

State of New Mexico
Energy, Minerals and Natural Resources Department

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Cabinet Secretary

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Deputy Cabinet Secretary

David R. Catanach, Division Director
Oil Conservation Division



ADMINISTRATIVE CENTRAL TANK BATTERY ORDER

Administrative Order CTB-772
Administrative Application Reference No. pMAM1530157631

November 18, 2015

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

Chevron USA Inc. (OGRID 4323) hereby authorized to surface commingle oil and gas production from wells and leases from WC-025 G-06 S263319P; Bone Spring (Pool code 97955) in Lea County, New Mexico:

Lease: Federal Com. Agreement pending
Description: W/2 W/2 of Section 18, Township 26 South, Range 33 East, NMPM
Wells: Salado Draw 18 26 33 Federal Com. Well No. 1H
Salado Draw 18 26 33 Federal Com. Well No. 2H

Lease: Federal lease NMNM-27506
Description: E/2 W/2 of Section 18, and E/2 W/2 and E/2 E/2 of Section 19, Township 26 South, Range 33 East, NMPM
Well: Salado Draw 18 26 33 Federal Well No. 3H
Salado Draw 18 26 33 Federal Well No. 4H
Salado Draw 19 26 33 Federal Well No. 3H
Salado Draw 19 26 33 Federal Well No. 4H
Porter Brown Well No. 1H

Lease: Federal Com. Agreement pending
Description: W/2 W/2 of Section 19, Township 26 South, Range 33 East, NMPM
Wells: Salado Draw 19 26 33 Federal Com. Well No. 1H
Salado Draw 19 26 33 Federal Com. Well No. 2H

The combined project area for these wells include the W/2 of Section 18, and the W/2 and E/2 E/2 of Section 19, Township 26 South, Range 33 East, NMPM, Lea County, New Mexico.

The oil and gas production from these wells listed as part of this application shall be measured and sold from the Salado Draw 19 Central Tank Battery (CTB), located in Lot 1, of Section 19, Township 26 South, Range 33 East, NMPM, Lea County, New Mexico.

Production from the subject wells shall be determined as follows:

The oil and gas production from the wells listed as part of this application which have identical ownership shall be metered with a combination of metering and testing.

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

After initial notification, future wells that will produce from the pools and leases approved by this order may be added to this commingling authority by submittal of a Sundry Notice to the Engineering Bureau in Santa Fe.

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

Done at Santa Fe, New Mexico, on November 18, 2015.



DAVID R. CATANACH
Director

DRC/mam

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