

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

**Carlsbad Field Office**  
**OCD Artesia**  
FORM APPROVED  
OMB NO. 1004-0137  
Expires January 31, 2018

**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.**

**SUBMIT IN TRIPLICATE - Other instructions on page 2**

1. Type of Well <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other		5. Lease Serial No. NMNM119754
2. Name of Operator CHEVRON USA INCORPORATED		6. If Indian, Allottee or Tribe Name
Contact: LAURA BECERRA E-Mail: LBECERRA@CHEVRON.COM		7. If Unit or CA/Agreement, Name and/or No.
3a. Address 6301 DEAUVILLE BLVD MIDLAND, TX 79706	3b. Phone No. (include area code) Ph: 432-687-7665	8. Well Name and No. Multiple--See Attached
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) Multiple--See Attached		9. API Well No. Multiple--See Attached
		10. Field and Pool or Exploratory Area PURPLE SAGE-WOLFCAMP (GAS)
		11. County or Parish, State EDDY COUNTY, NM

**12. CHECK THE 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"/> Hydraulic Fracturing	<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 Off-Lease Measurement
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	
	<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 must 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 must be filed once testing has been completed. Final Abandonment Notices must be filed only after all requirements, including reclamation, have been completed and the operator has determined that the site is ready for final inspection.

Chevron USA respectfully requests approval of Off-Lease Measurement for oil and gas from Chevron's Culebra Bluff East Sec. 8 Central Tank Battery located at Sec. 8, T24S-R29E, Lat: 32.233026, Long: 104.008392 (NAD 83). This site will measure all fluid streams flowing from the following wells:

CB SE 5 32 FED COM 11H 30-015-44637  
CB SE 5 32 FED COM 12H 30-015-44638  
CB SE 5 32 FED COM 13H 30-015-44639

The wells are located in the SE4SE4 of Sec. 5, T24S-R29E, Eddy County, New Mexico. Well plats for all wells connected to this battery and facility diagram are included with this notification.

RECEIVED

JUN 25 2019

DISTRICT II-ARTESIA O.C.D.

*Maps & CA proposal added after submission*

14. I hereby certify that the foregoing is true and correct.	
Electronic Submission #454976 verified by the BLM Well Information System For CHEVRON USA INCORPORATED, sent to the Carlsbad Committed to AFMSS for processing by PRISCILLA PEREZ on 02/22/2019 (19PP1086SE)	
Name (Printed/Typed) LAURA BECERRA	Title PERMITTING SPECIALIST
Signature (Electronic Submission)	Date 02/18/2019

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

Approved By <i>[Signature]</i> <i>Dylan Ross-mango</i>	Title <i>Petroleum Engineer</i>	Date <i>5/29/19</i>
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.		Office <i>CFO</i>

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.

(Instructions on page 2)

**\*\* BLM REVISED \*\* BLM REVISED \*\* BLM REVISED \*\* BLM REVISED \*\* BLM REVISED \*\***

**Additional data for EC transaction #454976 that would not fit on the form**

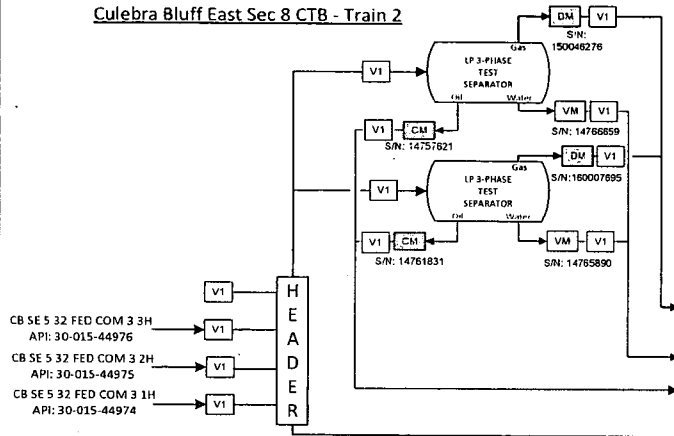
**Wells/Facilities, continued**

<b>Agreement</b>	<b>Lease</b>	<b>Well/Fac Name, Number</b>	<b>API Number</b>	<b>Location</b>
NMNM119754	NMNM119754	CB SE 5 32 FED COM 11H	30-015-44637-00-X1	Sec 5 T24S R29E SESE 379FSL 1300FEL 32.240524 N Lat, 104.002266 W Lon
NMNM119754	NMNM119754	CB SE 5 32 FED COM 12H	30-015-44638-00-X1	Sec 5 T24S R29E SESE 380FSL 1275FEL 32.240520 N Lat, 104.002182 W Lon
NMNM119754	NMNM119754	CB SE 5 32 FED COM 13H	30-015-44639-00-X1	Sec 5 T24S R29E SESE 380FSL 1250FEL 32.240520 N Lat, 104.002106 W Lon

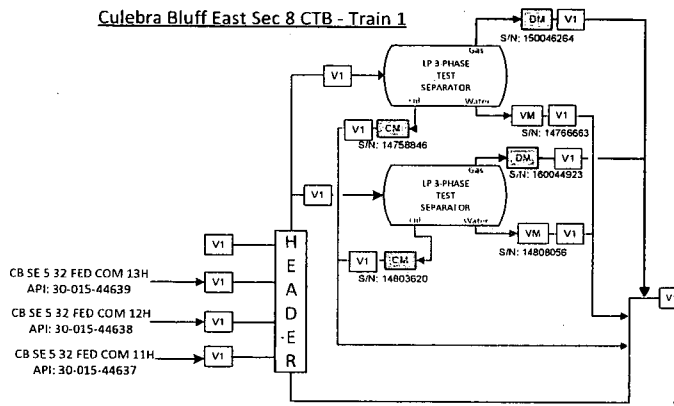
**32. Additional remarks, continued**

Supporting documents and copies of notifications sent to interest owners are also attached.

### Culebra Bluff East Sec 8 CTB - Train 2



### Culebra Bluff East Sec 8 CTB - Train 1



#### Legend

V1: Normally Open  
V2: Locked Open  
V3: Locked Closed  
V4: Normally Closed  
CM: Coriolis Meter  
CCM: Compact Coriolis Meter  
DM: Daniels Senior Orifice Meter  
VM: Vortex Meter

#### Allocation

FMP

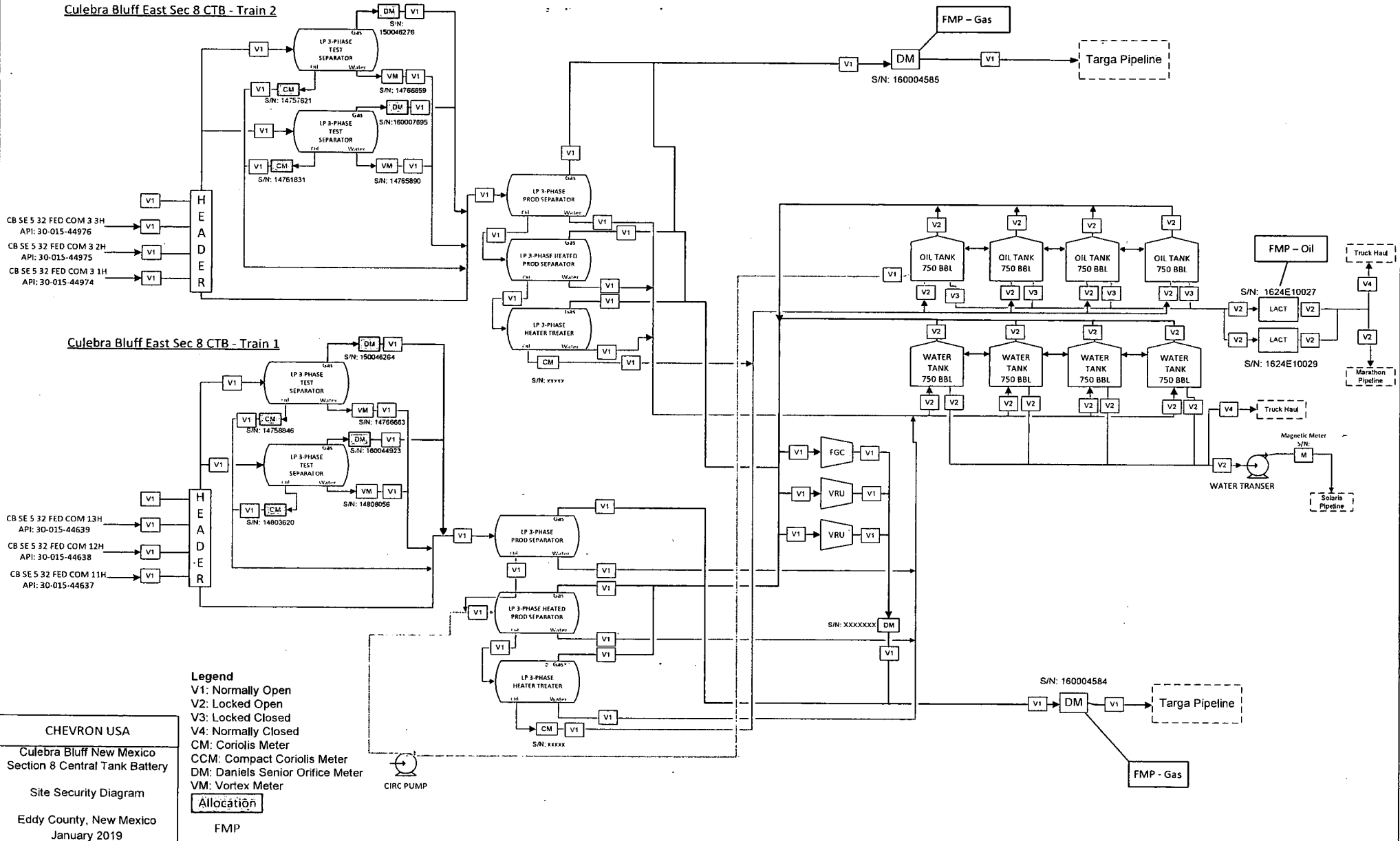
CHEVRON USA

Culebra Bluff New Mexico  
Section 8 Central Tank Battery

Site Security Diagram

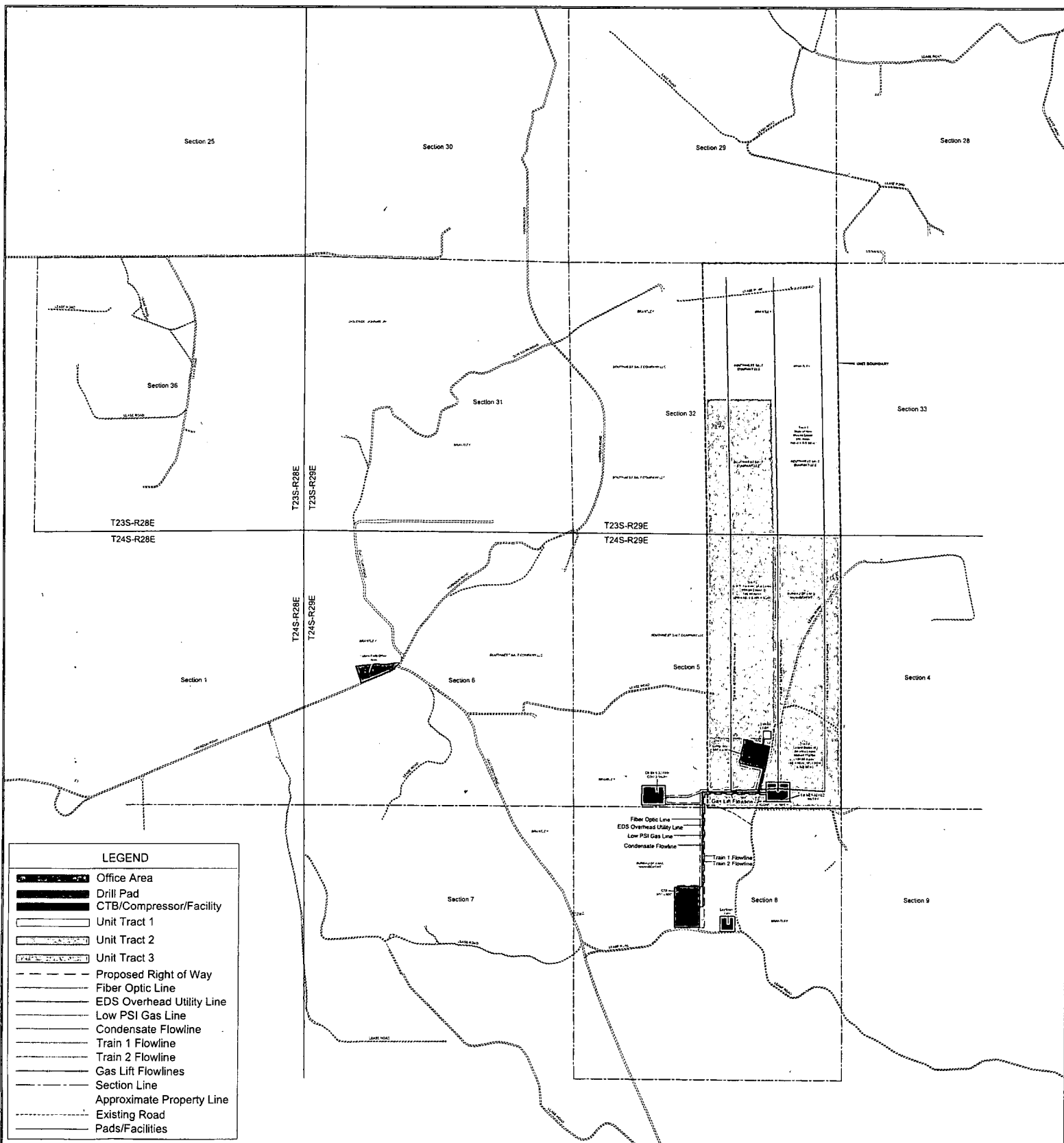
Eddy County, New Mexico  
January 2019

CIRC PUMP



\*Commingling 11H, 2H, 3H w/ 11H, 12H, 13H is not approved with this plan number

Added after  
Submission



C. H. Fenstermaker & Associates, L.L.C.  
135 Regency Sq., Lafayette, LA 70508  
Ph. 337-237-2200 Fax. 337-232-3299  
www.fenstermaker.com

Not to be used for construction.  
Mapping, incorporation, correspondence  
shall be engineering design.

**PRELIMINARY**

1200 600 0 600 1200 1800 2400  
Scale: 1" = 600'

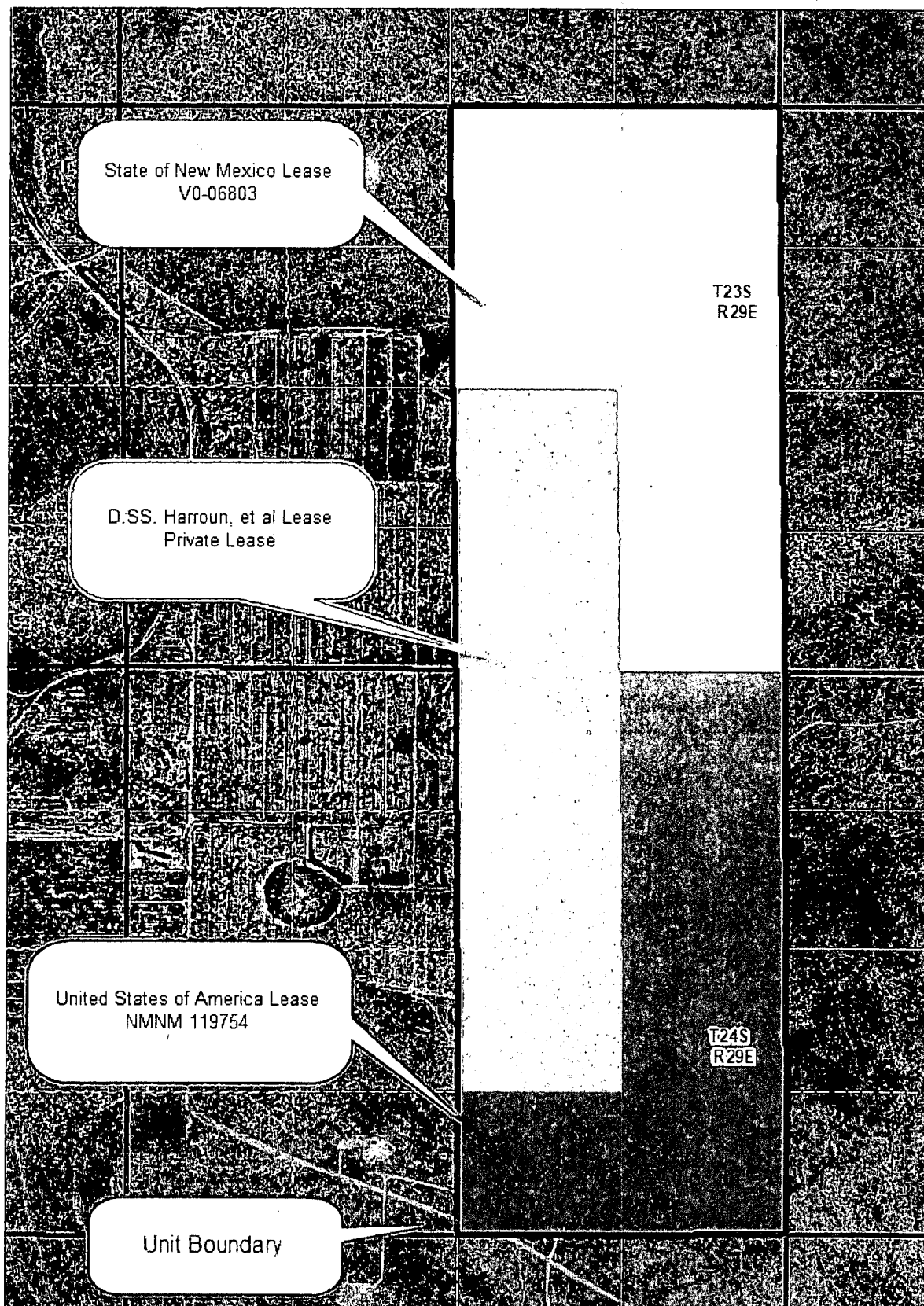


CHEVRON U.S.A. INC.  
CB EAST BASE MAP  
EDDY COUNTY, NEW MEXICO

Drawn by: JMT	Checked by: JMT	Scale: 1" = 600'
Map: 1000-000-000	Date: 10/10/00	Sheet: 1 of 1
Draw: 10/10/00	Date: 10/10/00	Scale: 1" = 600'

Added after  
Submission

## Lease Map



Added after  
Submission

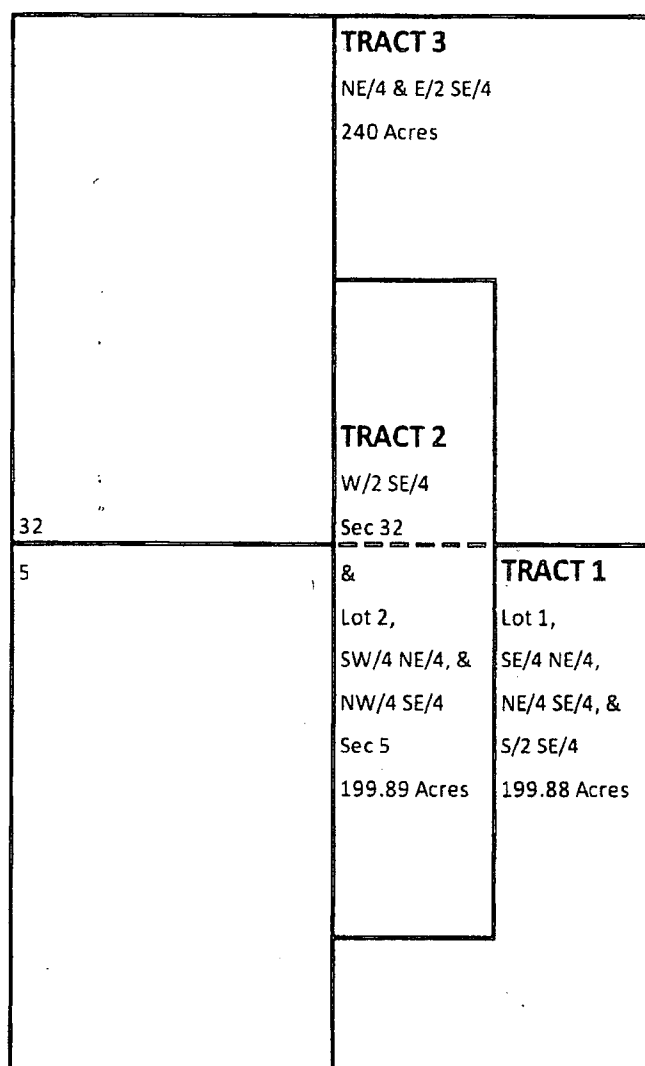
## EXHIBIT A

To Communitization Agreement dated March 1, 2018

2019 M. at 8:29

Plat of communitized area covering **639.77** acres in the E/2 of Section 5, Township 24 South, Range 29 East, and the E/2 of Section 32, Township 23 South, Range 29 East, N.M.P.M., Eddy County, New Mexico. This agreement shall include only the Wolfcamp Formation more specifically defined as those depths from 9,630 feet to 11,087 feet beneath the surface, as shown in that certain Schlumberger Gamma Ray and Dual Laterolog/MSFL, dated November 10, 1978, in the Williams Gas Com #1 (API # 30-015-22686), located in Section 34, Township 23 South, Range 28 East, Eddy County, New Mexico SAVE AND EXCEPT the Macho Grande State #2H (API # 30-015-42659) well.

CB SE 5 32 FED COM #11H, #12H, #13H



## EXHIBIT B

To Communitization Agreement dated March 1, 2018 embracing the E/2 of Section 5, Township 24 South, Range 29 East, and the E/2 of Section 32, Township 23 South, Range 29 East, N.M.P.M., Eddy County, New Mexico containing 639.77 acres.

The Contract Area is hereby limited in depth from the stratigraphic equivalent of the top of the Wolfcamp formation, as seen at 9,630 feet beneath the surface, to the stratigraphic equivalent of the base of the Wolfcamp formation, as seen at 11,087 feet beneath the surface, as shown in that certain Schlumberger Gamma Ray and Dual Laterolog/MSFL, dated November 10, 1978, in the Williams Gas Com #1 (API # 30-015-22686), located in Section 34, Township 23 South, Range 28 East, Eddy County, New Mexico SAVE AND EXCEPT the Macho Grande State #2H (API # 30-015-42659) well.

**Operator of Communitized Area:** CHEVRON U.S.A. INC.

### DESCRIPTION OF LEASES COMMITTED

#### TRACT NO. 1

**Lease Serial No.:** NMNM 119754  
**Lease Date:** May 1, 2008  
**Lease Term:** Ten years  
**Lessor:** United States of America  
**Original Lessee:** Steven W Horn  
**Present Lessee:** Chevron U.S.A. Inc.

#### **Description of Land Committed:**

Lot 1, SE/4 NE/4, NE/4 SE/4, and S/2 SE/4 of Section 5, Township 24 South, Range 29 East, N.M.P.M., Eddy County, New Mexico, among other lands.

**Number of Acres:** 199.88 Acres

**Royalty Rate:** 1/8<sup>th</sup>

**Name and Percent ORRI Owners:** N/A

**Name and Percent WI Owners:** Chevron U.S.A Inc. - 100%

**TRACT NO. 2**

**Lease Date:** February 2, 1972

**Lease Term:** Five years

**Lessor:** D.S. Harroun, et al

**Original Lessee:** Skelly Oil Company

**Present Lessee:** Chevron U.S.A. Inc.

**Description of Land Committed:**

Lot 2, SW/4 NE/4, and NW/4 SE/4 of Section 5, Township 24 South, Range 29 East, and W/2 SE/4 of Section 32, Township 23 South, Range 29 East, N.M.P.M., Eddy County, New Mexico, among others lands.

**Number of Acres:** 199.89 Acres

**Royalty Rate:** 1/8th

**Name and Percent ORRI Owners:** N/A

**Name and Percent WI Owners:** Chevron U.S.A Inc. - 100%

**TRACT NO. 3**

**Lease Serial No.:** V0-6803-0000

**Lease Date:** March 1, 2003

**Lease Term:** 5 years

**Lessor:** The State of New Mexico

**Original Lessee:** Nadel and Gussman Permian, LLC

**Present Lessee:** Marathon Oil Permian, LLC

**Description of Land Committed:**

NE/4, and E/2 SE/4 of Section 32, Township 23 South, Range 29 East, N.M.P.M., Eddy County, New Mexico, among other lands.

**Number of Acres:** 240 Acres

**Royalty Rate:** 1/6<sup>th</sup>



**Name and Percent ORRI Owners:**

Sam H. Jolliffe IV	0.50000%
Nadel and Gussman Permian, LLC	0.29167%
Crown Oil Partners V, LP	0.27083%
Crump Energy Partners II, LLC	0.27083%
Westall Oil & Gas, LLC	2.00000%
Zunis Energy, LLC	1.87473%
Susannah D. Adelson, Trustee of the James Adelson & Family 2015 Trusts	0.15860%

**Name and Percent WI Owners:**

Marathon Oil Permian, LLC	62.50%
Featherstone Development Corp.	3.75%
Marshall & Winston, Inc.	18.75%
Juneau Oil & Gas LLC	3.75%
Yosemite Creek Oil and Gas, LLC	9.00%
Mizel Resources, a Trust	2.25%

## RECAPITULATION

Tract numbers	Number of Acres Committed	Percentage of Interest in Communitized Area
Tract No.1	199.88	31.2425%
Tract No.2	199.89	31.2440%
Tract No.3	<u>240.00</u>	<u>37.5135%</u>
	639.77	100.0000%

8:30

RECEIVED:	REVIEWER:	TYPE:	APP NO:
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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

<b>Applicant:</b> CHEVRON USA INC	<b>OGRID Number:</b> 4323
<b>Well Name:</b> CB SE 5 32 FED COM 11H	<b>API:</b> 30-015-44637
<b>Pool:</b> PURPLE SAGE; WOLFCAMP (GAS)	<b>Pool Code:</b> 98220

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

**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.**

LAURA BECERRA

Print or Type Name

Signature

2/18/2019

Date

(432) 687-7665

Phone Number

LBECERRA@CHEVRON.COM

e-mail Address



**Chevron North America**  
**Exploration and Production Company**  
(A Chevron U.S.A. Inc. Division)  
6301 Deauville Blvd  
Midland, TX 79706  
Tel 432.687.7665  
LBecerra@Chevron.com

February 18, 2019

Attn: Michael McMillan  
Oil Conservation Division  
1220 S. St. Francis Drive  
Santa Fe, NM 87505

Re: Application for Off-Lease Measurement – Oil and Gas

Dear Mr. McMillan,

Chevron U.S.A. Inc. respectfully requests administrative approval of Off-Lease Measurement for oil and gas from Chevron's Culebra Bluff East Sec. 8 Central Tank Battery located at Sec. 8, T24S-R29E, Lat: 32.233026, Long: 104.008392 (NAD 83). This site will measure all fluid streams flowing from the following wells:

CB SE 5 32 FED COM 11H	30-015-44637	PURPLE SAGE; WOLFCAMP (GAS)	SHL: 379' FSL 1,300' FEL, Sec. 5, T24S-R29E	BHL: 228' FNL 2,165' FEL, Sec. 32, T23S-R29E
CB SE 5 32 FED COM 12H	30-015-44638	PURPLE SAGE; WOLFCAMP (GAS)	SHL: 380' FSL 1,275' FEL, Sec. 5, T24S-R29E	BHL: 158' FNL 1,314' FEL, Sec. 32, T23S-R29E
CB SE 5 32 FED COM 13H	30-015-44639	PURPLE SAGE; WOLFCAMP (GAS)	SHL: 380' FSL 1,250' FEL, Sec. 5, T24S-R29E	BHL: 168' FNL 341' FEL, Sec. 32, T23S-R29E

The wells are located in the SE4SE4 of Section 5, T24S-R29E, Eddy County, New Mexico. C-102s for all wells connected to this battery and facility diagram are included with this notification.

I have attached the Administrative Application checklist, facility diagram, C-102s for referenced wells and proof of notice to interest owners. Should you need additional information, please give me a call at (432) 687-7665 or [LBecerra@Chevron.com](mailto:LBecerra@Chevron.com).

Sincerely,

Laura Becerra  
Regulatory Specialist  
Midcontinent BU



Irvin Gutierrez  
Land Representative

Chevron U.S.A. Inc.  
1400 Smith Street  
Houston, Texas 77002  
Tel 713.372.4299  
irvin.gutierrez@chevron.com

**VIA CERTIFIED MAIL – RETURN RECEIPT REQUESTED**

February 18<sup>th</sup>, 2019

Marshall & Winston, Inc  
P.O. Box 50880  
Midland, Texas 79710

**RE: Application for Off Lease Measurement of Gas:**

CB SE 5 32 FED COM #11H, #12H, #13H  
Section 5, Township 24 South, Range 29 East and  
Section 32, Township 23 South, Range 29 East, N.M.P.M.,  
Eddy County, New Mexico

Dear Interest Owner:

This letter will serve as notice that Chevron U.S.A. Inc. has applied for a permit from the Oil Conservation Division in Santa Fe, NM. for Off Lease Measurement of Gas.

Should your company have any objection, it must be filed in writing within twenty (20) days from the date of this notice. If the Oil Conservation Division determines the application complies with the applicable regulations, then it will be approved. The New Mexico Oil Conservation Division address is 1220 South St. Francis Drive, Santa Fe, New Mexico, 87505, the telephone number is 505-476-3200.

Sincerely,

Irvin Gutierrez  
Land Representative



Irvin Gutierrez  
Land Representative

Chevron U.S.A. Inc.  
1400 Smith Street  
Houston, Texas 77002  
Tel: 713.372.4299  
irvin.gutierrez@chevron.com

**VIA CERTIFIED MAIL – RETURN RECEIPT REQUESTED**

February 18<sup>th</sup>, 2019

Mizel Resources, a Trust  
4350 S Monaco Street, 5th Floor  
Denver, CO 80237

**RE: Application for Off Lease Measurement of Gas:**

CB SE 5 32 FED COM #11H, #12H, #13H  
Section 5, Township 24 South, Range 29 East and  
Section 32, Township 23 South, Range 29 East, N.M.P.M.,  
Eddy County, New Mexico

Dear Interest Owner:

This letter will serve as notice that Chevron U.S.A. Inc. has applied for a permit from the Oil Conservation Division in Santa Fe, NM. for Off Lease Measurement of Gas.

Should your company have any objection, it must be filed in writing within twenty (20) days from the date of this notice. If the Oil Conservation Division determines the application complies with the applicable regulations, then it will be approved. The New Mexico Oil Conservation Division address is 1220 South St. Francis Drive, Santa Fe, New Mexico, 87505, the telephone number is 505-476-3200.

Sincerely,

Irvin Gutierrez  
Land Representative



Irvin Gutierrez  
Land Representative

Chevron U.S.A. Inc.  
1400 Smith Street  
Houston, Texas 77002  
Tel 713.372.4299  
irvin.gutierrez@chevron.com

**VIA CERTIFIED MAIL – RETURN RECEIPT REQUESTED**

February 18<sup>th</sup>, 2019

Yosemite Creek Oil & Gas, LLC  
4350 S Monaco Street, 5th Floor  
Denver, CO 80237

**RE: Application for Off Lease Measurement of Gas:**

CB SE 5 32 FED COM #11H, #12H, #13H  
Section 5, Township 24 South, Range 29 East and  
Section 32, Township 23 South, Range 29 East, N.M.P.M.,  
Eddy County, New Mexico

Dear Interest Owner:

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Sincerely,

Irvin Gutierrez  
Land Representative



Irvin Gutierrez  
Land Representative

Chevron U.S.A. Inc.  
1400 Smith Street  
Houston, Texas 77002  
Tel 713.372.4299  
irvin.gutierrez@chevron.com

**VIA CERTIFIED MAIL – RETURN RECEIPT REQUESTED**

February 18<sup>th</sup>, 2019

Juneau Oil & Gas LLC  
3700 Buffalo Speedway, Suite 925  
Houston, TX 77098

**RE: Application for Off Lease Measurement of Gas:**

CB SE 5 32 FED COM #11H, #12H, #13H  
Section 5, Township 24 South, Range 29 East and  
Section 32, Township 23 South, Range 29 East, N.M.P.M.,  
Eddy County, New Mexico

Dear Interest Owner:

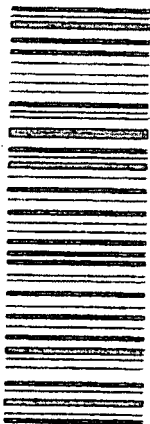
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Should your company have any objection, it must be filed in writing within twenty (20) days from the date of this notice. If the Oil Conservation Division determines the application complies with the applicable regulations, then it will be approved. The New Mexico Oil Conservation Division address is 1220 South St. Francis Drive, Santa Fe, New Mexico, 87505, the telephone number is 505-476-3200.

Sincerely,

Irvin Gutierrez  
Land Representative





7015 0640 0003 0754 6211  
7015 0640 0003 0754 6211

U.S. Postal Service™ <b>CERTIFIED MAIL® RECEIPT</b> Domestic Mail Only	
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Certified Mail Fee	\$
Extra Services & Fees (check box, add fee as appropriate)	
<input type="checkbox"/> Return Receipt (hardcopy)	\$
<input type="checkbox"/> Return Receipt (electronic)	\$
<input type="checkbox"/> Certified Mail Restricted Delivery	\$
<input type="checkbox"/> Adult Signature Required	\$
<input type="checkbox"/> Adult Signature Restricted Delivery	\$
Postage	\$
Total Postage	\$
Sent To	Yosemite Creek Oil & Gas, LLC
Street and Apt	4350 S Monaco Street, 5th Floor
City State Zip	Denver, CO 80237
PS Form 3800, April 2015 PSN 7530-02-000-9017 See Reverse for Instructions	

Postmark  
Here



7015 0640 0003 0754 6228  
7015 0640 0003 0754 6228

U.S. Postal Service™ <b>CERTIFIED MAIL® RECEIPT</b> Domestic Mail Only	
For delivery information, visit our website at <a href="http://www.usps.com">www.usps.com</a>	
Certified Mail Fee	\$
Extra Services & Fees (check box, add fee as appropriate)	
<input type="checkbox"/> Return Receipt (hardcopy)	\$
<input type="checkbox"/> Return Receipt (electronic)	\$
<input type="checkbox"/> Certified Mail Restricted Delivery	\$
<input type="checkbox"/> Adult Signature Required	\$
<input type="checkbox"/> Adult Signature Restricted Delivery	\$
Postage	\$
Total Postage	\$
Sent To	Mizel Resources, a Trust
Street and	4350 S Monaco Street, 5th Floor
City State Zip	Denver, CO 80237
PS Form 3800, April 2015 PSN 7530-02-000-9017 See Reverse for Instructions	

Postmark  
Here

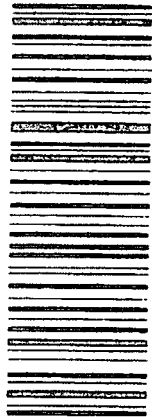
7015 0640 0003 0754 6235



7015 0640 0003 0754 6235  
7015 0640 0003 0754 6235

U.S. Postal Service™ <b>CERTIFIED MAIL® RECEIPT</b> Domestic Mail Only	
For delivery information, visit our website at <a href="http://www.usps.com">www.usps.com</a>	
Certified Mail Fee \$ Extra Services & Fees (check box, add fee as appropriate) <input type="checkbox"/> Return Receipt (hardcopy) \$ <input type="checkbox"/> Return Receipt (electronic) \$ <input type="checkbox"/> Certified Mail Restricted Delivery \$ <input type="checkbox"/> Adult Signature Required \$ <input type="checkbox"/> Adult Signature Restricted Delivery \$	Postmark Here
Postage \$ Total Postage \$ Sent To Street and A/City, State, Z	
Marshall & Winston, Inc P.O. Box 50880 Midland, Texas 79710	
PS Form 3800, April 2015 PSN 7530-02-000-9047 See Reverse for Instructions	

7015 0640 0003 0754 6204



7015 0640 0003 0754 6204  
7015 0640 0003 0754 6204

U.S. Postal Service™ <b>CERTIFIED MAIL® RECEIPT</b> Domestic Mail Only	
For delivery information, visit our website at <a href="http://www.usps.com">www.usps.com</a>	
Certified Mail Fee \$ Extra Services & Fees (check box, add fee as appropriate) <input type="checkbox"/> Return Receipt (hardcopy) \$ <input type="checkbox"/> Return Receipt (electronic) \$ <input type="checkbox"/> Certified Mail Restricted Delivery \$ <input type="checkbox"/> Adult Signature Required \$ <input type="checkbox"/> Adult Signature Restricted Delivery \$	Postmark Here
Postage \$ Total Postage \$ Sent To Street and A/City, State, Z	
Juneau Oil & Gas LLC 3700 Buffalo Speedway, Suite 925 Houston, TX 77098	
PS Form 3800, April 2015 PSN 7530-02-000-9047 See Reverse for Instructions	

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

**Off-Lease/CA Storage, Measurement and Sales of production**

**Conditions of Approval**

**Chevron USA Incorporated**

**CB SE 5 32 Fed Com 11H, 12H, 13H**

**All wells are located in section 5, T24S R29E and are part of the same applied-for CA  
CTB is located in section 8, T24S R29E**

**Approval of off-lease/CA measurement is subject to the following conditions of approval:**

1. This agency shall be notified of any change in sales method or location of the Sales point.
2. This agency shall be notified of any spill or discharge as required by NTL-3A. No gas may be vented/flared without proper measurement and prior approval. Any gas vented must be flared.
3. 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" for royalty-bearing flared gas and disposition code 63 for royalty-bearing vented gas.  
DC 33 = Flared gas – royalty due  
DC 63 = Vented gas – royalty due
4. 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 and/or product accountability.
5. This approval is subject to like approval by the New Mexico Oil Conservation Division.
6. Additional wells require additional approvals.
7. This approval does not constitute right-of-way approval for any off-lease/Unit activities. Within 30 days, an application for right-of-way approval must be submitted to the Realty Section if not already done.
8. This off-lease/CA measurement is only valid if the attached application for communitization is approved as requested.
9. This approval does not include the approval of commingling the CB SE 5 32 Fed Com 11H, 12H, 13H wells with the 1H, 2H, 3H wells as described in the attached flow diagram. The 1H, 2H, and 3H wells will be brought into the CTB at a later time, at which point Chevron shall apply for commingling (if still opting to commingle these wells) & additional OLM.
10. Approval for off-lease/CA from various sources is a privilege which is granted to lessees/operators 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.

**5/29/2019 DR**