test separator and dedicated test oil, water and gas meters located at the lease. Care will be taken that one well is always producing through the testing equipment. Production will be allocated on a daily basis based on the most recent individual well test of oil, gas and water. Well tests for each well will be conducted at least once per month for a minimum of 24 hours each well.

Oil, gas, and water volumes from the Cedar Canyon 15 Fed Com #5H will be routed to the Harroun 15-15 central tank battery where it will be separated through a dedicated separator with its own metering. Oil volumes will be continuously measured through a turbine meter. Water volumes will be continuously measured through a turbine meter, and gas volumes will be continually measured through an orifice meter.

The oil production from the Harroun and Cedar Canyon wells listed in the list above will be commingled, measured and sold on lease using a LACT Unit. Production will be allocated by well test method. Produced water will be measured through a turbine meter and disposed at the Harroun 15 #3 SWD and/or trucked if necessary from the lease. The gas will be sold after it is measured by Oxy check meter located at the lease. The oil and gas meters will be calibrated on a regular basis per API and NMOCD specifications. The NMOCD will be notified of any future changes in the facility

Process and Flow Descriptions:

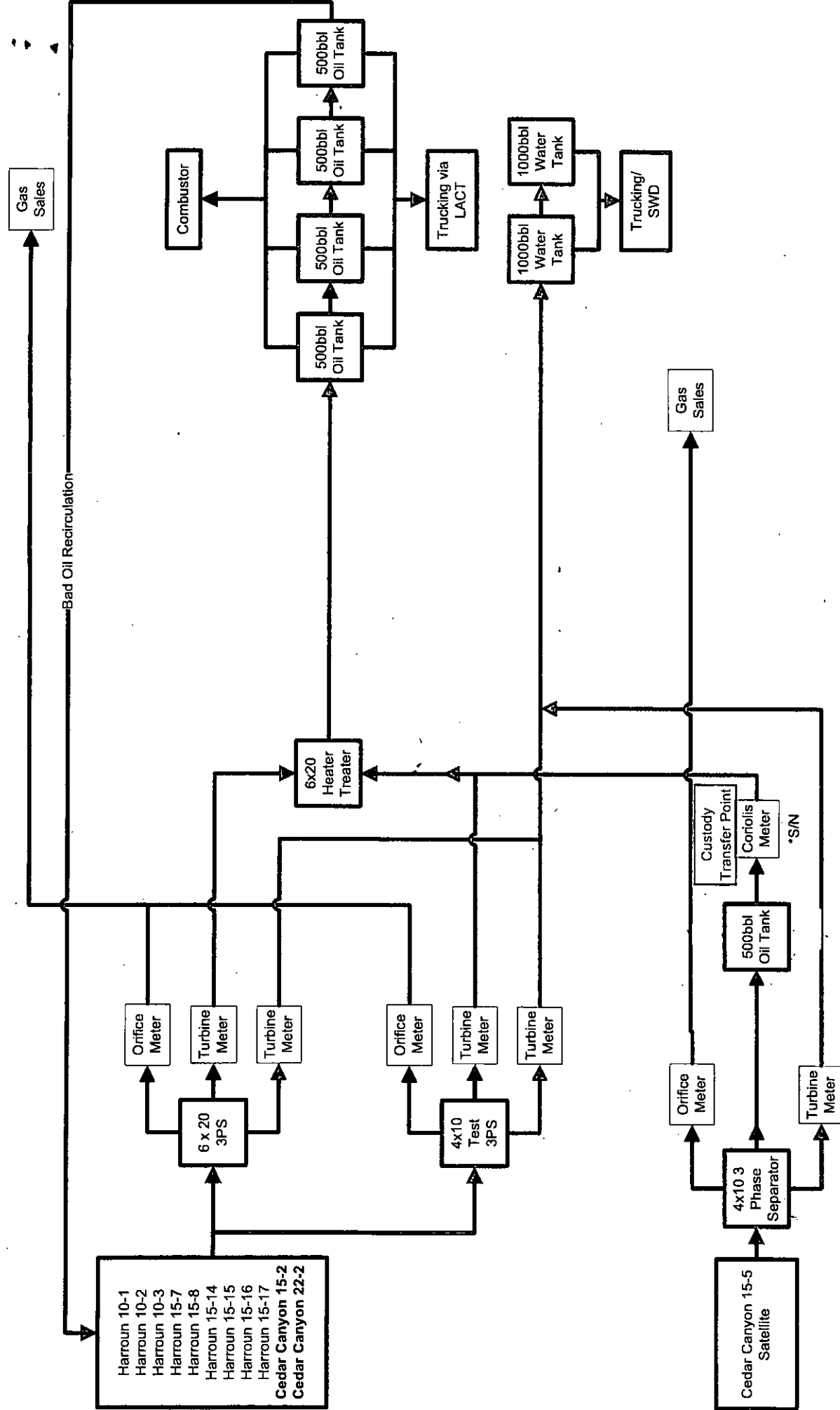
Please see attached block flow diagram for the Harroun 15-15 CTB. The flow route of produced fluids is shown in detail along with size of each vessel.

The commingling of production is in the interest of conservation and waste and will result in the most effective economic means of producing the reserves in place from the affected wells and will not result in reduced royalty or improper measurement of production. The proposed commingling will reduce operating expenses as well as reduce the surface facility footprint and overall emissions.

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 regulations.

9/4/15 DENIED: As per meeting with Ed, Chris, Steve, and Duncan with OXY at the CFO this well was to have a coriolis meter to be used as the transfer as per the diagram attached to the deniel e-mail. This meter was to be down stream of the separator and prior to the Heater treater. Oxy also added 25 more wells than in the original proposal. JDW

4-Sep-2015 08:13



As Discussed 7-17-15 I Agree upon Custody Transfer point GOWA.