

State of New Mexico
Energy, Minerals and Natural Resources Department

Susana Martinez
Governor

David Martin
Cabinet Secretary

Brett F. Woods, Ph.D.
Deputy Cabinet Secretary

David R. Catanach, Division Director
Oil Conservation Division



ADMINISTRATIVE CENTRAL TANK BATTERY ORDER

Administrative Order CTB-743
Administrative Application Reference No. pMAM1502057081

February 10, 2015

Chevron USA Inc.
Attention: Cindy Herrera-Murillo

Chevron USA Inc. (OGRID 4323) is hereby authorized to surface commingle oil and gas production from Red Hills; Bone Spring, North (96434), and from the following leases and wells:

<u>Name</u>	<u>API No.</u>	<u>Footages</u>
<u>ULSTR</u>		
Antelope Ridge 11 24 34 Federal Well No. 3H M-11-24S-34E	30-025-42318	330 FSL & 980 FWL
Prodigal Sun 17 24 34 Federal Well No. 1H B-17-24S-34E	30-025-41957	330 FNL & 1660 FEL

All in NMPM, Lea County, New Mexico

The project area for these wells include the W/2 W/ 2 of Section 11; and W/2 E/2 Section 17, Township 24 South, Range 34 East, NMPM, Lea County, New Mexico.

The commingled oil and gas production from the wells detailed above shall be measured and sold at the Prodigal Sun 17 24 34 Federal Well No. 1H central tank battery (CTB) located in Unit B, Section 17, Township 24 South, Range 34 East, NMPM, Lea County, New Mexico.

The oil and gas production from each well shall be continuously measured with allocation meters before commingling with production from other wells. The allocation meters shall be calibrated quarterly in accordance with Rule 19.15.12.10.C (2) NMAC.

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.

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

February 10, 2015

Page 2

This approval is subject to like approval from the Bureau of Land Management before commencing commingling operations.

DONE at Santa Fe, New Mexico, on February 10, 2014



DAVID R. CATANACH

Director

DC/mam

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