

State of New Mexico  
Energy, Minerals and Natural Resources Department

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Susana Martinez  
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Cabinet Secretary

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Deputy Cabinet Secretary

Heather Riley, Division Director  
Oil Conservation Division



CENTRAL TANK BATTERY

Administrative Order CTB-737-A  
Application Reference No. pMAM1806457351

April 4, 2018

Chevron USA Inc.  
Attention: Ms. Cindy Herrera-Murillo

Chevron USA Inc. (OGRID 4323) is hereby authorized to off lease measure and surface commingle oil and gas production from the Willow Lake; Bone Spring, Southeast Pool (Pool code: 96217) from the following identically owned federal leases in Township 24 South, Range 29 East, Eddy County, New Mexico:

Lease:	Federal lease NMNM118713	
Description:	W/2 E/2 of Section 33	
Well:	Rustler Bluff 33 24 29 Federal Well No. 1H	API 30-015-42670
Lease:	Federal lease NMNM118714	
Description:	W/2 E/2 of Section 34	
Well:	Rustler Bluff 33 24 29 Federal Well No. 2H	API 30-015-42671

The commingled oil and gas production from the wells detailed above shall be located at the Rustler Bluff 34 Central Tank Battery (CTB), located at in Lot 1/ Unit A of Section 3, Township 25 South, Range 29 East, NMPM, Lea County, New Mexico.

Your application has been duly filed under the provisions of Division Rules 19.15.12.10.C NMAC and 19.15.4.12.A (8) NMAC.

It is also understood that you have given due notice of this application to all owners in the mineral interest estate ("affected parties") as defined in Rule 19.15.12.10.C (4) NMAC. However, Chevron USA Inc. is the only working interest owner, as a result no notification is required.

Production from the subject wells shall be determined as follows:

The oil production from each of the identically-owned leases shall be allocated on a daily basis, and each leases' production shall be will be calculated downstream of each metering separator, at custody transfer point (CTP). The CTP is located in Unit A, Section 8, Township 25 South, Range 30 East.

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The gas production from each of the identically-owned leases shall be continuously measured with allocation meters. The gas production will be sold at the gatherer's meter located at the CTB.

The allocation meters shall be calibrated quarterly in accordance with Rule 19.15.12.10.C (2) NMAC.

Subsequently drilled wells that produce from the subject pool within the project areas approved by this order may be added to this commingling authority by submittal of a Sundry Notice to the Engineering Bureau in Santa Fe.

This installation shall be installed and operated in accordance with the applicable Division Rules. It is the responsibility of the producer to notify the transporter of this commingling authority.

This Order supersedes Administrative Order CTB-737, issued on October 27, 2014. This Order allows for off-lease measurement of oil and gas production. Lastly, this amended administrative order adds new Custody Transfer Points for both oil and gas production.

This administrative order is subject to like approval from the Bureau of Land Management.

The operator shall notify the Artesia District office of the Division prior to implementation of the commingling operations.



**HEATHER RILEY**  
Director

HR/mam

cc: Oil Conservation Division – Artesia  
Bureau of Land Management - Carlsbad