

State of New Mexico
Energy, Minerals and Natural Resources Department

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David R. Catanach, Division Director
Oil Conservation Division



ADMINISTRATIVE CENTRAL TANK BATTERY ORDER

Administrative Order CTB-354-A
Administrative Application Reference No. pMAM1711058953

May 11, 2017

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

Chevron USA Inc. (OGRID 4323) "Applicant" is hereby authorized to surface commingle oil and gas production from diversely owned fee leases from the Langley; Strawn Pool (Pool code 37090) located in Township 22 South, Range 36 East, NMPM, Lea County, New Mexico:

Lease: Langley Boren Well No. 2 Lease
Description: NE/4 NE/4 of Section 20, Township 22 South, Range 36 East, NMPM
Wells: Langley Boren Well No. 2 30-025-30408

Lease: Langley Boren Well No. 3 Lease
Description: NW/4 NE/4 of Section 20, Township 22 South, Range 36 East, NMPM
Wells: Langley Boren Well No. 3 30-025-31070

Lease: Langley Greer Well No. 1 Lease
Description: SE/4 NW/4 of Section 21, Township 22 South, Range 36 East, NMPM
Wells: Langley Greer Well No. 1 30-025-26075

Lease: Langley Greer Well No. 2 Lease
Description: NW/4 NW/4 of Section 21, Township 22 South, Range 36 East, NMPM
Wells: Langley Greer Well No. 2 30-025-30795

Lease: Langley Greer Well No. 4 Lease
Description: SW/4 NW/4 of Section 21, Township 22 South, Range 36 East, NMPM
Wells: Langley Greer Well No. 4 30-025-38956

The combined oil spacing unit for these wells include the N/2 NE/4 of Section 20, SE/4 NW/4 and W/2 SW/4 of Section 21.

The commingled oil and gas production from the wells detailed above shall be measured and sold at the Langley Greer Well No. 4 central tank battery (CTB) in Unit E of Section 21, Township 22 South, Range 36 East, NMPM, Lea County, New Mexico.

Production from the subject wells shall be determined as follows:

Production for the separately owned leases shall be measured with a combination of well testing and metering. Each well shall be tested monthly for oil and gas production through a three-phase test separator. The remaining wells shall flow through a three-phase test separator.

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.

This administrative order supersedes Administrative Order CTB-354, issued on April 17, 1991. The amended order allows for additional wells, and also allows for a combination of metering and well testing.

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.



DAVID R. CATANACH

Director

DRC/mam

cc: Oil Conservation Division – Hobbs