

**STATE OF NEW MEXICO
ENERGY, MINERALS, AND NATURAL RESOURCES DEPARTMENT
OIL CONSERVATION DIVISION**

**IN THE MATTER OF THE HEARING CALLED
BY THE OIL CONSERVATION DIVISION FOR THE
PURPOSE OF CONSIDERING:**

**CASE NO. 15204
ORDER NO. R-13920-A**

**APPLICATION OF CHEVRON U.S.A., INC. FOR APPROVAL OF
SURFACE LEASE COMMINGLING, LEA COUNTY, NEW MEXICO.**

ORDER OF THE DIVISION *Nunc Pro Tunc*

BY THE DIVISION:

This case came on for hearing at 8:15 a.m. on September 18, 2014 before Examiner Richard I. Ezeanyim, and again at 8:15 a.m on October 16, 2014, before Examiner Michael McMillan.

On October 24, 2014, the Division Director, having considered the testimony, the record and the recommendations of Examiner Richard I. Ezeanyim, issued Order No. R-13920.

NOW, on this 10th day of December, 2014, the Division Director, having considered the November 12, 2014 Motion to Amend Order No. R-13920, issues this Order No. R-13920-A so that it correctly identifies the leases and wells involved in the surface commingling operations.

IT IS THEREFORE ORDERED THAT:

Order No. R-13920, issued in Case No. 15204, is hereby amended by replacing Ordering Paragraphs (1), (2), and (3) in their entirety as follows:

(1) The applicant, Chevron U.S.A., Inc. ("Applicant" or "Operator"), is hereby authorized to surface lease commingle oil and gas production from the Bone Spring formation, the North Red Hills-Bone Spring Pool (**Pool Code 96434**) and from the following leases and wells.

Lease: Gramma Ridge
Description: W/2 E/2 of Section 14, T-24-S, R-34-E, NMPM, Lea County.
Well: Gramma Ridge 14-24-34 Well No. 1H (API No. 30-025-41811)

Lease: Gramma Ridge
Description: W/2 W/2 of Section 14, T-24-S, R-34-E, NMPM, Lea County
Well: Gramma Ridge 14-24-34 Well No. 2H (API No. 30-025-41731)

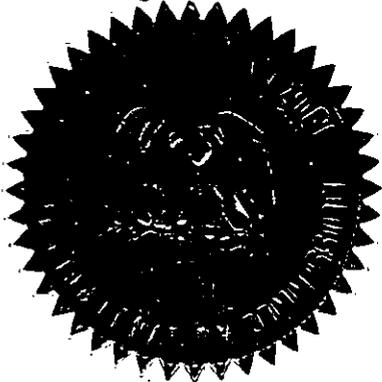
(2) The commingled oil and gas production from the wells in the leases detailed above shall be measured and sold at the Gramma Ridge 14-24-34 Well No. 2H central tank battery (CTB), located in Unit D of Section 14, Township 24 South, Range 34 East, NMPM, Lea County, New Mexico.

(3) The production from each well in the leases shall be continuously and separately measured using Coriolis Meter for oil production, and Orifice Meter for gas production before commingling with production from other wells. The allocation of the commingled oil and gas production back to each lease shall be based on the number of wells in the lease. These Meters shall be calibrated once every month.

(4) All other provisions of Order No. R-13920 shall remain in full force and effect.

(5) Jurisdiction is hereby retained for the entry of such further orders as the Division may deem necessary.

DONE at Santa Fe, New Mexico, on the day and year hereinabove designated.



SEAL

STATE OF NEW MEXICO
OIL CONSERVATION DIVISION

Scott Dawson
for JAMI BAILEY
Director