

State of New Mexico  
Energy, Minerals and Natural Resources Department

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**Susana Martinez**  
Governor

**Ken McQueen**  
Cabinet Secretary

**Matthias Sayer**  
Deputy Cabinet Secretary

**Heather Riley, Division Director**  
Oil Conservation Division



September 5, 2018

Surface Commingling Order PLC-518

**CHEVRON USA INC**  
Attention: Ms. Cindy Herrera-Murillo

Pursuant to your application received on August 15, 2018, Chevron USA Inc. (OGRID 4323) is hereby authorized to surface commingle oil and gas production from the following pools located in Section 3, Township 22 South, Range 37 East, NMPM, Lea County, New Mexico;

BLINEBRY OIL AND GAS (OIL)	(6660)
DRINKARD	(19190)
EUMONT; YATES-7 RVRS-QUEEN (OIL)	(22800)
PENROSE SKELLY; GRAYBURG	(50350)

and from the following diversely owned fee wells and leases in Section 3, Township 22 South, Range 37 East, in Lea County, New Mexico.

Lease: RL Brunson COI Well No. 8  
Dedication: NW/4 SW/4, Section 3, Township 22 South, Range 37 East  
Well: RL Brunson COI Well No. 8 API 30-025-10004  
Pools: Blinebry Oil and Gas (Oil)  
Drinkard

Lease: RL Brunson TR 2 Well No. 3  
Dedication: SW/4 SW/4, Section 3, Township 22 South, Range 37 East  
Well: RL Brunson TR 2 Well No. 3 API 30-025-10002  
Pool: Penrose Skelly; Grayburg

Lease: RL Brunson TR 2 Well No. 6  
Dedication: SW/4 SW/4, Section 3, Township 22 South, Range 37 East  
Well: RL Brunson TR 2 Well No. 6 API 30-025-36316  
Pools: Penrose Skelly; Grayburg  
Eumont; Yates-7 Rvrs-Queen

Lease: RL Brunson TR 2 Well No. 4  
Dedication: SE/4 SW/4, Section 3, Township 22 South, Range 37 East  
Well: RL Brunson TR 2 Well No. 4 API 30-025-10003  
Pool: Penrose Skelly; Grayburg

Lease: RL Brunson TR 2 Well No. 7  
Dedication: NE/4 SW/4, Section 3, Township 22 South, Range 37 East  
Well: RL Brunson TR 2 Well No. 7 API 30-025-36925  
Pools: Penrose Skelly; Grayburg  
Eumont; Yates-7 Rvrs-Queen

The commingled oil and gas production from the wells detailed above shall be measured and sold at the RL Brunson 8-3 Battery central tank battery (CTB), located in Unit L, of Section 3, Township 22 South, Range 37 East, NMPM, Lea County, New Mexico.

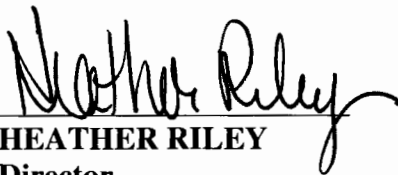
Production from the subject wells shall be determined as follows:

The oil and gas production from each of the diversely-owned leases shall be separately metered using a combination of well testing and allocation meters. Each well shall be tested monthly for a minimum of 24 hours. During the test, the remaining wells shall be shut-in as per the application.

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

This installation shall be installed and operated in accordance with the applicable Division Rules and Regulations.

The Operator shall notify the transporter of this commingling authority and the District Office prior to implementation of commingling operations.

  
**HEATHER RILEY**  
**Director**

HR/mam

cc: Oil Conservation Division - Hobbs District Office