

DATE IN <u>6/16/15</u>	SUSPENSE	ENGINEER <u>MAM</u>	LOGGED IN <u>6/17/15</u>	TYPE <u>PLC</u>	APP NO. <u>PJAG1516828854</u>
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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.

DENISE PINKERTON DENISE PINKERTON Regulatory Specialist 06/10/2015
 Print or Type Name Signature Title Date
Leakejd@chevron.com
 e-mail Address

2015 JUN 16 P 3:25
 RECEIVED OGD

*Well: West SHUGART
 2 19 30 State; +3
 API: 30-015-40953; +3
 Pool: Benson - Delaware
 Bone Springs*



Denise Pinkerton
Regulatory Specialist
15 Smith Road
Midland, Texas 79705
Tel: (432) 687-7375
leakejd@chevron.com

June 10, 2015

New Mexico Oil Conservation Division
1220 South St. Francis Dr.
Santa Fe, New Mexico 87505


Application for surface commingling of the Bone Spring and Delaware Pools
Section 2, T-19-S, R-30-E, NMPM, Eddy County, New Mexico

Dear Sir or Madam:

Chevron USA Inc. ("Chevron") requests approval to surface commingle oil, gas, and water production from Chevron's State 2 #8 (API #30-015-32862) and Chevron's West Shugart Central Tank Battery. Chevron's plan is to send production from the State 2 #8 well located on State of New Mexico OGL V-640 to Chevron's West Shugart Central Tank Battery with a location of 32°41'23.95"N 103°56'57.63"W. Chevron requests the approval to minimize surface disturbance and future traffic by concentrating activities at one facility. The State 2-8 will be recompleted from the Morrow to the Delaware Mountain group; operations should be commenced in the coming weeks.

The wells are located upon State of New Mexico OGL (V-640). Chevron owns 100% working interest in the lease resulting in a net revenue interest of 83.3333%. The wells located in the section will be allocated by monthly well test with Coriolis on oil and EFM on gas, a schematic showing this configuration is attached for your reference.

Should you have any additional questions or concerns please feel free to contact Gabrielle Garcia, Chevron Land Rep, at (432) 687-7339.

Sincerely,

Denise Pinkerton

APPLICATION FOR COMMINGLING AT A COMMON CENTRAL TANK BATTERY Chevron Corporation

West Shugart 2H, West Shugart 3H, West Shugart 4H and State 2-8

Lease Description	WI/NRI	Lease	Royalty Interest
West Shugart 2H	100%/83.3%	State	16.7
West Shugart 3H	100%/83.3%	State	16.7
West Shugart 4H	100%/83.3%	State	16.7
State 2- 8	100%/83.3%	State	16.7

Chevron is the only working interest for each lease.

A list of all interest owner addresses is below.

Chevron USA Inc. P.O. Box 47491 Houston, TX 77210-4791	State of New Mexico Commissioner of Pubic Lands P.O. Box 1148 Santa Fe, New Mexico 87504-1148
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ATTACHMENT

LAND OWNERSHIP STATUS

PREPARED BY Gabrielle Garcia, Landman

April 9, 2015

Application of Chevron U.S.A. Inc. for Administrative Approval to Surface Commingle the production from Chevron's State 2 battery to Chevron's West Shugart Central Tank Battery; all wells are located upon State of New Mexico V-640 oil and gas lease:

Chevron's West Shugart Central Tank Battery

Section 2, T-19-S, R-30-E
Eddy County, New Mexico

All of Section 2 -T19S-R30E, NMPM, -STATE LEASE V-640:

Lease Owner – 100% WI

Chevron U.S.A. Inc.
15 Smith Road
Midland, Texas 79705

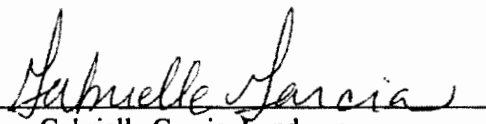
Royalty Owner – 1/6 Royalty

State of New Mexico
Commissioner of Public Lands
P. O. Box 1148
Santa Fe, New Mexico 87504-1148

Wells located on the Lease are the West Shugart 2-19-30 ST 2H (Bone Spring Reservoir); West Shugart 2-19-30 ST 4H (Bone Spring Reservoir); West Shugart 2-19-30 ST 3H (Bone Spring Reservoir); State 2 #6 (Queen Reservoir); State 2 #5 (Injection well- Queen Reservoir); State 2 #4 (Queen Reservoir); State 2 #2 (Yates/Seven Rivers Reservoir); State 2 #1 (Injection well-Queen Reservoir); and the State 2 #8 (Intent to TA filed with NMOCD).

Surface Owner for Sections 2, T-19-S, R-30-E, Eddy County, New Mexico:

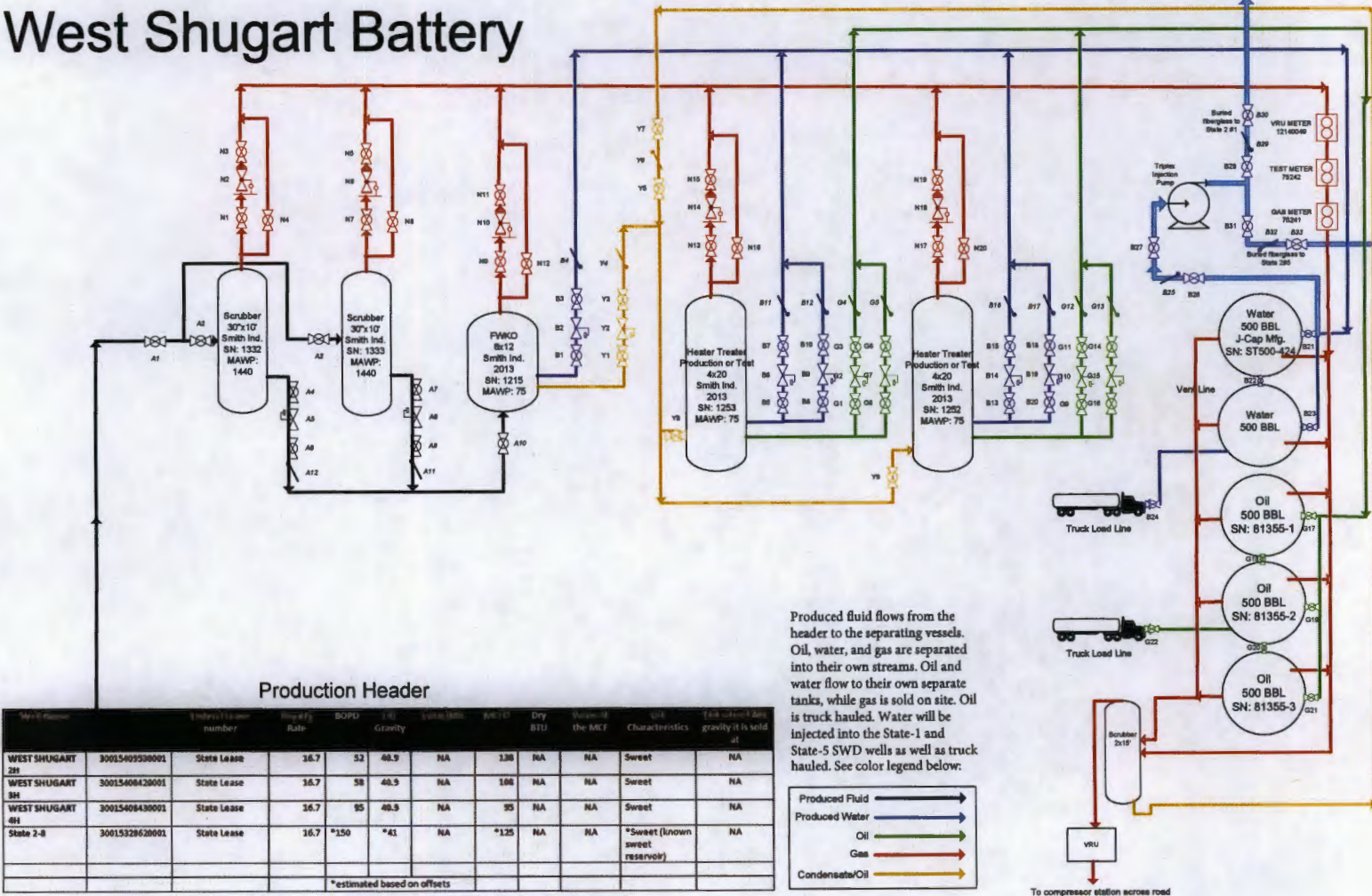
State of New Mexico
Commissioner of Public Lands
P. O. Box 1148
Santa Fe, New Mexico 87504-1148

Signed By: 
Gabrielle Garcia, Landman

Date: April 9, 2015

Nav Name	Date	Oil (BPD)	Total Gas	Water (BPD)	BOEG (BPD)	Total Fluid (BPD)
		stb/d	mscf/d	stb/d		stb/d
WEST SHUGART 4H	03/14/2015	115.00	191.00	40.00	146.83	155.00
WEST SHUGART 4H	02/13/2015	95.00	134.00	45.00	117.33	140.00
WEST SHUGART 4H	01/14/2015	90.00	138.00	40.00	113.00	130.00
WEST SHUGART 4H	12/11/2014	73.00	142.00	41.00	96.67	114.00
WEST SHUGART 4H	11/18/2014	79.00	131.00	43.00	100.83	122.00
WEST SHUGART 4H	10/24/2014	67.00	99.00	41.00	83.50	108.00
WEST SHUGART 4H	09/08/2014	82.00	120.00	46.00	102.00	128.00
WEST SHUGART 4H	08/07/2014	97.00	127.00	61.00	118.17	158.00
WEST SHUGART 4H	07/14/2014	107.00	132.00	63.00	129.00	170.00
WEST SHUGART 4H	06/03/2014	116.00	129.00	55.00	137.50	171.00
WEST SHUGART 4H	05/29/2014	102.00	143.00	68.00	125.83	170.00
WEST SHUGART 4H	04/19/2014	141.00	238.00	67.00	180.67	208.00
WEST SHUGART 4H	03/05/2014	149.00	247.00	85.00	190.17	234.00
WEST SHUGART 4H	10/10/2013	247.00	582.00	299.00	344.00	546.00
WEST SHUGART 4H	09/24/2013	321.00	653.00	356.00	429.83	677.00
WEST SHUGART 4H	09/10/2013	472.00	888.00	443.00	620.00	915.00
WEST SHUGART 4H	08/27/2013	605.00	581.00	540.00	701.83	1145.00

West Shugart Battery



Production Header

Well Name	Well Number	Lease	Rate	BOPD	SG	SG	SG	Dry	SG	SG	SG
WEST SHUGART 2H	30015409530001	State Lease	16.7	52	48.9	NA	1.38	NA	NA	Sweet	NA
WEST SHUGART 3H	30015408420001	State Lease	16.7	58	48.9	NA	1.06	NA	NA	Sweet	NA
WEST SHUGART 4H	30015408430001	State Lease	16.7	55	48.9	NA	95	NA	NA	Sweet	NA
State 2-B	30015328630001	State Lease	16.7	*150	*41	NA	*125	NA	NA	*Sweet (known sweet reservoir)	NA
*estimated based on offsets											

Produced fluid flows from the header to the separating vessels. Oil, water, and gas are separated into their own streams. Oil and water flow to their own separate tanks, while gas is sold on site. Oil is truck hauled. Water will be injected into the State-1 and State-5 SWD wells as well as truck hauled. See color legend below:

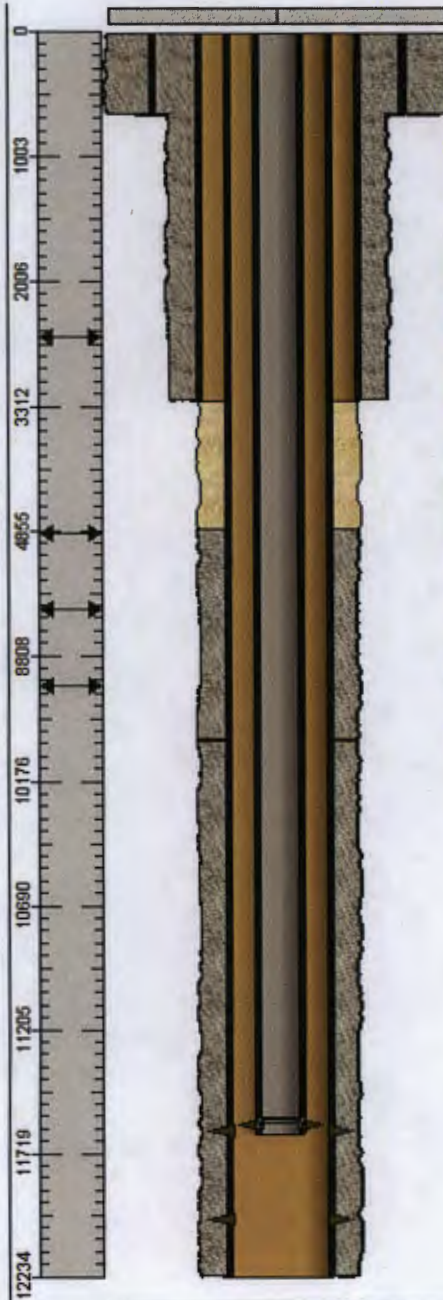
- Produced Fluid
- Produced Water
- Oil
- Gas
- Condensate/Oil

To compressor station across road

Nav Name	Date	Oil (BPD)	Total Gas	Water (BPD)	BOEG (BPD)	Total Fluid (BPD)
		stb/d	mscf/d	stb/d		stb/d
WEST SHUGART 3H	03/08/2015	65.00	142.00	38.00	88.67	103.00
WEST SHUGART 3H	02/10/2015	58.00	108.00	30.00	76.00	88.00
WEST SHUGART 3H	01/12/2015	56.00	129.00	22.00	77.50	78.00
WEST SHUGART 3H	12/14/2014	53.00	133.00	32.00	79.17	85.00
WEST SHUGART 3H	11/15/2014	102.00	125.00	75.00	122.83	177.00
WEST SHUGART 3H	10/22/2014	98.00	151.00	37.00	123.17	135.00
WEST SHUGART 3H	09/06/2014	99.00	138.00	37.00	122.00	136.00
WEST SHUGART 3H	08/09/2014	69.00	145.00	57.00	93.17	126.00
WEST SHUGART 3H	07/10/2014	102.00	148.00	59.00	126.67	161.00
WEST SHUGART 3H	06/15/2014	110.00	136.00	48.00	132.67	158.00
WEST SHUGART 3H	05/15/2014	93.00	148.00	47.00	117.67	140.00
WEST SHUGART 3H	04/07/2014	137.00	104.00	47.00	154.33	184.00
WEST SHUGART 3H	03/08/2014	142.00	112.00	55.00	160.67	197.00
WEST SHUGART 3H	02/20/2014	157.00	116.00	53.00	176.33	210.00
WEST SHUGART 3H	10/03/2013	196.00	527.00	157.00	283.83	353.00
WEST SHUGART 3H	09/24/2013	316.00	628.00	366.00	420.67	682.00
WEST SHUGART 3H	09/10/2013	458.00	724.00	430.00	578.67	888.00
WEST SHUGART 3H	08/27/2013	703.00	923.00	522.00	856.83	1225.00

Nav Name	^Date	Oil (BPD)	Total Gas	W/ater (BPD)	BOEG (BPD)	Total Fluid (BPD)
		stb/d	mscf/d	stb/d		stb/d
WEST SHUGART 2H	04/04/2015	74.00	23.00	8.00	77.83	82.00
WEST SHUGART 2H	03/10/2015	46.00	138.00	58.00	69.00	102.00
WEST SHUGART 2H	02/26/2015	52.00	138.00	68.00	75.00	120.00
WEST SHUGART 2H	01/10/2015	41.00	103.00	40.00	58.17	81.00
WEST SHUGART 2H	12/16/2014	58.00	119.00	50.00	77.83	108.00
WEST SHUGART 2H	11/13/2014	51.00	118.00	58.00	70.67	109.00
WEST SHUGART 2H	10/26/2014	63.00	136.00	49.00	85.67	112.00
WEST SHUGART 2H	09/03/2014	48.00	154.00	49.00	73.67	97.00
WEST SHUGART 2H	08/20/2014	66.00	150.00	69.00	91.00	135.00
WEST SHUGART 2H	07/24/2014	63.00	133.00	72.00	85.17	135.00
WEST SHUGART 2H	06/24/2014	72.00	138.00	65.00	95.00	137.00
WEST SHUGART 2H	05/06/2014	66.00	71.00	78.00	77.83	144.00
WEST SHUGART 2H	04/04/2014	69.00	61.00	48.00	79.17	117.00
WEST SHUGART 2H	03/10/2014	68.00	69.00	52.00	79.50	120.00
WEST SHUGART 2H	02/23/2014	77.00	72.00	51.00	89.00	128.00
WEST SHUGART 2H	10/08/2013	185.00	0.00	200.00	185.00	385.00
WEST SHUGART 2H	10/05/2013	192.00	0.00	216.00	192.00	408.00
WEST SHUGART 2H	08/27/2013	538.00	334.00	992.00	593.67	1530.00

Lease: OEU EUNICE FMT	Well No.: STATE 2 8 8	Field: HACKBERRY NORTH
Location: 660FSL1980FWL	Sec.: N/A	Blk:
County: Eddy St.: New Mexico	Refno: HL5623	Survey: N/A
Section: E030	Township: 2	Cost Center: UCRD70400
Current Status: ACTIVE		Range: S019
Directions:		Dead Man Anchors Test Date: NONE



Surface Casing (Top-Bottom Depth) Desc

@(22-673) Wellbore Hole OD-17.5000-

@(22-673) Cement (behind Casing)-

@(22-673) H-40 13.375 OD/ 48.00# Unknown Thread 12.715 ID 12.559 Drift-

Intermediate Casing (Top-Bottom Depth) Desc

@(22-3228) J-55 8.625 OD/ 32.00# Unknown Thread 7.921 ID 7.796 Drift-

@(22-3228) Cement (behind Casing)-

@(673-3228) Wellbore Hole OD-11.0000-

Production Casing (Top-Bottom Depth) Desc

@(4820-10004) Cement (behind Casing)-

@(11598-11602) Perforations-Open

@(11969-11969) Perforations-Open

@(11598-11978) Producing Interval (Completion)-

@(10004-12234) Cement (behind Casing)-

@(22-12234) J-55 5.500 OD/ 14.00# Unknown Thread 5.012 ID 4.887 Drift-

@(3228-12234) Wellbore Hole OD- 7.8750-

Tubing String Quantity (Top-Bottom Depth) Desc

365 @(22-11566) P-110 2.375 OD/ 4.70# T&C External Upset 1.995 ID

1.901 Drift-

1 @(11566-11567) Profile Nipple - XN 2.375/Unknown ID-

1 @(11567-11573) Unknown 2.375 OD/ 4.70# T&C External Upset 1.995 ID 1.901 Drift-

1 @(11573-11577) Perforated Tubing Sub 2.375-

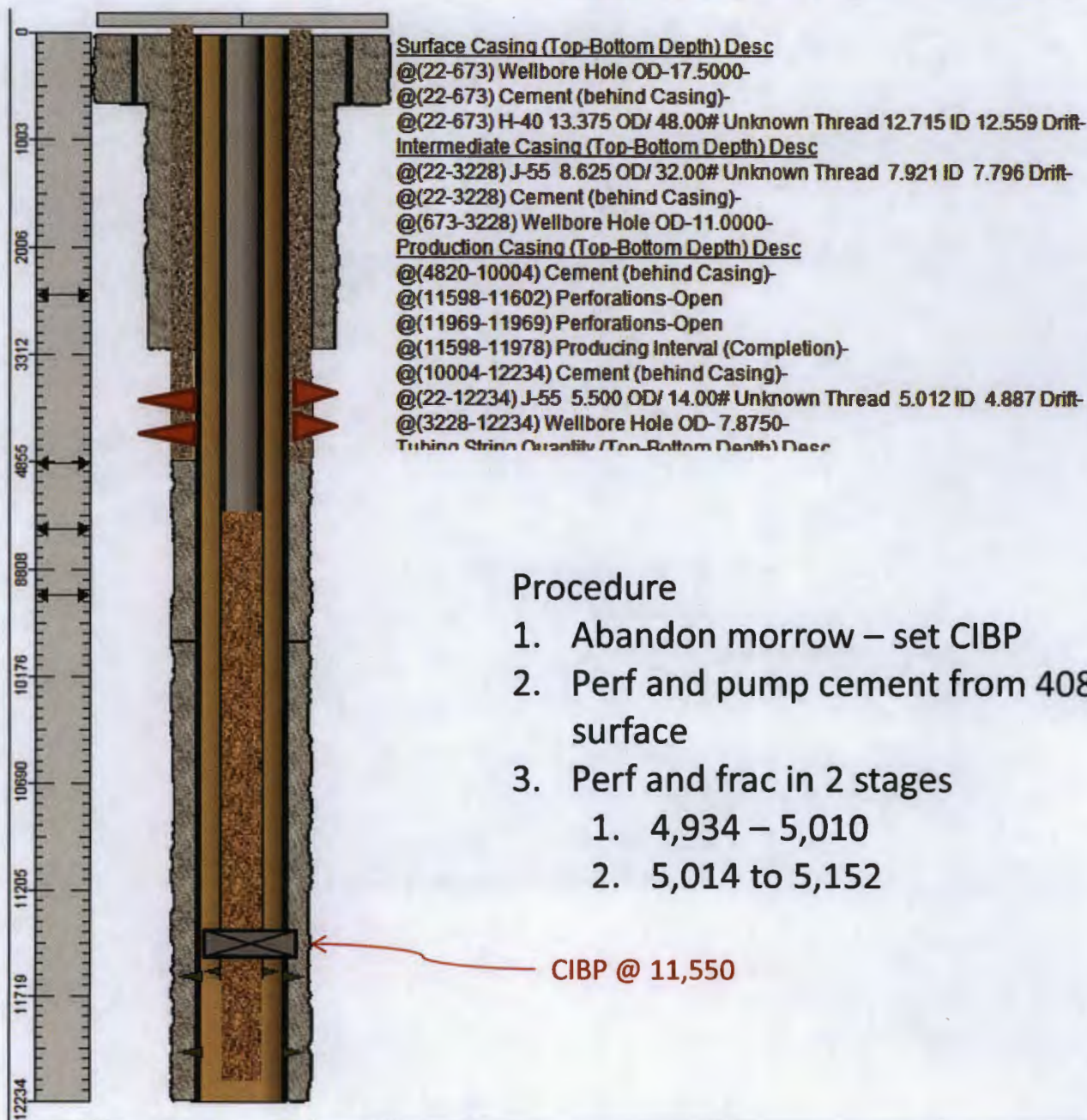
1 @(11577-11587) Unknown 2.375 OD/ 4.70# T&C External Upset 1.995 ID 1.901 Drift-

1 @(11587-11589) On-Off Tool w/Profile (Tubing) 2.375 OD-

1 @(11589-11596) Packer Mandrel 2.375 OD Threaded Connection-

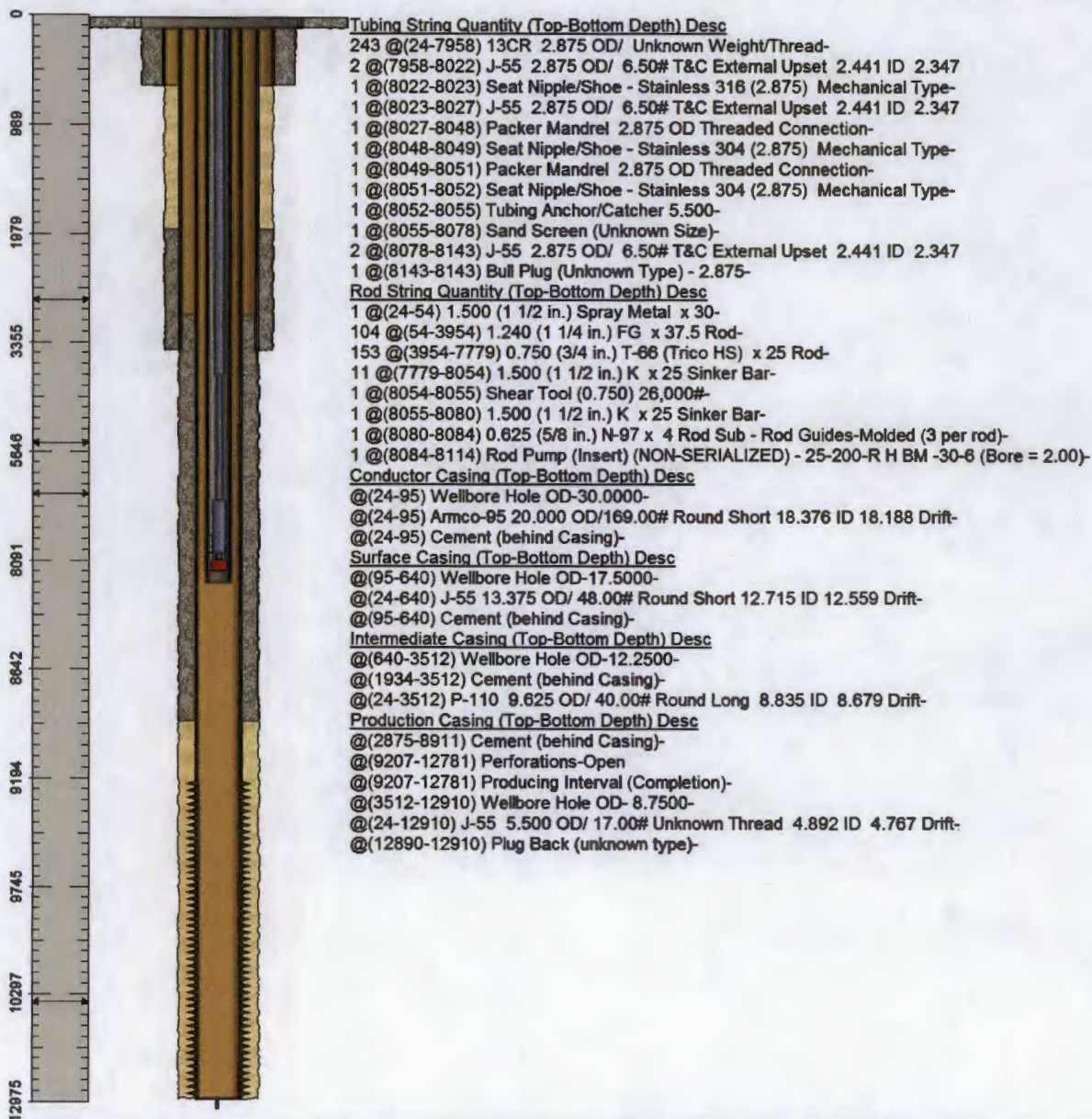
Lease: OEU EUNICE FMT	Well No.: STATE 2 8 8	Field: HACKBERRY NORTH	
Location: 660FSL1980FWL	Sec.: N/A	Blk:	Survey: N/A
County: Eddy St.: New Mexico	Refno: HL5623	API: 3001532862	Cost Center: UCRD70400
Section: E030	Township: 2	Range: S019	
Current Status: ACTIVE		Dead Man Anchors Test Date: NONE	
Directions:			

PROPOSED



Chevron U.S.A. Inc. Wellbore Diagram : WEST SHUGART 2H

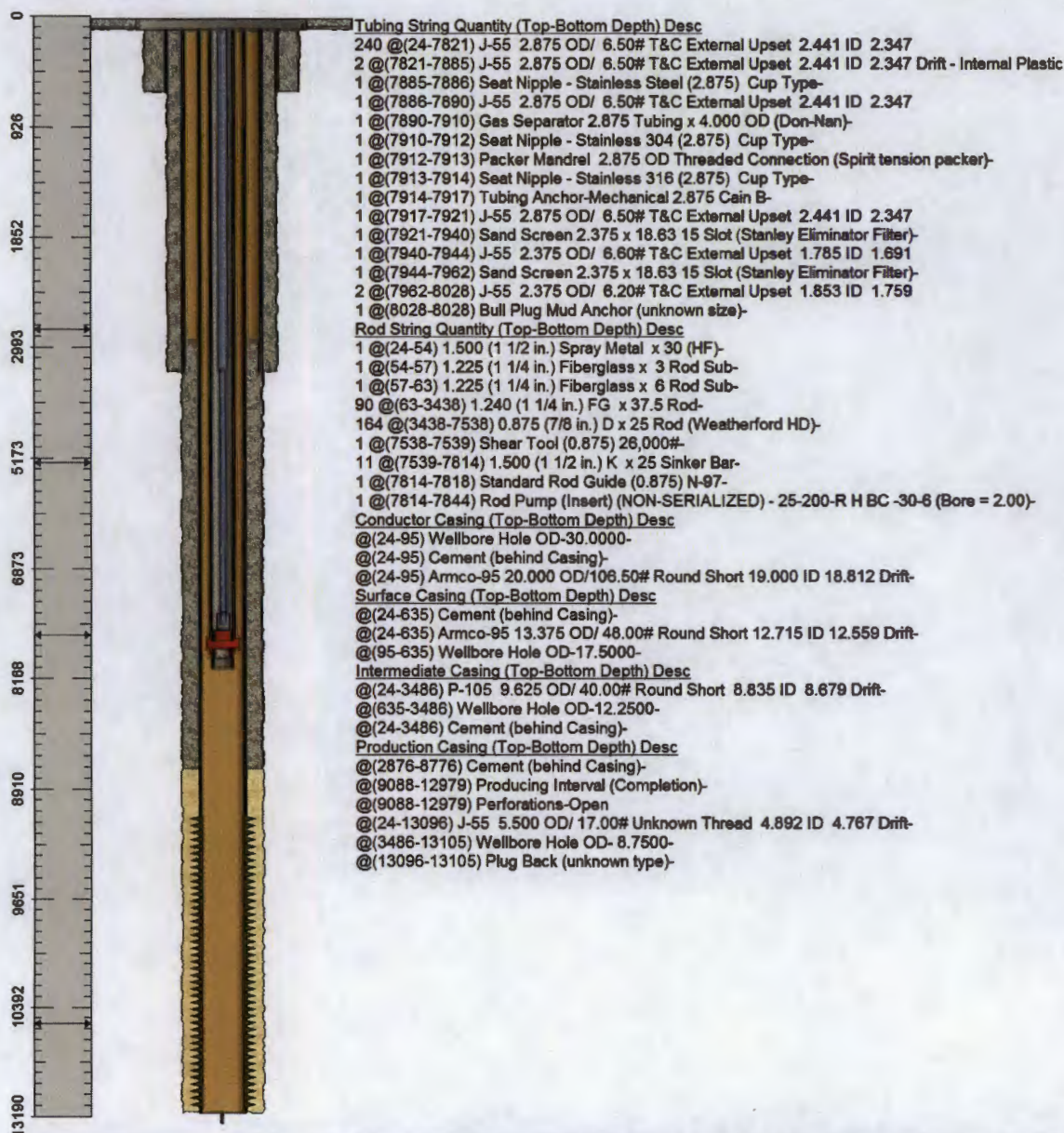
Lease: OEU EUNICE FMT		Well No.: WEST SHUGART 2-19-30 ST 2H 2H		Field: WILDCAT	
Location: 1920FSL350FEL		Sec.: N/A		Blk:	Survey: N/A
County: Eddy	St.: New Mexico	Refno: NV3336		API: 3001540953	Cost Center: UCMZ20300
Section: 2		Township: 19 S			Range: 30 E
Current Status: ACTIVE				Dead Man Anchors Test Date: NONE	
Directions:					



Ground Elevation (MSL): 3517.00	Spud Date: 06/05/2013	Compl. Date: 08/22/2013
Well Depth Datum: Kelly Bushing	Elevation (MSL): 3517.00	Correction Factor: 24.00
Last Updated by: kswa	Date: 11/19/2014	

Chevron U.S.A. Inc. Wellbore Diagram : WEST SHUGART 3H

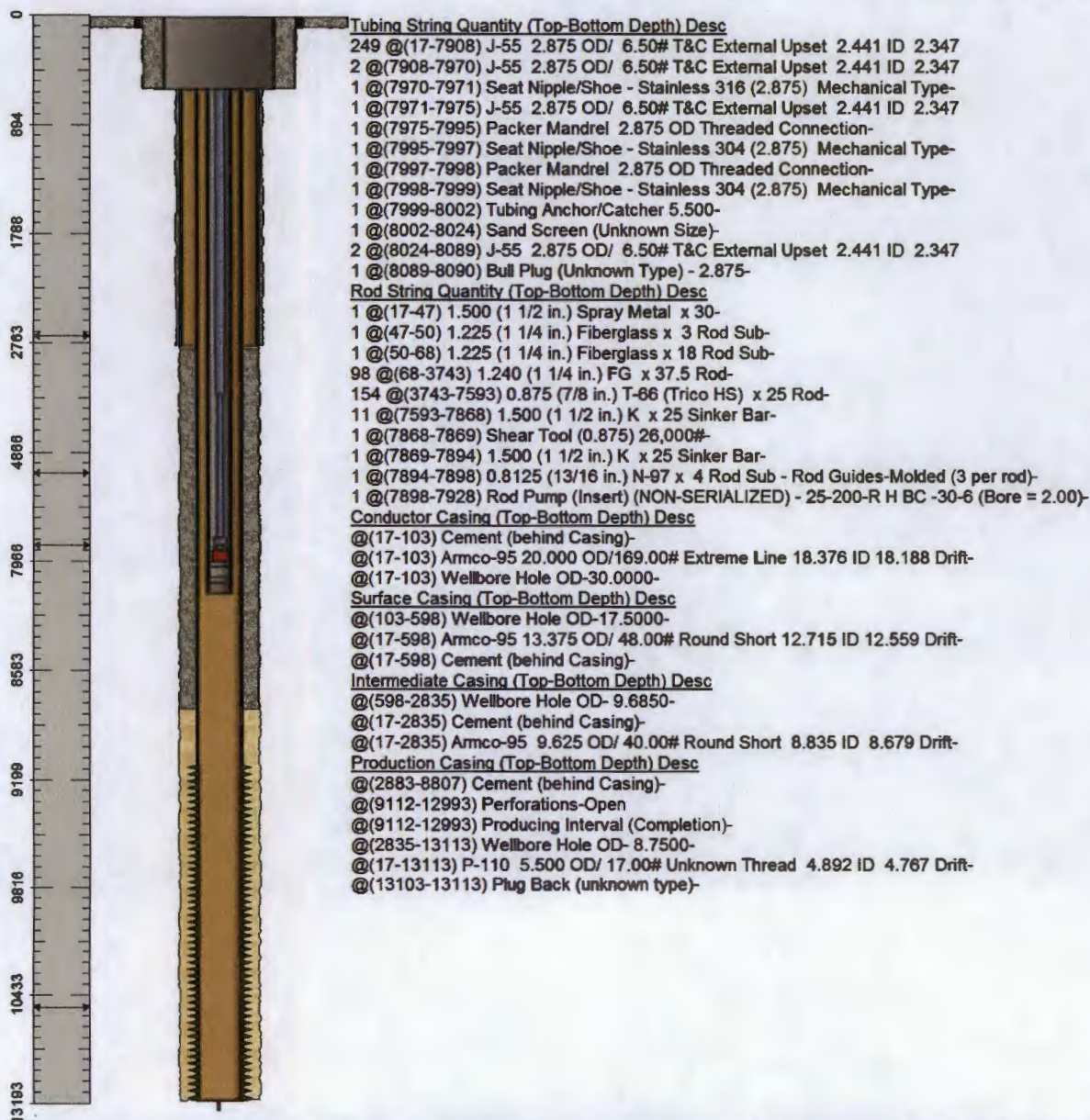
Lease: OEU EUNICE FMT		Well No.: WEST SHUGART 2-19-30 ST 3H 3H		Field: BENSON	
Location: 1195FNL150FWL		Sec.: N/A		Blk:	Survey: N/A
County: Eddy	St.: New Mexico	Refno: NU8092		API: 3001540842	Cost Center: UCMZ20100
Section: 2		Township: 19 S			Range: 30 E
Current Status: ACTIVE				Dead Man Anchors Test Date: NONE	
Directions:					



Ground Elevation (MSL): 3473.00	Spud Date: 05/06/2013	Compl. Date: 01/01/1800
Well Depth Datum: Kelly Bushing	Elevation (MSL): 3473.00	Correction Factor: 24.00
Last Updated by: kujv	Date: 11/25/2013	

Chevron U.S.A. Inc. Wellbore Diagram : WEST SHUGART 4H

Lease: OEU EUNICE FMT		Well No.: WEST SHUGART 2-19-30 ST 4H 4H		Field: N/A	
Location: 400FNL150FWL		Sec.: N/A		Blk:	Survey: N/A
County: Eddy	St.: New Mexico	Refno: NU6069		API: 3001540843	Cost Center: UCMZ20200
Section: 2		Township: 19 S			Range: 30 E
Current Status: ACTIVE				Dead Man Anchors Test Date: NONE	
Directions:					



Ground Elevation (MSL): 3468.00	Spud Date: 04/24/2013	Compl. Date: 08/05/2013
Well Depth Datum: Kelly Bushing	Elevation (MSL): 3485.00	Correction Factor: 17.00
Last Updated by: kswa	Date: 11/19/2014	

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 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
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

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number 30-015-40953	² Pool Code 5200	³ Pool Name BENSON BONE SPRING
⁴ Property Code 39552	⁵ Property Name WEST SHUGART 2 19 30 STATE	
⁷ OGRID No. 4323	⁸ Operator Name CHEVRON USA INC	
		⁶ Well Number 2H
		⁹ Elevation 1071

¹⁰ Surface Location

UL or lot no. 1	Section 2	Township 19S	Range 30E	Lot Idn	Feet from the 1920	North/South line SOUTH	Feet from the 350	East/West line EAST	County EDDY
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¹¹ Bottom Hole Location If Different From Surface

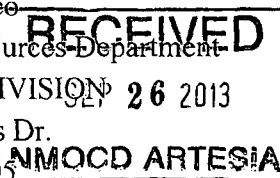
UL or lot no. L	Section 2	Township 19S	Range 30E	Lot Idn	Feet from the 1899	North/South line SOUTH	Feet from the 385	East/West line WEST	County EDDY
¹² Dedicated Acres 160	¹³ Joint or Infill	¹⁴ Consolidation Code		¹⁵ Order No.					

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.

¹⁶				¹⁷ 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. Cindy Herrera-Murillo 09/11/2013 Signature Date Cindy Herrera-Murillo Printed Name Cherreramurillo@chevron.com E-mail Address	
				¹⁸ 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 Signature and Seal of Professional Surveyor: Certificate Number	

District I
1625 N. French Dr., Hobbs, NM 88240
Phone: (575) 393-6161 Fax: (575) 393-0720
District II
611 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
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

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number 30-015-40942 40842		² Pool Code 5200	³ Pool Name BENSON BONE SPRING
⁴ Property Code 39552	⁵ Property Name WEST SHUGART 2 19 30 STATE		⁶ Well Number 3H
⁷ OGRID No. 4323	⁸ Operator Name CHEVRON USA INC		⁹ Elevation 3473

¹⁰ Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
D	2	19S	30E		1195	N SOUTH	150	WEST	EDDY

¹¹ 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
A	2	19S	30E		1173	N SOUTH	385	EAST	EDDY

¹² Dedicated Acres 160	¹³ Joint or Infill	¹⁴ Consolidation Code	¹⁵ Order No.
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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.
Project Area

	West Shugart 2 19S	30E State # 3H	<p>¹⁷ 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.</p> <p><i>Cindy Herrera-Murillo</i> 09/11/2013 Signature Date</p> <p>Cindy Herrera-Murillo Printed Name</p> <p>Cherreramurillo@chevron.com E-mail Address</p>
	Producing	Area	
			<p>¹⁸ 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>Date of Survey</p> <p>Signature and Seal of Professional Surveyor</p>
			Certificate Number

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 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
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

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number 30-015-40843	² Pool Code 5200	³ Pool Name BENSON BONE SPRING
⁴ Property Code 39552	⁵ Property Name WEST SHUGART 2 19 30 STATE	⁶ Well Number 4H
⁷ OGRID No. 4323	⁸ Operator Name CHEVRON USA INC	⁹ Elevation 3468

¹⁰ Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
D	2	19S	30E		400	NORTH	150	WEST	EDDY

¹¹ 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
A	2	19S	30E		352	NORTH	377	EAST	EDDY

¹² Dedicated Acres 160	¹³ Joint or Infill	¹⁴ Consolidation Code	¹⁵ 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.
Project Area

	West Shugart 2 19S	30E State #4H	<p>¹⁷ 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.</p> <p><i>Cindy Herrera-Munillo</i> 09/11/2013 Signature Date</p> <p>Cindy Herrera-Munillo Printed Name</p> <p>Cherreramunillo@chevron.com E-mail Address</p>
	Producing	Area	
			<p>¹⁸ 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>Date of Survey</p> <p>Signature and Seal of Professional Surveyor:</p>
			Certificate Number

RECEIVED
SEP 13 2013
NMOCD ARTESIA

District I
1625 N. French Dr., Hobbs, NM 88240
Phone: (575) 393-6161 Fax: (575) 393-0720
District II
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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

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number 30-015-32862	² Pool Code 97083	³ Pool Name BENSON; DELAWARE
⁴ Property Code 310521	⁵ Property Name STATE 2	⁶ Well Number 008
⁷ OGRID No. 4323	⁸ Operator Name CHEVRON U.S.A. INC.	⁹ Elevation 3428' GR

¹⁰ Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
N	2	19S	30E		660	SOUTH	1980	WEST	EDDY

¹¹ 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

¹² Dedicated Acres 40	¹³ Joint or Infill	¹⁴ Consolidation Code	¹⁵ Order No.
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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.

¹⁶ 	<p>¹⁷ 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 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.</p> <p><i>Denise Pinkerton</i> 04/05/2015 Signature Date</p> <p>DENISE PINKERTON REGULATORY SPECIALIST Printed Name</p> <p>leakcid@chevron.com E-mail Address</p>
	<p>¹⁸ 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 of Survey</p> <p>Signature and Seal of Professional Surveyor:</p>
	<p>Certificate Number</p>

30015257710000

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30015257550000

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Eddy
County

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County R20 E

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12

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30015350850000

30015348160000

APPLICATION FOR COMMINGLING AT A COMMON CENTRAL TANK BATTERY Chevron Corporation

West Shugart 2H, West Shugart 3H, West Shugart 4H and State 2-8

Royalty Rate	Well Name	BOPD	Oil Gravity (@60 deg)	Value/bbl	MCFPD	Dry BTU	Value/mcf
16.70%	West Shugart 2H	52	40.9	NA	138	NA	NA
16.70%	West Shugart 3H	58	40.9	NA	108	NA	NA
16.70%	West Shugart 4H	95	40.9	NA	95	NA	NA
16.70%	State 2- 8	*150	*41	NA	*125	NA	NA



Denise Pinkerton
Regulatory Specialist
15 Smith Road
Midland, Texas 79705
Tel: (432) 687-7375
leakejd@chevron.com

June 10, 2015

New Mexico State Land Office
P O Box 1148
Santa Fe, NM 87504-1148

Application for surface commingling of the Bone Spring and Delaware Pools
Section 2, T-19-S, R-30-E, NMPM, Eddy County, New Mexico

Dear Sir or Madam:

Chevron USA Inc. ("Chevron") requests approval to surface commingle oil, gas, and water production from Chevron's State 2 #8 (API #30-015-32862) and Chevron's West Shugart Central Tank Battery. Chevron's plan is to send production from the State 2 #8 well located on State of New Mexico OGL V-640 to Chevron's West Shugart Central Tank Battery with a location of 32°41'23.95"N 103°56'57.63"W. Chevron requests the approval to minimize surface disturbance and future traffic by concentrating activities at one facility. The State 2-8 will be recompleted from the Morrow to the Delaware Mountain group; operations should be commenced in the coming weeks.

The wells are located upon State of New Mexico OGL (V-640). Chevron owns 100% working interest in the lease resulting in a net revenue interest of 83.3333%. The wells located in the section will be allocated by monthly well test with Coriolis on oil and EFM on gas, a schematic showing this configuration is attached for your reference.

Also attached, is the \$30 filing fee.

Application has been made to the New Mexico Oil Conservation Division in Santa Fe, NM.

Should you have any additional questions or concerns please feel free to contact Gabrielle Garcia, Chevron Land Rep, at (432) 687-7339.

Sincerely,

A handwritten signature in black ink that reads "Denise Pinkerton". The signature is fluid and cursive, with the first name "Denise" being more prominent.

Denise Pinkerton

Chevron NA Exploration Prod Co
A Division of Chevron U.S.A., Inc.
PO Box 9034
Concord CA 94524

CHECK DATE: 06/09/2015
CHECK NO: 0024146723
PAYEE REF: 0010321751
COMPANY NO: 0064
MAIL CODE: 11ECO



NEW MEXICO STATE LAND OFFICE
310 OLD SANTA FE TRL
PO BOX 1148
SANTA FE NM 875041148

ADDRESS INQUIRIES TO: PO Box 9034, Concord, CA 94524-1934
PHONE CONTACT: 925-827-7741 FAX CONTACT: 925-680-3534

INV DATE	INVOICE#	OUR REFERENCE#	GROSS AMT.	DISC AMT.	NET AMT.
06/02/2015	150602NEW	0019008390	\$30.00	\$0.00	\$30.00
SURFACE COMMINGLE FOR STATE 2 #8(30-015-32862)					

DETACH AND RETAIN THIS STUB FOR YOUR RECORDS

CHECK# 0024146723 ATTACHED BELOW



Chevron NA Exploration Prod Co
A Division of Chevron U.S.A., Inc.
PO Box 9034
Concord CA 94524

NO. 0024146723

62-20
311

06/09/2015

PAY TO
ORDER OF

NEW MEXICO STATE LAND OFFICE
310 OLD SANTA FE TRL
PO BOX 1148
SANTA FE NM 875041148

*****\$30.00

NOT VALID AFTER 1 YEAR

Thirty and 00/100 Dollars

AUTHORIZED SIGNATURE

CITIBANK N.A., ONE PENN'S WAY, NEW CASTLE, DE 19720

00021166723 0311002090 38696461