

ABOVE THIS LINE FOR DIVISION USE ONLY

Rest Production

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

- CTB-783
- Chevron USA Inc
4323
well
- Penseas 10
Federal Com 34
30-005-29137
- Penseas 10
Federal Com 41
30-005-29204
Pool
- Wildcat G-05
51531 10, Abo-
Wolfcamp
47715

[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.

Cindy Herrera-Murillo _____ *Cindy Herrera-Murillo* _____ Permitting Specialist _____ 03/11/2016 _____
 Print or Type Name Signature Title Date

 Cherreramurillo@chevro.com
 e-mail Address



Cindy Herrera-Murillo
Regulatory Specialist
Midcontinent BU

Chevron North America
Exploration and Production Company
(A Chevron U.S.A. Inc. Division)
1616 W. Bender Blvd Room 134
Hobbs FMT, Hobbs, NM 88240
Tel 575-263-0431
Cherreramurillo@chevron.com

March 11, 2016

Oil Conservation Division
Attn: Engineering Department
1220 S. St. Francis Drive
Santa Fe, New Mexico 87505

RECEIVED OOD
2016 MAR 14 P 2:25

Application for surface commingling, Wildcat Abo-Wolfcamp Pool, Chaves County, NM (Section 10, T15S, R31E)

Dear Sirs,

Chevron U.S.A. Inc. respectfully requests administrative approval to surface commingle oil, gas, and water production from the Wildcat Abo-Wolfcamp Pool through Chevron's Perseus 10 Central Tank Battery. Chevron requests the approval to minimize surface disturbance and future traffic by concentrating activities at one battery. Wells producing to this battery include the Perseus 10 Federal Com #3H and Perseus 10 Federal Com #4H. These wells are located in Section 10, T21S, R31E, Chaves County, New Mexico.

The working interest and Federal royalty rate are the same for leases involved in this request (100% Chevron, 12.5% Federal). Working, royalty and overriding interest owners have been notified of this proposal via certified mail.

These well were completed in October 2013. Production from each well is measured continuously through three-phase metering separators located at the Perseus 10 central tank battery. The three-phase separators measure oil through turbine meters and gas through EFM's.

Sincerely,

Cindy Herrera-Murillo
Permitting Specialist

DISTRICT I
1625 N. FRENCH DR., HOBBBS, NM 87240

DISTRICT II
1301 W. GRAND AVENUE, ARTESIA, NM 82210

DISTRICT III
1000 RIO BRAZOS RD., AZTEC, NM 87410

DISTRICT IV
11885 S. ST. FRANCIS DR., SANTA FE, NM 87505

State of New Mexico
Energy, Minerals and Natural Resources Department

OIL CONSERVATION DIVISION
11885 SOUTH ST. FRANCIS DR.
Santa Fe, New Mexico 87505

Form C-102
Revised October 13, 2005
Submit to Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies

WELL LOCATION AND ACREAGE DEDICATION PLAT

AMENDED REPORT

API Number 30-005-29137	Pool Code 97715	Pool Name Wildcat; Wolfcamp
Property Code 38150	Property Name PERSEUS 10 FEDERAL COM	Well Number 3H
OGRID No. 147179	Operator Name CHESAPEAKE OPERATING, INC.	Elevation 4404'

Surface Location

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
H	10	15-S	31-E		1980	NORTH	200	EAST	CHAVES

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
E	10	15-S	31-E		1980	NORTH	330	WEST	CHAVES

Dedicated Acres 160	Joint or Infill	Consolidation Code	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

	<p>OPERATOR CERTIFICATION</p> <p>I hereby certify that the information herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or leased 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 mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.</p> <p><i>Bryan Arant</i> 2/16/2010 Signature Date</p> <p>Bryan Arant Printed Name</p>
	<p>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>GARY G. EIDSON JANUARY 29, 2010 Date Surveyed D55</p> <p><i>Gary Eidson</i> Signature & Seal of Professional Surveyor</p> <p>10.11.0139</p> <p>Certificate No. GARY EIDSON 12641 RONALD J. EIDSON 3239</p>

HOBBS OCD

MAY 08 2013

RECEIVED

Form C-102

Revised August 1, 2011
Submit one copy to appropriate District Office

DISTRICT I
1675 N. French Dr., Hobbs, NM 88240
Phone: (505) 293-6161 Fax: (505) 293-0720
DISTRICT II
617 S. First St., Artesia, NM 88210
Phone: (505) 748-1783 Fax: (505) 748-0770
DISTRICT III
1666 Rio Huerfano Road, Aztec, NM 87410
Phone: (505) 334-6176 Fax: (505) 334-6170
DISTRICT IV
1210 S. St. Francis Dr., Santa Fe, NM 87505
Phone: (505) 476-3160 Fax: (505) 476-3162

State of New Mexico
Energy, Minerals & Natural Resources Department
OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, New Mexico 87505

DAMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number 30-005-29204	Perm Code 97715	Pool Name WC - G-05 S1531110; ABO-WOLFCAMP
Property Code 310682	Property Name PERSEUS 10 FEDERAL COM	Well Number 4H
OGRID No. 4323	Operator Name CHEVRON USA INC.	Elevation 4405'

Surface Location

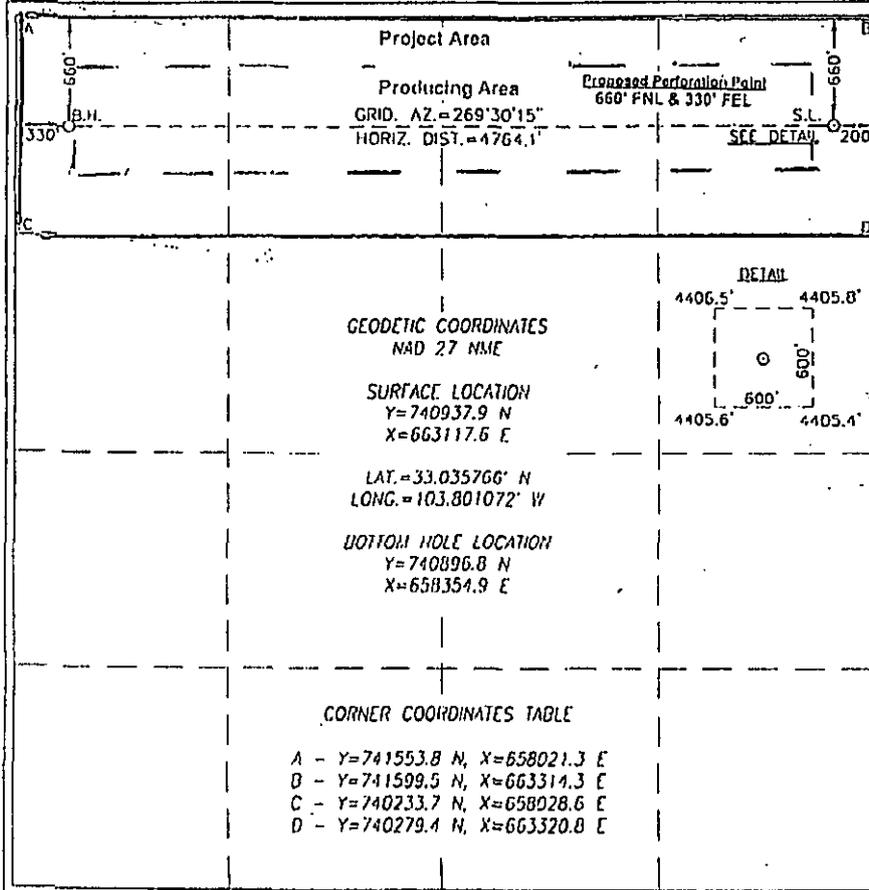
Ul. or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
A	10	15-S	31-E		660	NORTH	200	EAST	CHAVES

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
D	10	15-S	31-E		660	NORTH	330	WEST	CHAVES

Dedicated Acres 160	Joint or Infill	Consolidation Code	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



OPERATOR CERTIFICATION

I hereby certify that the information 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 mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.

Bryan Arrant 12/27/2012
Signature Date
Bryan Arrant (Agent for Chevron)
Printed Name
bryan.arrant@ch2.com
E-mail Address

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.

DECEMBER 7, 2012
Date of Survey
Signature & Seal of Professional Surveyor:
Ernest J. Eidsen 12/17/2012
Professional Number Guyton Eidsen 12641
Ernest J. Eidsen 3239
AF 12.11.2001

MAY 20 2013

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB NO. 1004-0135
Expires: July 31, 2010

SUNDRY NOTICES AND REPORTS ON WELLS
Do not use this form for proposals to drill or to re-enter an abandoned well. Use form 3160-3 (APD) for such proposals.

5. Lease Serial No.
NMNM105885

6. If Indian, Allottee or Tribe Name

SUBMIT IN TRIPLICATE - Other instructions on reverse side.

7. If Unit or CA/Agreement, Name and/or No.
NMNM124555

8. Well Name and No.
PERSEUS 10 FEDERAL COM 3H

9. API Well No.
30-005-29137

1. Type of Well
 Oil Well Gas Well Other

2. Name of Operator
CHEVRON USA INC
Contact: CINDY H MURILLO
E-Mail: CHERRERAMURILLO@CHEVRON.COM

3a. Address
1616 W. BENDER BLVD
HOBBS, NM 88240

3b. Phone No. (include area code)
Ph: 575-263-0431
Fx: 575-263-0445

10. Field and Pool, or Exploratory
WILDCAT; ABO WOLFCAMP

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
Sec 10 T15S R31E Mer NMP SENE 1980FNL 200FEL

11. County or Parish, and State
CHAVES COUNTY, NM

12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION			
<input type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input checked="" type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input checked="" type="checkbox"/> Other
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	Surface Commingling
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	

13. Describe Proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recomplete horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompletion in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.)

CHEVRON USA INC REQUESTS ADMINISTRATIVE APPROVAL TO SURFACE COMMINGLE OIL, GAS AND WATER PRODUCTION FROM THE WILDCAT; ABO WOLFCAMP POOL THROUGH CHEVRON'S PERSEUS 10 CENTRAL TANK BATTERY. CHEVRON REQUESTS THE APPROVAL TO MINIMIZE SURFACE DISTURBANCE AND FUTURE TRAFFIC BY CONCENTRATING ACTIVITIES AT ONE BATTERY. WELLS PRODUCING IN THIS BATTERY INCLUDE THE PERSEUS 10 FEDERAL COM #3H AND PERSEUS 10 FEDERAL COM #4H. THESE WELLS ARE LOCATED IN SECTION 10 , T15S, R31E, CHAVES COUNTY, NEW MEXICO. API#S ARE INCLUDED:

PERSEUS 10 FEDERAL COM #3H API# 30-005-29137 LEASE # NMNM124555
PERSEUS 10 FEDERAL COM #4H API# 30-005-29204 LEASE # NMNM130824

****PLEASE FIND ATTACHED SURFACE COMMINGLE APPLICATION****

14. I hereby certify that the foregoing is true and correct.
Electronic Submission #333449 verified by the BLM Well Information System For CHEVRON USA INC, sent to the Roswell

Name (Printed/Typed) CINDY H MURILLO	Title PERMITTING SPECIALIST
Signature (Electronic Submission)	Date 03/11/2016

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved By _____	Title _____	Date _____
Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.		Office _____

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

**** OPERATOR-SUBMITTED ** OPERATOR-SUBMITTED ** OPERATOR-SUBMITTED ****

District I
1625 N. French Drive, Hobbs, NM 88240
District II
811 S. First St., Artesia, NM 88210
District III
1000 Rio Brazos Road, Aztec, NM 87410
District IV
1220 S. St Francis Dr, Santa Fe, NM
87505

State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-107-B
Revised August 1, 2011

OIL CONSERVATION DIVISION
1220 S. St Francis Drive
Santa Fe, New Mexico 87505

Submit the original application to the Santa Fe office with one copy to the appropriate District Office.

APPLICATION FOR SURFACE COMMINGLING (DIVERSE OWNERSHIP)

OPERATOR NAME: CHEVRON USA INC
OPERATOR ADDRESS: 1616 W. BENDER BLVD HOBBS, NM 88240
APPLICATION TYPE:

Pool Commingling Lease Commingling Pool and Lease Commingling Off-Lease Storage and Measurement (Only if not Surface Commingled)

LEASE TYPE: Fec State Federal

Is this an Amendment to existing Order? Yes No If "Yes", please include the appropriate Order No. _____
Have the Bureau of Land Management (BLM) and State Land office (SLO) been notified in writing of the proposed commingling
 Yes No

(A) POOL COMMINGLING
Please attach sheets with the following information

(1) Pool Names and Codes	Gravities / BTU of Non-Commingled Production	Calculated Gravities / BTU of Commingled Production		Calculated Value of Commingled Production	Volumes

(2) Are any wells producing at top allowables? Yes No
(3) Has all interest owners been notified by certified mail of the proposed commingling? Yes No.
(4) Measurement type: Metering Other (Specify)
(5) Will commingling decrease the value of production? Yes No If "yes", describe why commingling should be approved

(B) LEASE COMMINGLING
Please attach sheets with the following information

(1) Pool Name and Code. WILDCAT G-05 S1531110; ABO-WOLFCAMP
(2) Is all production from same source of supply? Yes No
(3) Has all interest owners been notified by certified mail of the proposed commingling? Yes No
(4) Measurement type: Metering Other (Specify)

(C) POOL and LEASE COMMINGLING
Please attach sheets with the following information

(1) Complete Sections A and E.

(D) OFF-LEASE STORAGE and MEASUREMENT
Please attached sheets with the following information

(1) Is all production from same source of supply? Yes No
(2) Include proof of notice to all interest owners.

(E) ADDITIONAL INFORMATION (for all application types)
Please attach sheets with the following information

(1) A schematic diagram of facility, including legal location.
(2) A plat with lease boundaries showing all well and facility locations. Include lease numbers if Federal or State lands are involved.
(3) Lease Names, Lease and Well Numbers, and API Numbers.

I hereby certify that the information above is true and complete to the best of my knowledge and belief.

SIGNATURE: Cindy Herrera-Murillo TITLE: PERMITTING SPECIALIST DATE: 03/11/2016
TYPE OR PRINT NAME: CINDY HERRERA-MURILLO TELEPHONE NO.: 575-263-0431
E-MAIL ADDRESS: CHERRERAMURILLO@CHEVRON.COM



Cindy Herrera-Murillo
Regulatory Specialist
Midcontinent BU

Chevron North America
Exploration and Production Company
(A Chevron U.S.A. Inc. Division)
1616 W. Bender Blvd Room 134
Hobbs FMT, Hobbs, NM 88240
Tel 575-263-0431
Cherreramurillo@chevron.com

March 11, 2016

Bureau of Land Management
Roswell Field Office
2909 W. Second Street
Roswell, New Mexico 88201

Application for surface commingling, Wildcat Abo-Wolfcamp Pool, Chaves County, NM (Section 10, T15S, R31E)

Dear Sirs,

Chevron U.S.A. Inc. respectfully requests administrative approval to surface commingle oil, gas, and water production from the Wildcat Abo-Wolfcamp Pool through Chevron's Perseus 10 Central Tank Battery. Chevron requests the approval to minimize surface disturbance and future traffic by concentrating activities at one battery. Wells producing to this battery include the Perseus 10 Federal Com #3H and Perseus 10 Federal Com #4H. These wells are located in Section 10, T21S, R31E, Chaves County, New Mexico.

The working interest and Federal royalty rate are the same for leases involved in this request (100% Chevron, 12.5% Federal). Working, royalty and overriding interest owners have been notified of this proposal via certified mail.

These well were completed in October 2013. Production from each well is measured continuously through three-phase metering separators located at the Perseus 10 central tank battery. The three-phase separators measure oil through turbine meters and gas through EFMs.

Sincerely,

A handwritten signature in black ink that reads "Cindy Herrera-Murillo". The signature is written in a cursive, flowing style.

Cindy Herrera-Murillo
Permitting Specialist

APPLICATION FOR COMMINGLING AT A COMMON CENTRAL TANK BATTERY *Chevron U.S.A. Inc.*
Perseus 10 Federal Com #3H and Perseus 10 Federal Com #4H

[PLACEHOLDER FOR SUNDRY]

APPLICATION FOR COMMINGLING AT A COMMON CENTRAL TANK BATTERY Chevron U.S.A. Inc.
Perseus 10 Federal Com #3H and Perseus 10 Federal Com #4H

APPLICATION FOR COMMINGLING and OFF LEASE MEASUREMENT AT A COMMON CENTRAL TANK BATTERY

Proposal for Perseus 10 Federal Com #3H and Perseus 10 Federal Com #4H:
Chevron U.S.A. Inc. is requesting approval for the Central Tank Battery and off lease measurement, sales and storage for the following wells:

Communitization Agreement NMNM 124555				Oil		Gas	
Well Name	Location	API#	Pool 97715	BOPD	Gravity	MCFPD	BTU
Perseus 10 Federal Com #3H	SENE Sec 10 T15S, R31E	30-005-29137	Wildcat; Abo-Wolfcamp	18	39.8	33	1317

Communitization Agreement NMNM 130824				Oil		Gas	
Well Name	Location	API#	Pool 97715	BOPD	Gravity	MCFPD	BTU
Perseus 10 Federal Com #4H	NENE Sec 10 T15S, R31E	30-005-29204	Wildcat; Abo-Wolfcamp	38	39.8	45	1317

Attached is a map that displays the Communitization Agreements, Federal and State leases and well locations in Section 10, T15S, R31E.

The BLM's interest in both wells is the same. Com Agreement NMNM 124555 involves 80 acres of Federal lease NMNM 105885 at a royalty rate of 12.5% and 80 acres of State lease V0-8266. Com Agreement NMNM 130824 involves 80 acres of Federal lease NMNM 105885 at a royalty rate of 12.5% and 80 acres of State lease V0-8266.

Oil and Gas Metering:

The Perseus 10 Central Tank Battery (CTB) is located at the Perseus 10 Fed Com #3H well pad. There are three oil tanks at the CTB that the wells will utilize and oil will be measured by having qualified field personnel gauge the tanks. The CTB is located in the SE NE of Section 10, Township 15S, Range 31E on Com Agreement NMNM 124555. The produced water will go to two common water tanks on the CTB.

Production from each Com Agreement (CA) is measured continuously through a three-phase metering separator located at the CTB. Oil is measured by MC-II Flow Analyzer turbine meters on the oil outlets and gas is measured by orifice meter runs with Total Flow computers on the gas outlets. The oil from the three-phase separators will then be commingled into a common heater treater with oil and water outlets flowing to common oil and water tanks and gas going to sales on location.

Oil production will be allocated to each CA on a daily basis based on the three-phase metering separators' continuous oil measurements. This ratio will be applied to the total oil production from the facility.

CA NMNM 124555 (Perseus 10 Fed Com #3H) oil allocation meter on the three-phase metering separator consists of a turbine meter (S/N 41116)

CA NMNM 130824 (Perseus 10 Fed Com #4H) oil allocation meter on the three-phase metering separator consists of a turbine meter (S/N 411084)

These oil allocations meters will be proven via a meter loop as per API, NMOCD, and BLM specifications quarterly. The factor obtained will be used to allocate the production volumes.

Gas production will be allocated to each CA based on continuous measurement downstream of the three-phase metering separators. Total sales gas will be measured by utilizing the DCP third party orifice meter fitted with EFM flow computer installed downstream of the VRU discharge and downstream of each CA's gas allocation meter.

APPLICATION FOR COMMINGLING AT A COMMON CENTRAL TANK BATTERY Chevron U.S.A. Inc.
Perseus 10 Federal Com #3H and Perseus 10 Federal Com #4H

Each CA's share of flash gas after the three-phase separators will be allocated based on total oil metered in continuous well tests. The CTB has a common gas sales meter DCP Central Delivery Point (S/N 726160-00) that is located on the southwest side of the CTB.

CA NMNM 124555 (Perseus 10 Fed Com #3H) gas allocation meter on the CTB three-phase metering separator consists of a Total Flow EFM (S/N 39766).

CA NMNM 130824 (Perseus 10 Fed Com #4H) gas allocation meter on the CTB three-phase metering separator consists of a Total Flow EFM (S/N 79426).

These meters will be calibrated on a regular basis per API, NMOCD, and BLM specifications. The BLM and OCD will be notified of any future changes in the facilities.

Process Flow and Descriptions:

The flow of production is shown in detail on the enclosed process flow diagram and facility diagram maps which show the CA and lease boundaries, well locations, flow line location, CTB, and gas sales meter. The commingling of this production is the most effective economical means of producing the reserves and will not result in reduced royalty or improper measurement of production. *The proposed commingling will reduce footprint, reduce traffic, and lower overall emissions.*

Chevron U.S.A. Inc. understands that the requested approval will not constitute the granting of any right-of-way or construction rights not granted by the lease instrument.

Working, royalty, and overriding interest owners have been notified of this proposal via certified mail (see attached).

Printed Name: Caleb Weaver
Title: Facilities Engineer
Date: 3/11/2016

Economic Justification Work Sheet
Perseus 10 Central Tank Battery

Commingling proposal for Communitization Agreements: NMNM 124555 and NMNM 130824, both of which include Federal lease NMNM 105885

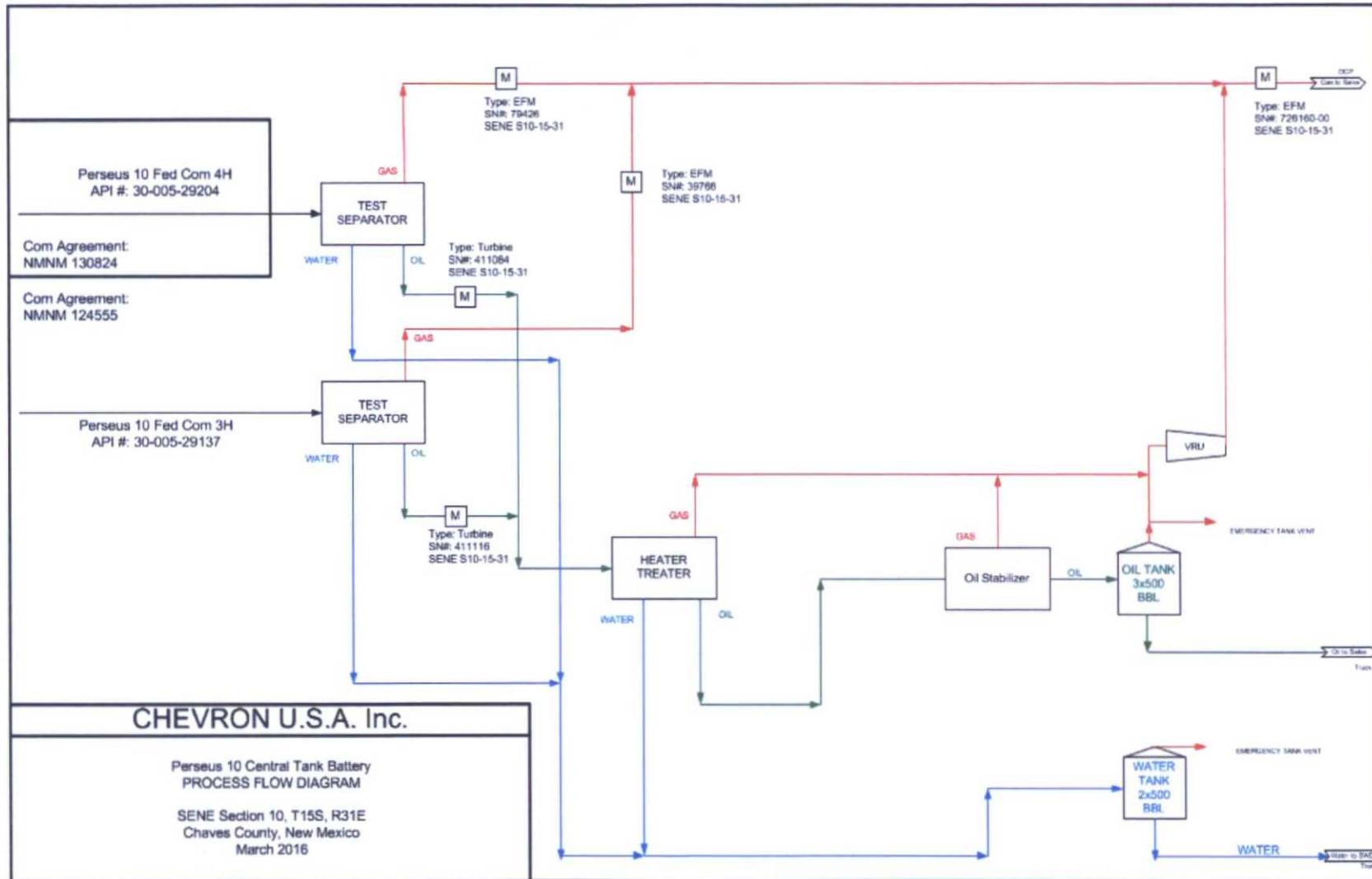
Com Agreement	Royalty Rate on lease NMNM 105885	Well Name	BOPD	Oil Gravity (@60 deg)	Value/bl	MCFPD	Dry BTU	Value/mcf
NMNM 124555	12.5%	Perseus 10 Federal Com #3H	18	39.8	\$26.09	33	1317	\$1.43
NMNM 130824	12.5%	Perseus 10 Federal Com #4H	38	39.8	\$26.09	45	1317	\$1.43

Economic combined production	Royalty Rate	BOPD	Oil Gravity (@60 deg)	Value/bl	MCFPD	DRY BTU	Value/mcf
Perseus 10 Central Tank Battery	12.5%	56	39.8	\$26.09	78	1317	\$1.43

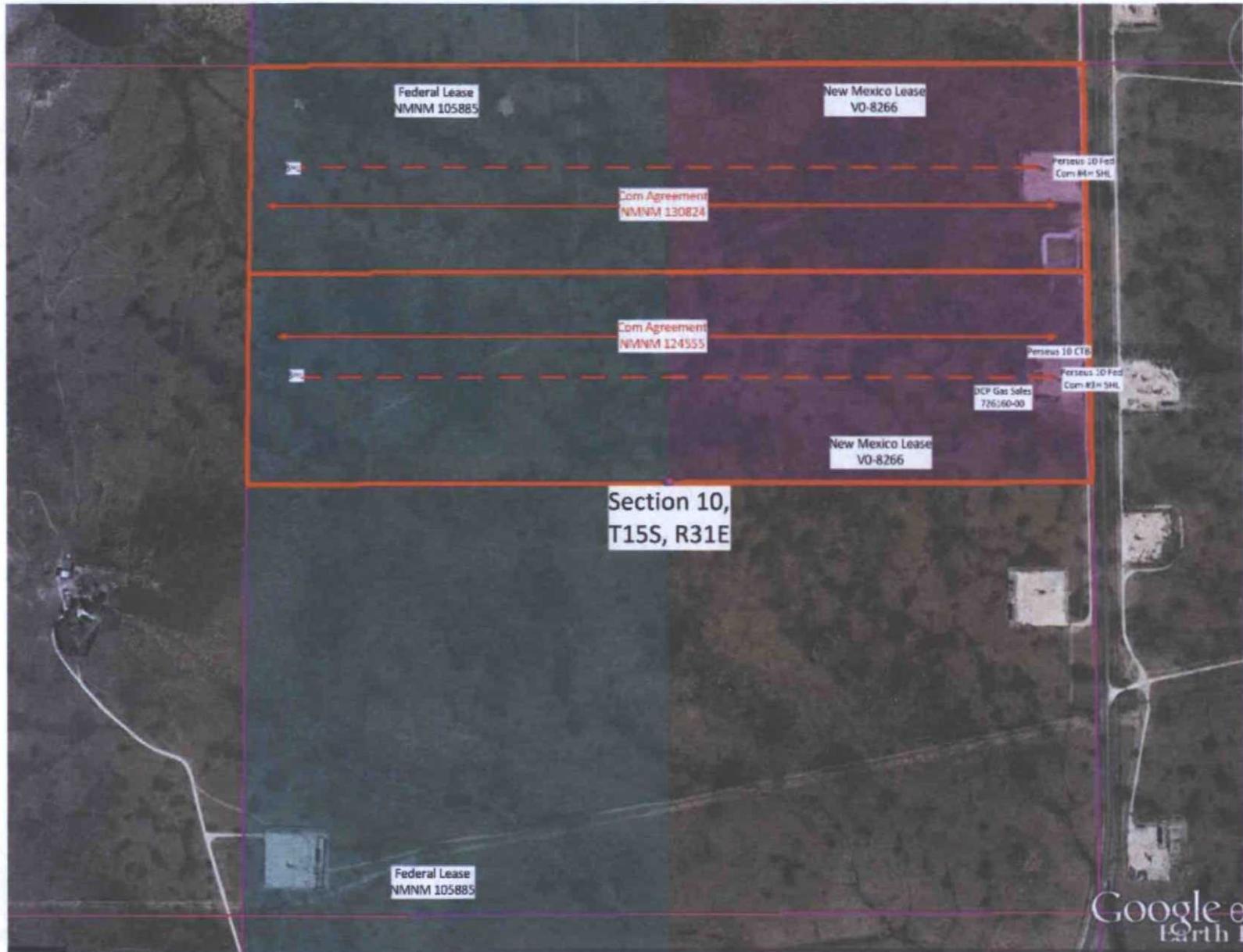
Wolfcamp oil production in the area is sweet and will be sold at a flat rate of 40 API gravity. Therefore, regardless of the API values of the individual wells, the common stream will be sold as if it was sweet and 40 API gravity. These wells are in the same formation and therefore the BTUs are similar.

Printed Name: Tim Wallace
 Title: Production Engineer
 Date: 03/08/2016

APPLICATION FOR COMMINGLING AT A COMMON CENTRAL TANK BATTERY Chevron U.S.A. Inc.
 Perseus 10 Federal Com #3H and Perseus 10 Federal Com #4H



APPLICATION FOR COMMINGLING AT A COMMON CENTRAL TANK BATTERY Chevron U.S.A. Inc.
Perseus 10 Federal Com #3H and Perseus 10 Federal Com #4H



APPLICATION FOR COMMINGLING AT A COMMON CENTRAL TANK BATTERY Chevron U.S.A. Inc.
Perseus 10 Federal Com #3H and Perseus 10 Federal Com #4H





DEPARTMENT OF THE INTERIOR
 BUREAU OF LAND MANAGEMENT
 CASE RECORDATION
 (MASS) Serial Register Page

Run Time: 11:39 AM

Page 1 of 2

Run Date: 03/09/2018

01 12-22-1987; 101STAT1330; 30USC181 ET SE

Total Acres
800.000

Serial Number
NMNM-- - 105885

Case Type 312021: O&G LSE COMP PD -1987

Commodity 459: OIL & GAS

Case Disposition: AUTHORIZED

Name & Address		Serial Number: NMNM-- - 105885	Int Rel	% Interest
CHEVRON USA INC	15 SMITH RD	MIDLAND TX 797055423	LESSEE	50.00000000
COG OPERATING LLC	600 W ILLINOIS AVE	MIDLAND TX 797014882	LESSEE	50.00000000
LEGACY RESERVES OPERATING LP	303 W WALL ST STE 1800	MIDLAND TX 797015106	OPERATING RIGHTS	0.00000000

Mer Twp	Rng	Sec	STyp	SNR SUFF	Subdivision	District/Field Office	County	Mgmt Agency
23	01505	0310E	003	ALIQ	SW;	ROSWELL FIELD OFFICE	CHAVES	BUREAU OF LAND MGMT
23	01505	0310E	010	ALIQ	W2;	ROSWELL FIELD OFFICE	CHAVES	BUREAU OF LAND MGMT
23	01505	0310E	015	ALIQ	W2;	ROSWELL FIELD OFFICE	CHAVES	BUREAU OF LAND MGMT

Act Date	Code	Action	Action Remark	Pending Office
01/16/2001	387	CASE ESTABLISHED	200101062	
01/17/2001	191	SALE HELD		
01/17/2001	267	BID RECEIVED	\$224000.00;	
01/17/2001	392	MONIES RECEIVED	\$1600.00;	
01/26/2001	392	MONIES RECEIVED	\$222400.00;	
02/09/2001	237	LEASE ISSUED		
02/09/2001	974	AUTOMATED RECORD VERIF		
02/15/2001	084	RENTAL RECEIVED BY ONRR	\$1200; 21/MULTIPLE	
03/01/2001	496	FUND CODE	05; 145003	
03/01/2001	530	RLTY RATE - 12 1/2%		
03/01/2001	848	EFFECTIVE DATE		
04/06/2001	140	ASGN FILED	CHALFANT PROPERTIES; 1	
05/18/2001	139	ASGN APPROVED	EFF 05/01/01;	
05/18/2001	974	AUTOMATED RECORD VERIF	LR	
01/17/2002	963	CASE MICROFILMED/SCANNED		
06/07/2002	140	ASGN FILED	CHESAPEAKE EXPLORAT; 1	
08/13/2002	139	ASGN APPROVED	EFF 07/01/02;	
08/13/2002	974	AUTOMATED RECORD VERIF	WV	
07/14/2005	791	TERMINAT'N NOTICE ISSUED	CLASS II;	
08/12/2005	792	TERMINATION VACATED		
08/12/2005	974	AUTOMATED RECORD VERIF	ESP	
08/03/2007	140	ASGN FILED	HARVEY R/COG OIL 4; 1	
09/12/2007	139	ASGN APPROVED	EFF 09/01/07;	
09/12/2007	974	AUTOMATED RECORD VERIF	WV	
06/11/2008	817	MERGER RECOGNIZED	CHESA LLC/CHESA LP	
08/22/2008	817	MERGER RECOGNIZED	CHESA EXP LP/EXP LLC	
07/01/2009	246	LEASE COMMITTED TO CA	CA KM-123640	
07/01/2009	643	PRODUCTION DETERMINATION	/1/	
07/01/2009	650	HELD BY PROD - ACTUAL	/1/	
07/01/2009	658	MEMO OF 1ST PROD-ACTUAL	/1/NMNM123640;	
03/15/2010	246	LEASE COMMITTED TO CA	CA KM-124555	
03/17/2010	940	NAME CHANGE RECOGNIZED	COG O&G/COG OPER	

NO WARRANTY IS MADE BY BLM FOR USE OF THE DATA FOR PURPOSES NOT INTENDED BY BLM

DEPARTMENT OF THE INTERIOR
 BUREAU OF LAND MANAGEMENT
 CASE RECORDATION
 (MASS) Serial Register Page

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Run Date: 03/09/2016

04/01/2010	246	LEASE COMMITTED TO CA	CA NM-124864
04/20/2010	246	LEASE COMMITTED TO CA	CA-NM-125103
09/10/2010	643	PRODUCTION DETERMINATION	/2/
09/10/2010	658	MEMO OF 1ST PROD-ACTUAL	/2/NMNM124864;
09/29/2010	643	PRODUCTION DETERMINATION	/3/
09/29/2010	658	MEMO OF 1ST PROD-ACTUAL	/3/NMNM125103;
11/04/2010	643	PRODUCTION DETERMINATION	/4/
11/04/2010	658	MEMO OF 1ST PROD-ACTUAL	/4/NMNM124555;
11/22/2010	246	LEASE COMMITTED TO CA	CA-NM-125711
01/19/2011	643	PRODUCTION DETERMINATION	/5/
01/19/2011	658	MEMO OF 1ST PROD-ACTUAL	/5/NMNM125711;
02/03/2011	246	LEASE COMMITTED TO CA	CA-NM-125999
04/15/2011	246	LEASE COMMITTED TO CA	CA NM-126805
08/05/2011	643	PRODUCTION DETERMINATION	/6/
08/05/2011	658	MEMO OF 1ST PROD-ACTUAL	/6/NMNM126805;
02/08/2012	643	PRODUCTION DETERMINATION	/7/
02/08/2012	658	MEMO OF 1ST PROD-ACTUAL	/7/NMNM125999;
06/06/2012	246	LEASE COMMITTED TO CA	
11/27/2012	140	ASGN FILED	CHESAPEAK/CHEVRON U;1
01/22/2013	575	APD FILED	PERSEUS 10 FED COM4;
02/12/2013	576	APD APPROVED	
04/09/2013	139	ASGN APPROVED	HFF 12/01/12;
04/18/2013	246	LEASE COMMITTED TO CA	NMNM130824;
07/18/2013	932	TRF OPER RGTS FILED	COG OPERA/LEGACY RE;1
11/22/2013	246	LEASE COMMITTED TO CA	NMNM130562;
12/11/2013	104	ADDTL INFO RQSTD	
12/23/2013	933	TRF OPER RGTS APPROVED	HFF 08/01/13;
02/24/2014	103	ADDTL INFO RECD	LED 3 FED. COM 2H;
02/27/2014	221	DEAIIKAGE IDENTIFIED	
05/27/2014	974	AUTOMATED RECORD VERIF	EM;
02/11/2015	859	TRF OF OVR FILED	1

Serial Number: NMNM-- - 105885

Line Nr	Remarks
0002	-
0003	09/12/07 FER MMS RENTAL PD FOR 01-07, DUE 03/01/08

DEPARTMENT OF THE INTERIOR
 BUREAU OF LAND MANAGEMENT
 CASE RECORDATION
 (MASS) Serial Register Page

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Run Date: 03/09/2016

01 02-25-1920;041STAT0437;30USC181

Total Acres 160.000
 Serial Number NMNM-- 124555

Case Type 318310: O&G COMMUNITIZATION AGRMT
 Commodity 410: NATURAL GAS
 Case Disposition: AUTHORIZED

Name & Address			Serial Number: NMNM-- 124555	Int Rel	% Interest
BLM ROSWELL FJ	2909 W 2ND ST	ROSWELL NM 88201	OFFICE OF RECORD		0.00000000
CHEVRON USA INC	1400 SMITH ST	HOUSTON TX 770027327	OPERATOR		100.00000000

Mer Twp	Rng	Sec	STyp	SNr SUFF	Subdivision	District/Field Office	County	Mgmt Agency
23	01505	0310E	010	ALIQ	S2NZ	ROSWELL FIELD OFFICE	CHAVES	BUREAU OF LAND MGMT

Act Date	Code	Action	Action Remark	Pending Office
06/11/2008	817	MERGER RECOGNIZED	CHESA LLC/CHESA LP	
03/15/2010	387	CASE ESTABLISHED		
03/15/2010	516	FORMATION	WILDCAT/WOLFCAMP;	
03/15/2010	525	ACRES-NONFEDERAL	80.00;50.00%ST	
03/15/2010	526	ACRES-FED INT 100%	80.00;50.00%FED	
03/15/2010	868	EFFECTIVE DATE		
03/25/2010	580	PROPOSAL RECEIVED	CA RECEIVED;	
04/27/2010	334	AGRMT APPROVED		
04/29/2010	005	NEPA ANALYSIS APPROVED	NM-P010-2010-95-CX;	
10/04/2010	654	AGRMT PRODUCING		
10/04/2010	690	AGRMT VALIDATED		
11/04/2010	643	PRODUCTION DETERMINATION	3H-PERSEUS 10 FED COM	
11/04/2010	658	MEMO OF 1ST PROD-ACTUAL	3H-PERSEUS 10 FED COM	
02/27/2014	590	DESIG OF AGENT		
03/17/2014	672	SUCCESSOR OPERATOR	CHEVRON NORTH AMERICA	
03/17/2014	974	AUTOMATED RECORD VERIF	BW;	

Line Nr	TR#	LEASE SERIAL NO	AC COMMITTED	% INTEREST
0002				
0003	1	NMNM-105885	80.00	50.00
0004	2	STATE	80.00	50.00
0005		TOTAL	160.00	100.00

DEPARTMENT OF THE INTERIOR
 BUREAU OF LAND MANAGEMENT
 CASE RECORDATION
 (MASS) Serial Register Page

Run Time: 11:45 AM

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Run Date: 03/09/2016

01 02-25-1920;041STAT0437;30USC181

Total Acres

Serial Number

Case Type 318310: O&G COMMUNITIZATION AGRMT

160.000

NMNM-- 130824

Commodity 410: NATURAL GAS

Case Disposition: AUTHORIZED

Serial Number: NMNM-- 130824

Name & Address			Int Rel	% Interest
BLM ROSWELL FO	2909 W 2ND ST	ROSWELL NM 88201	OFFICE OF RECORD	0.00000000
CHEVRON USA INC	PO BOX 2100	HOUSTON TX 772522100	OPERATOR	50.00000000
LEGACY RESERVES OPERATING LP	PO BOX 10848	MIDLAND TX 797027848	OPERATOR	50.00000000

Serial Number: NMNM-- 130824

Mer Twp	Rng	Sec	Styp	SNr SUFF	Subdivision	District/Field Office	County	Mgmt Agency
23	01505	0310E	010	AUQ	N2N2;	ROSWELL FIELD OFFICE	CHAVES	BUREAU OF LAND MGMT

Serial Number: NMNM-- 130824

Act Date	Code	Action	Action Remark	Pending Office
03/25/2013	005	NEPA ANALYSIS APPROVED	EA-KMP010-2013-142;	
04/18/2013	307	CASE ESTABLISHED		
04/18/2013	501	REFERENCE NUMBER	NM-130824	
04/18/2013	516	FORMATION	WOLFCAMP;	
04/18/2013	525	ACRES-NONFEDERAL	80.00;50.00% STATE	
04/18/2013	526	ACRES-FED INT 100%	80.00;50.00%	
04/18/2013	868	EFFECTIVE DATE		
07/15/2013	580	PROPOSAL RECEIVED		
10/04/2013	654	AGRMT PRODUCING	4H-PERSEUS 10 PED COM	
02/28/2014	104	ADDTL INFO REQTD	CDG'S RATIFICATION;	
04/10/2014	687	AGRMT JOINDER APPROVED	COG;	
11/06/2014	580	PROPOSAL RECEIVED	CA RECEIVED;	
01/21/2015	334	AGRMT APPROVED	NM-130824	
02/12/2015	334	AGRMT APPROVED	VO-8266	
04/08/2015	658	MEMO OF 1ST PROD-ACTUAL		
04/08/2015	974	AUTOMATED RECORD VERIF	HW;	

Serial Number: NMNM-- 130824

Line Nr	Remarks			
		TOTAL 160.00	100.0000	
0002	/A/RECAPITULATION EFFECTIVE 04/18/2013			
0003	TR#	LEASE SERIAL NO	AC COMMITTED	%INTEREST
0004	1	NMNM105885	80.00	50.0000
0005	2	VO-8266	80.00	50.0000

NO WARRANTY IS MADE BY BLM FOR USE OF THE DATA FOR PURPOSES NOT INTENDED BY BLM

APPLICATION FOR COMMINGLING AT A COMMON CENTRAL TANK BATTERY Chevron U.S.A. Inc.
Perseus 10 Federal Com #3H and Perseus 10 Federal Com #4H



Cindy Herrera-Murillo
Regulatory Specialist
Midcontinent BU

Chevron North America
Exploration and Production
Company
1616 W. Bender Blvd Room 134
Hobbs FNT, Hobbs, NM 88240
Tel 575-263-0431
Fax 575-263-0445
cherrera,murillo@chevron.com

March 08, 2016

Re: Application for Surface Commingling
Chevron's Perseus Central Tank Battery
Section 10, T15S, R31E,
Chaves County, New Mexico

Legacy Reserves Operating LP
P O Box 10848
Midland, TX 79702
Working Interest Owner,

Chevron U.S.A. Inc. respectfully gives notice of intent to surface commingle oil, gas and water production from the *Wildcat*; *Walcamp Pool* through Chevron's Perseus Central Tank Battery. Wells producing to this battery include e Chevron Perseus 10 Federal Com #3H and Perseus 10 Federal Com #4H. These wells are located in section 10, T15S; R31E, Chaves County, New Mexico.

The working interest and royalties for each well are as follows:
Perseus 10 Federal Com #3H (WI 75%; NRI 63.541%; RI 12.5%)
Perseus 10 Federal Com #4H (WI 75%; NRI 63.541%; RI 12.5%)

Any objections to this commingle must be sent to the New Mexico Oil Conservation Division; 1220 South St. Francis Drive; Santa Fe, NM 87504, within 20 days of receipt of this notification. If you require additional information, please contact me at 575-263-0431, or by email at: cherrera,murillo@chevron.com.

Sincerely,

Cindy Herrera-Murillo
Regulatory Specialist

TEDE ST0 0005 0115 3031

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Legacy Reserves Operating LP
P O Box 10848
Midland, TX 79702

APR 9 2016

#1 Form 3800

APPLICATION FOR COMMINGLING AT A COMMON CENTRAL TANK BATTERY Chevron U.S.A. Inc.
Perseus 10 Federal Com #3H and Perseus 10 Federal Com #4H

CERTIFIED MAILING LIST

**Wells and Com Agreements: Perseus 10 Federal Com #3H (CA NMNM 124555) and Perseus 10
Federal Com #4H (CA NMNM 130824)**

Respondent Name / Address:

Legacy Reserves Operating LP
P. O. Box 10848
Midland, TX 79702

Certified Receipt #

7015 0640 0005 0115 3031

Well_Name:	PERSEUS 10 FEDERAL COM #4H	API:3000529204
Location:	A-10-15.0S-31E 660 FNL 200 FEL	
Operator Name:	CHEVRON U S A INC	County: Chaves
Year:	2015	
Pool Name:	WILDCAT G-05 S1531110;ABO-WOLFCAMP	
Month	Oil(BBLS)	Gas(MCF)
July	1330	1652
August	1180	1529
September	923	1133
October	850	1059
November	1195	1200
December	1045	1036
CUM	35650	32255

Well_Name:	PERSEUS 10 FEDERAL COM #3H	API: 3000529137
Location:	H-10-15.0S-31E 1980 FNL 200 FEL	
Land Type:	Federal	Well Type:
Year:	2015	
Pool Name:	WILDCAT G-05 S1531110;ABO-WOLFCAMP	
Month	Oil(BBLS)	Gas(MCF)
July	720	1212
August	628	1087
September	506	940
October	592	1036
November	478	1105
December	324	908
CUM	96617	136771