

Aubrey Dunn COMMISSIONER

State of New Mexico Commissioner of Public Lands

310 OLD SANTA FE TRAIL P.O. BOX 1148 SANTA FE, NEW MEXICO 87504-1148 **COMMISSIONER'S OFFICE**

Phone (505) 827-5760 Fax (505) 827-5766 www.nmstatelands.org

Chevron U.S.A., Inc.

September 30, 2016

1616 W. Bender Room 121 Hobbs FMT Hobbs, NM 88240

Attention: Ms. Cindy Herrera-Murillo

Re:

Request to surface commingle oil, gas, and water production

West Shugart Central Tank Battery Sec 2-19S-30E

State 2 #6 API #30-015-26521

Shugart; Yates Seven Rivers Grayburg Pool (56439)

Eddy County, New Mexico

Dear Ms. Herrera-Murillo:

We are in receipt of your application of August 31,2016 requesting to amend the surface commingling of oil, gas, and water production from State 2 #6 well through Chevron's West Shugart Central Tank Battery.

Since it appears that all the New Mexico Oil Conservation Division's rules and regulations have been complied with, and there will be no loss of revenue to the State of New Mexico as a result of your proposed operation, your request is hereby approved. Our approval is subject to like approval by the New Mexico Oil Conservation Division. Please submit a copy of the NMOCD's approval to this office.

Your application has been vetted thru our Commercial Division and no Right of Way or Business Lease is required at this time.

Your \$150.00 dollar filing fee has been received. When you provide a check as payment, you authorize the State of New Mexico to either use information from your check to make a one-time electronic fund transfer from your account or to process the payment as a check transaction.

If you have any questions, or if we may be of further assistance, please contact Units Manager Marilyn Gruebel @ 505.827.5791 or Units Analyst Sue Keelin @ 505. 827.5783.

Respectfully

AUBREY DUNN

COMMISSIONER OF PUBLIC LANDS

AD/sk

cc: Reader File

OCD-Mr. Daniel Sanchez