Form 3160-5
(June 2015)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

Carlsbad Field Office
OCD Artesia
NM OIL CONSERVATION
ARTESIA DISTRICT
MAY 12 2017
RECEIVED

FORM APPROVED
OMB NO. 1004-0137
Expires: January 31, 2018

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.

SUBMIT IN TRIPLICATE - Other instructions on page 2

5. Lease Serial No.
NMNM107369

6. If Indian, Allottee or Tribe Name

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

1. Type of Well
☒ Oil Well ☐ Gas Well ☐ Other

8. Well Name and No.
Multiple--See Attached

2. Name of Operator
CHEVRON USA INCORPORATED
Contact: DENISE PINKERTON
E-Mail: leakejd@chevron.com

9. API Well No.
Multiple--See Attached

3a. Address
6301 DEAUVILLE BLVD
MIDLAND, TX 79706

3b. Phone No. (include area code)
Ph: 432.687.7375

10. Field and Pool or Exploratory Area
HAY HOLLOW
UNKNOWN

4. Location of Well *(Footage, Sec., T., R., M., or Survey Description)*
Multiple--See Attached

11. County or Parish, State
EDDY COUNTY, NM

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

TYPE OF SUBMISSION	TYPE OF ACTION			
☒ Notice of Intent	☐ Acidize	☐ Deepen	☐ Production (Start/Resume)	☐ Water Shut-Off
☐ Subsequent Report	☐ Alter Casing	☐ Hydraulic Fracturing	☐ Reclamation	☐ Well Integrity
☐ Final Abandonment Notice	☐ Casing Repair	☐ New Construction	☐ Recomplete	☒ Other Surface Commingling
	☐ Change Plans	☐ Plug and Abandon	☐ Temporarily Abandon	
	☐ Convert to Injection	☐ Plug Back	☐ 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 must 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 must be filed once testing has been completed. Final Abandonment Notices must 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 U.S.A. INC. RESPECTFULLY REQUESTS ADMINISTRATIVE APPROVAL TO SURFACE COMMINGLE OIL, GAS, AND WATER PRODUCTION FROM THE BONE SPRING, NORTH POOL TO A COMMON CENTRAL DELIVERY POINT. CHEVRON REQUESTS THE APPROVAL TO MINIMIZE SURFACE DISTURBANCE AND FUTURE TRAFFIC BY CONCENTRATING ACTIVITIES AT THE BATTERY. THE COMMINGLING OF THIS PRODUCTION WILL REDUCE THE SURFACE FACILITY FOOTPRINT AND OVERALL EMISSIONS. EACH WELL'S SHARE OF THE CENTRAL TANK BATTERY'S (CTB'S) TOTAL PRODUCTION WILL BE CALCULATED BASED ON THE RESULTS OF CONTINUOUS TESTS. WELLS PRODUCING TO THIS BATTERY INCLUDE THE CHEVRON WHITE CITY 21 25 27 FED COM #5H & WHITE CITY 21 25 27 FED COM #6H. THESE WELLS WILL BE COMPLETED WITHIN THE BONE SPRING, NORTH FORMATION AND ARE LOCATED IN SECTION 21, T-25S, R-27E, EDDY COUNTY, NEW MEXICO.

THE WORKING INTEREST AND ROYALTIES FOR EACH WELL ARE AS FOLLOWS:
White City 21 25 27 Fed Com #5H WI 86%; NRI 71.2%; RI BLM-12.5%,State-18.75%

14. I hereby certify that the foregoing is true and correct.

Electronic Submission #308723 verified by the BLM Well Information System
For CHEVRON USA INCORPORATED, sent to the Carlsbad
Committed to AFMSS for processing by CATHY QUEEN on 07/16/2015 (15CQ0546SE)

Name *(Printed/Typed)* DENISE PINKERTON — Title REGULATORY SPECIALIST

Signature (Electronic Submission) — Date 07/10/2015

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved By J.D.W. Ritchey — Title TLPET — Date 5/9/201

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 CFO

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.

(Instructions on page 2)

**** BLM REVISED ** BLM REVISED ** BLM REVISED ** BLM REVISED ** BLM REVISED ****

Additional data for EC transaction #308723 that would not fit on the form

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

NMNM135707
NMNM135716

Wells/Facilities, continued

Agreement	Lease	Well/Fac Name, Number	API Number	Location
NMNM135707	NMNM107369	WHITE CITY 21 25 27 FED COM 5B	30-015-42975-00-S1	Sec 21 T25S R27E SWSW 330FSL 990FWL 32.108994 N Lat, 104.199835 W Lon
NMNM135716	NMNM107369	WHITE CITY 21 25 27 FED COM 6B	30-015-42976-00-S1	Sec 21 T25S R27E SESW 330FSL 1923FWL 32.109036 N Lat, 104.196822 W Lon

32. Additional remarks, continued

White City 21 25 27 Fed Com #6H WI 86%; NRI 71.2%; RI BLM-12.5%,State-18.75%

WORKING AND ROYALTY INTEREST OWNERS HAVE BEEN NOTIFIED OF THIS PROPOSAL VIA CERTIFIED MAIL.

THESE WELLS WERE DRILLED IN THE 2ND QUARTER OF 2015, AND ARE IN THE PROCESS OF BEING COMPLETED.

Attached, are the supporting documents for this surface commingle request.

APPLICATION FOR, COMMINGLING and MEASUREMENT AT A COMMON CENTRAL TANK BATTERY

Proposal for White City 21 25 27 Fed Com #5H & White City 21 25 27 Fed Com #6H:
Chevron U.S.A. Inc is requesting approval for the Central Tank Battery, Commingling, and Sales of gas and oil:

Federal Lease NMNM107369; State Lease VB-0673-2 CA-NM135707

				Oil		Gas	
Well Name	**Location**	**API #**	**Pool 30216**	**BOPD**	**Gravity**	**MCFPD**	**BTU**
White City 21 25 27 Fed Com #5H	Sec21, SW/SW T25S R27E	30-015-42975	Hay Hollow; Bone Spring, North	758*	45.73*	2166*	1363*

Federal Lease NMNM107369; State Lease VB-0673-2 CA-NM135716

				Oil		Gas	
Well Name	**Location**	**API #**	**Pool 30216**	**BOPD**	**Gravity**	**MCFPD**	**BTU**
White City 21 25 27 Fed Com #6H	Sec21, SE/SW T25S R27E	30-015-42976	Hay Hollow; Bone Spring, North	758*	45.73*	2166*	1363*

*These are only estimates; actuals will be supplied after well tests are complete

The BLM's interest in both wells is the same. Federal Lease # NMNM107369 royalty rate is 12.5%. The State of New Mexico's interest in all leases is the same. State Lease # VB-0673-2 royalty rate is 18.75%.

Oil & Gas metering:

The central tank battery (CTB) will be located at the White City 21 CTB in SE/SW of Section 21 T25S-R27E. There are two oil tanks at the CTB that the wells will utilize and oil will be sold through the central delivery point (CDP) Lease Automated Custody Transfer (LACT) unit (S/N 1333E10047). For gas, the wells will have a common gas sales Cimarex meter (S/N 150039592), which is located in the NW/NE of Sec 16 T25S-R27E. The oil, gas and water volumes from each well producing to this battery will be determined using three-phase metering separators per well fitted with Micro Motion Coriolis meters (*S/N) on the oil outlets and orifice meter with Total Flow Computers on the gas outlets. Additionally, all oil from the W/2 W/2 of Federal Lease NMNM107369 wells will be continuously measured through a Micro Motion Coriolis meter (S/N 14481691) on the oil outlet of the Train 1 heater, and all oil from the E/2 W/2 of Federal Lease NMNM107369 well will be continuously measured through a Micro Motion Coriolis meter (S/N 14481672) on the oil outlet of the Train 2 heater.

Oil will be allocated to the W/2 W/2 of Federal Lease NMNM107369 wells and to the E/2 W/2 of Federal Lease NMNM107369 wells on a daily basis, and each area's share of the CTB's total production will be calculated based on the results of the continuous oil measurement downstream of each heater. This ratio will be applied to the total oil production metered by the Lease Automated Custody Transfer unit (S/N 1333E10047) meter located at the White City 21 CTB.

W/2 W/2 Federal Lease NMNM107369 well oil allocation meter on the White City 21 CTB Train 1 heater treater consist of a Micro Motion Coriolis meter (S/N 14481691)

E/2 W/2 Federal Lease NMNM107369 well oil allocation meter on the White City 21 CTB Train 2 heater treater consist of a Miro Motion Coriolis meter (S/N 14481672)
Gas production will be allocated to each well based on continuous measurement of each well at the three-phase metering separators less the measured gas injected into each well for gas lift. Flash gas will be measured utilizing an orifice meter fitted with an electronic flow measurement (EFM) computer installed downstream of the vapor recovery unit (VRU) discharge (S/N 150030658) and each well's share of flash gas will be allocated based on the ratio established for oil allocation. These ratios will be applied to the total gas production metered by the Cimarex sales meter (*S/N 150039592) less the total buyback gas utilized for gas lift metered by the Cimarex buyback meter (S/N 150025135), which is located in the NW/NE of Sec 16 T25S-R27E

APPLICATION FOR COMMINGLING AT A COMMON CENTRAL TANK BATTERY Chevron U.S.A. Inc.
White City 21 25 27 Fed Com #5H and White City 21 25 27 Fed Com #6H

White City 21-25-27 Fed Com #5H gas allocation meter on the White City 21 CTB three-phase metering separator consists of a Total Flow EFM (*S/N 150043251).

White City 21-25-27 Fed Com #5H gas lift meter on well location will consists of an orifice meter with Total Flow EFM (*S/N).

White City 21-25-27 Fed Com #6H gas allocation meter on the White City 21 CTB three-phase metering separator consists of a Total Flow EFM (*S/N 150043247).

White City 21-25-27 Fed Com #6H gas lift meter on well location will consists of an orifice meter with Total Flow EFM (*S/N).

All metering serial numbers (*S/N) will be provided prior to production from these wells.

Process and Flow Descriptions:
The flow of production is shown in detail on the enclosed facility diagram and map which shows the lease boundaries, location of wells, flow lines, CTB, and gas sales meter. The commingling of this production is the most effective means to manage surface disturbing activities 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 USA Inc understands the requested approval will not constitute the granting of any right-of-way or construction rights not granted by the lease instrument.

The CTB will be located at the White City Section 21 T25S-R27E on federal lease NMNM107369 in Eddy County, New Mexico. The production from each well will come to a discrete three-phase metering separator located on the east side of the CTB.

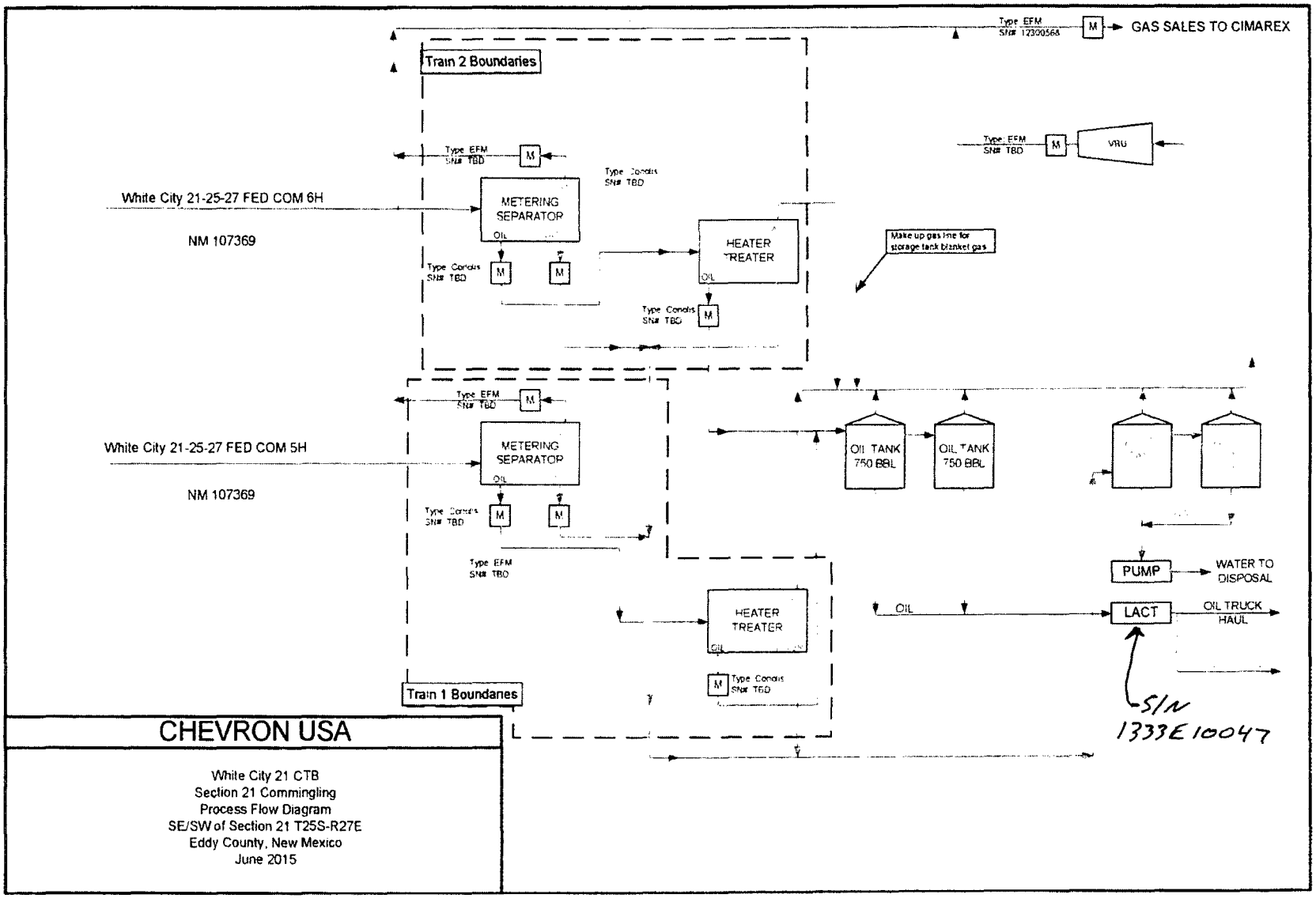
White City 21-25-27 Fed Com #5H will require off lease measurement and sales of gas

White City 21-25-27 Fed Com #6H will require off lease measurement and sales of gas

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

Printed Name: Caleb Brown
Title: Facilities Engineer
Date: July 6, 2015

APPLICATION FOR COMMINGLING AT A COMMON CENTRAL TANK BATTERY Chevron U.S.A. Inc.
White City 21 25 27 Fed Com #5H and White City 21 25 27 Fed Com #6H



CHEVRON USA

White City 21 CTB
Section 21 Commingling
Process Flow Diagram
SE/SW of Section 21 T25S-R27E
Eddy County, New Mexico
June 2015

APPLICATION FOR COMMINGLING AT A COMMON CENTRAL TANK BATTERY Chevron U.S.A. Inc.
White City 21 25 27 Fed Com #5H and White City 21 25 27 Fed Com #6H

Federal Lease Number	**Royalty Rate**	**Well Name**	**BOPD**	**Oil Gravity (@60 deg)**	**Value/bbl**	**MCFPD**	**Dry BTU**	**Value/mcf**
107369	12.5%	White City 21 25 27 Fed Com #5H	758*	45.73*	$46.48*	2166*	1363*	$2.71*
107369	12.5%	White City 21 25 27 Fed Com #6H	758*	45.73*	$46.48*	2166*	1363*	$2.71*

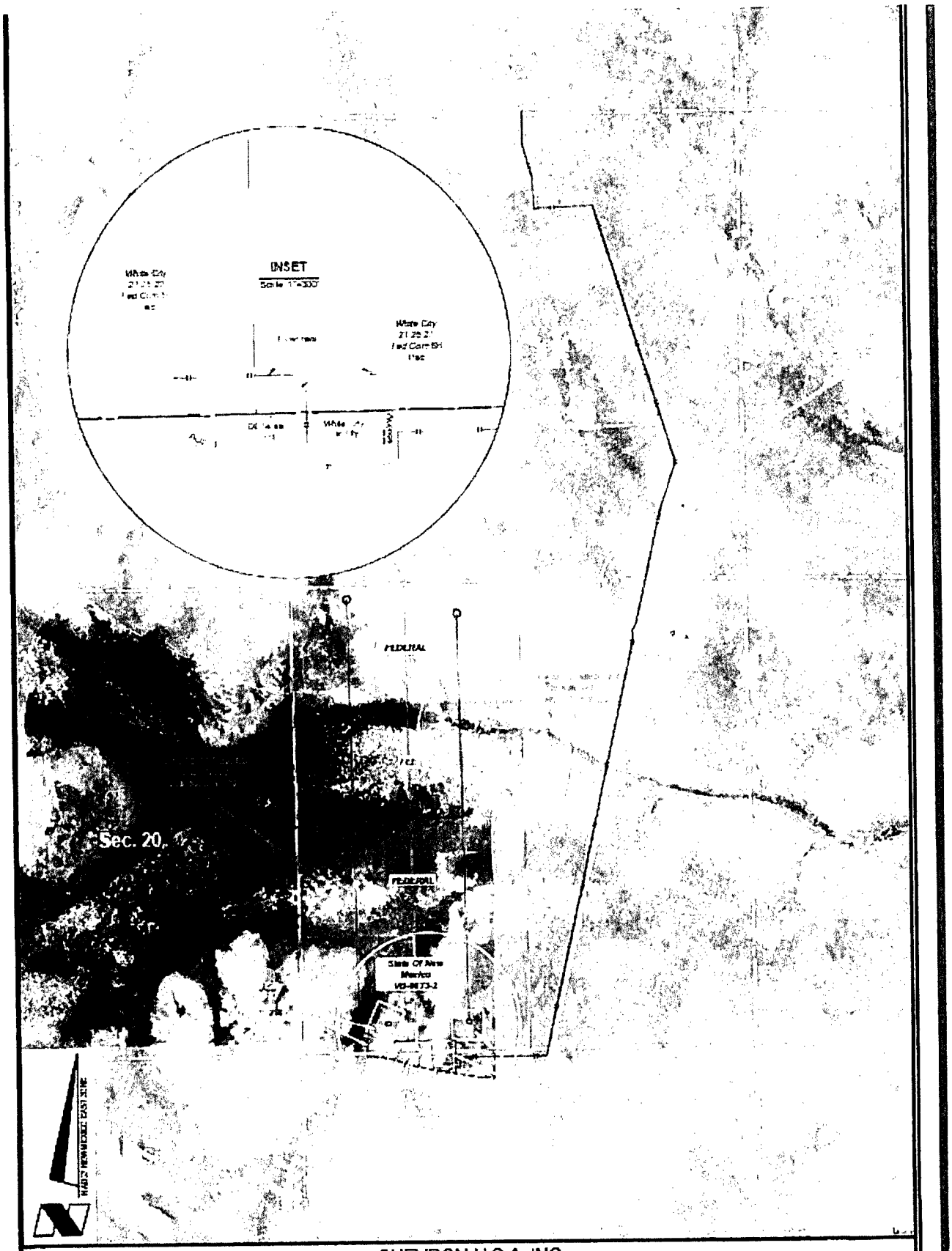
*These are only estimates; actuals will be supplied after well tests are complete

Federal Lease Number	**Economic combined production**	**Well Name**	**BOPD**	**Oil Gravity (@60 deg)**	**Value/bbl**	**MCFPD**	**Dry BTU**	**Value/mcf**
107369		White City 21 25 27 Fed Com #5H and #6H	1516*	45.73*	$46.48*	4332*	1363*	$2.71*

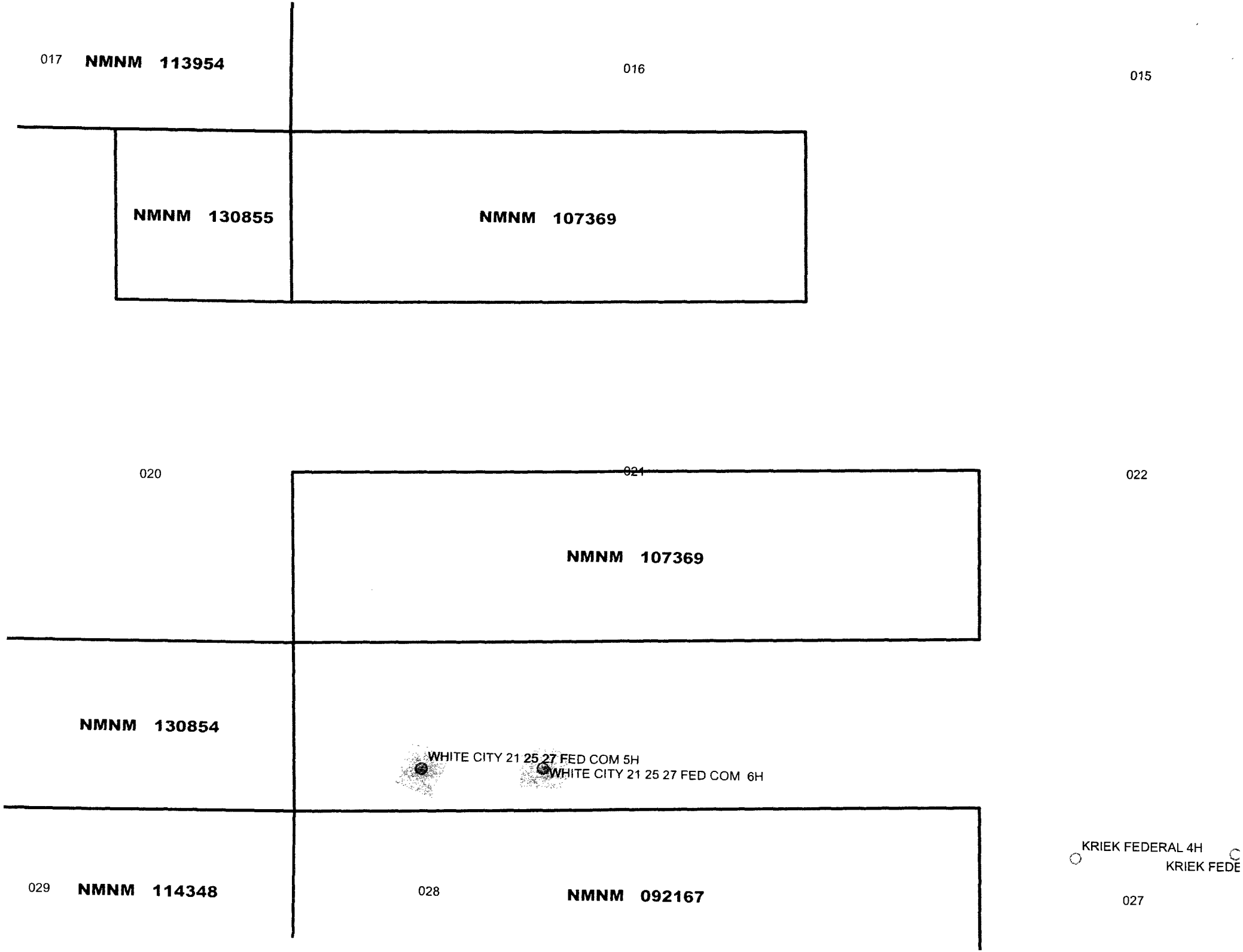
All Bone Spring oil production in the area is sweet. The oil is deemed as sweet by purchaser and is sold at a flat rate of 40 API gravity. Therefore, regardless of the API values of the individual wells the common stream will be sold as if it was sweet and 40 API gravity. These wells are in the same formation and therefore the BTU's are similar.

Printed Name: Hallie Byth
Title: Reservoir Engineer
Date: 6/30/2015

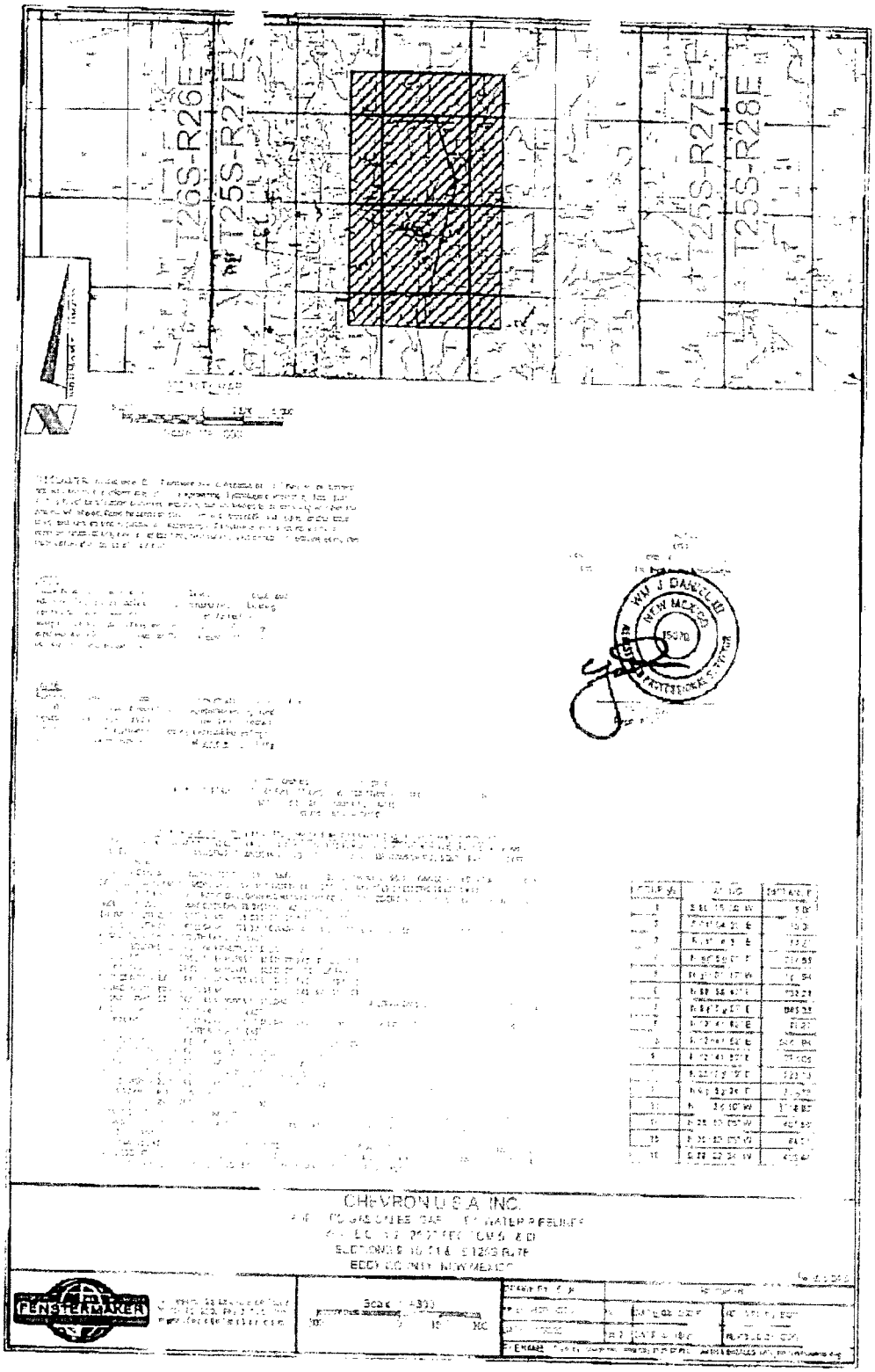
APPLICATION FOR COMMINGLING AT A COMMON CENTRAL TANK BATTERY Chevron U.S.A. Inc.
White City 21 25 27 Fed Com #5H and White City 21 25 27 Fed Com #6H



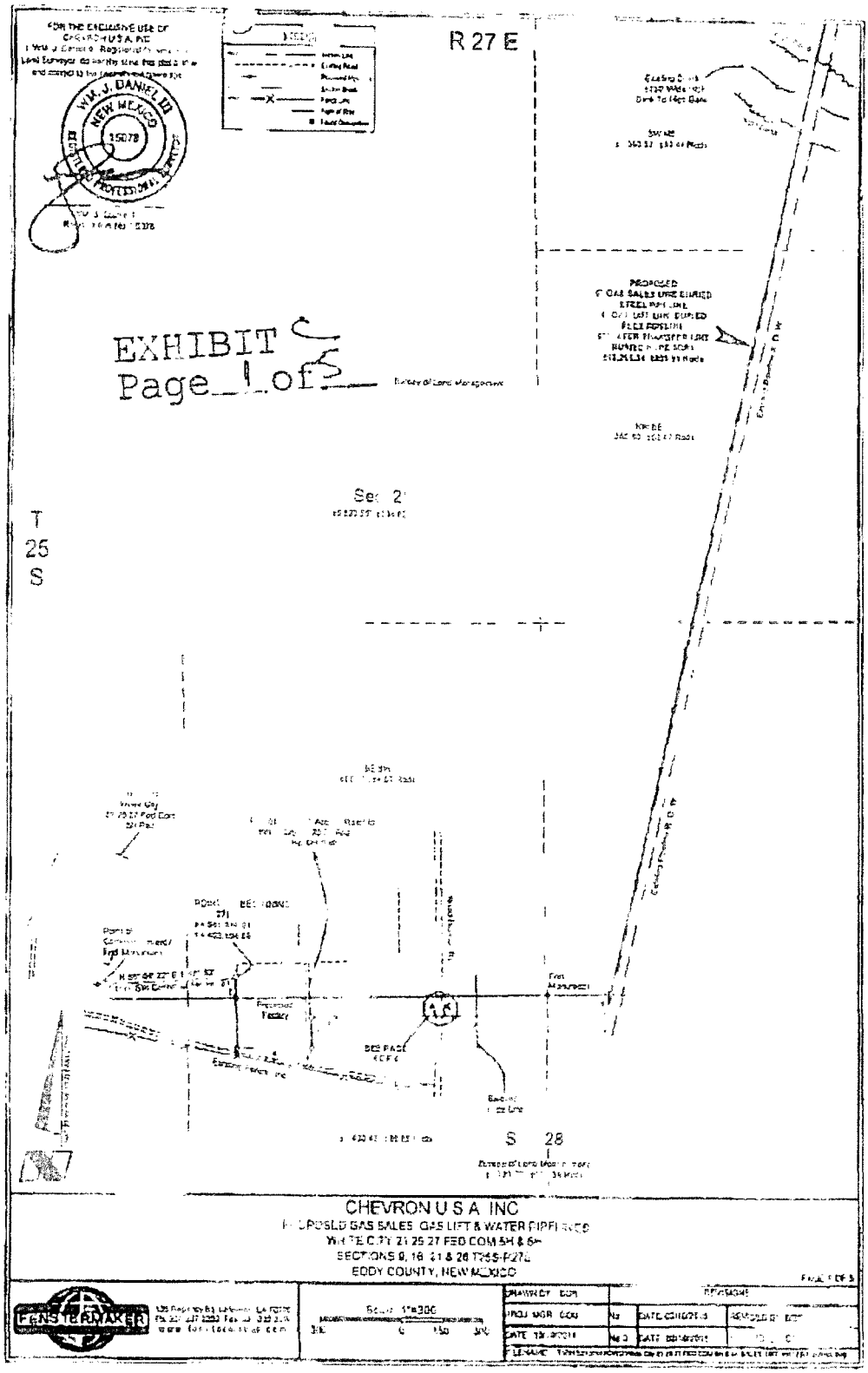
CHEVRON U.S.A. INC.


017
NMNM 113954
016
015
NMNM 130855
NMNM 107369
020
021
022
NMNM 107369
NMNM 130854
WHITE CITY 21 25 27 FED COM 5H
WHITE CITY 21 25 27 FED COM 6H
KRIEK FEDERAL 4H
KRIEK FEDE
029
NMNM 114348
028
NMNM 092167
027

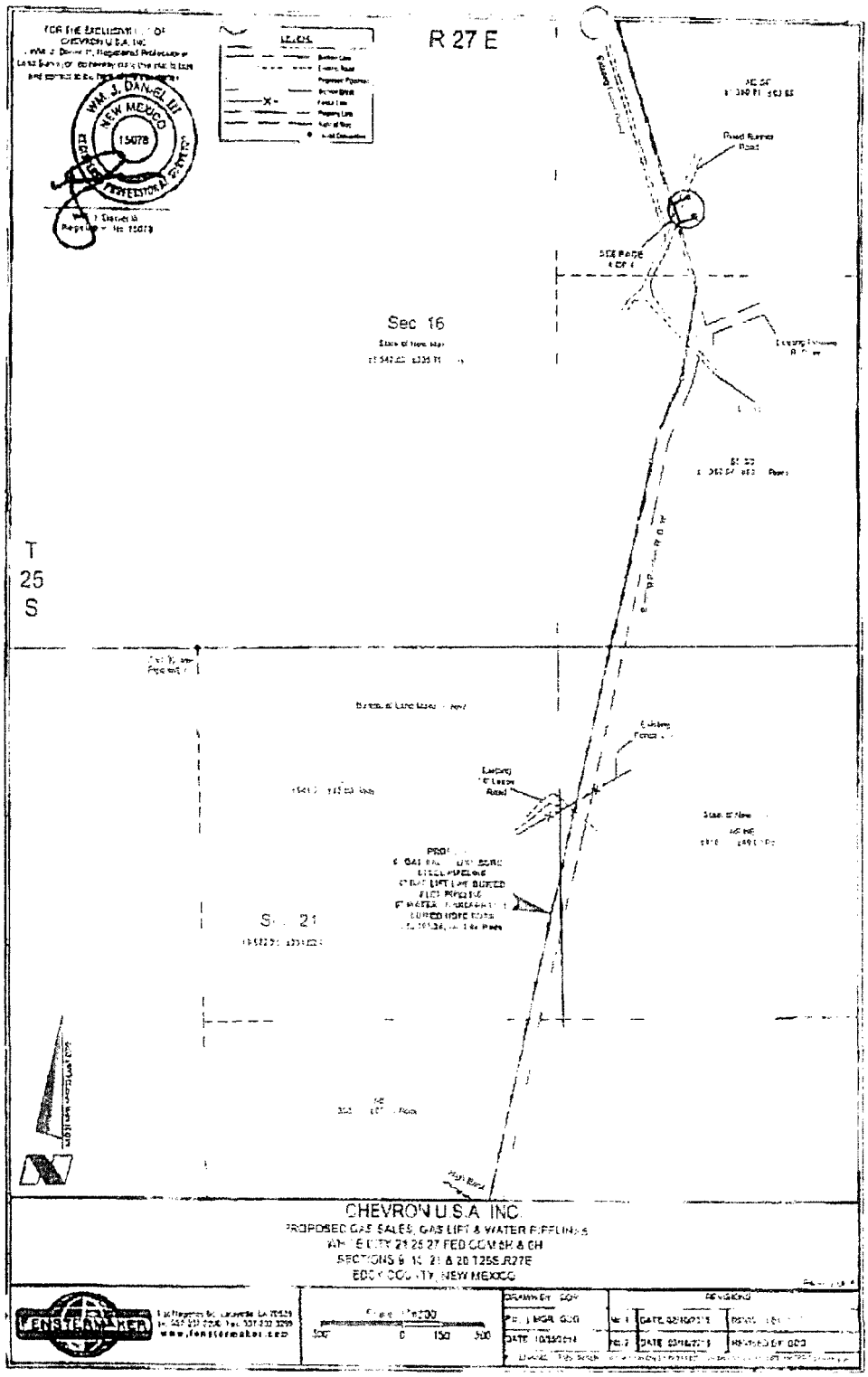
APPLICATION FOR COMMINGLING AT A COMMON CENTRAL TANK BATTERY Chevron U.S.A. Inc.
White City 21 25 27 Fed Com #5H and White City 21 25 27 Fed Com #6H



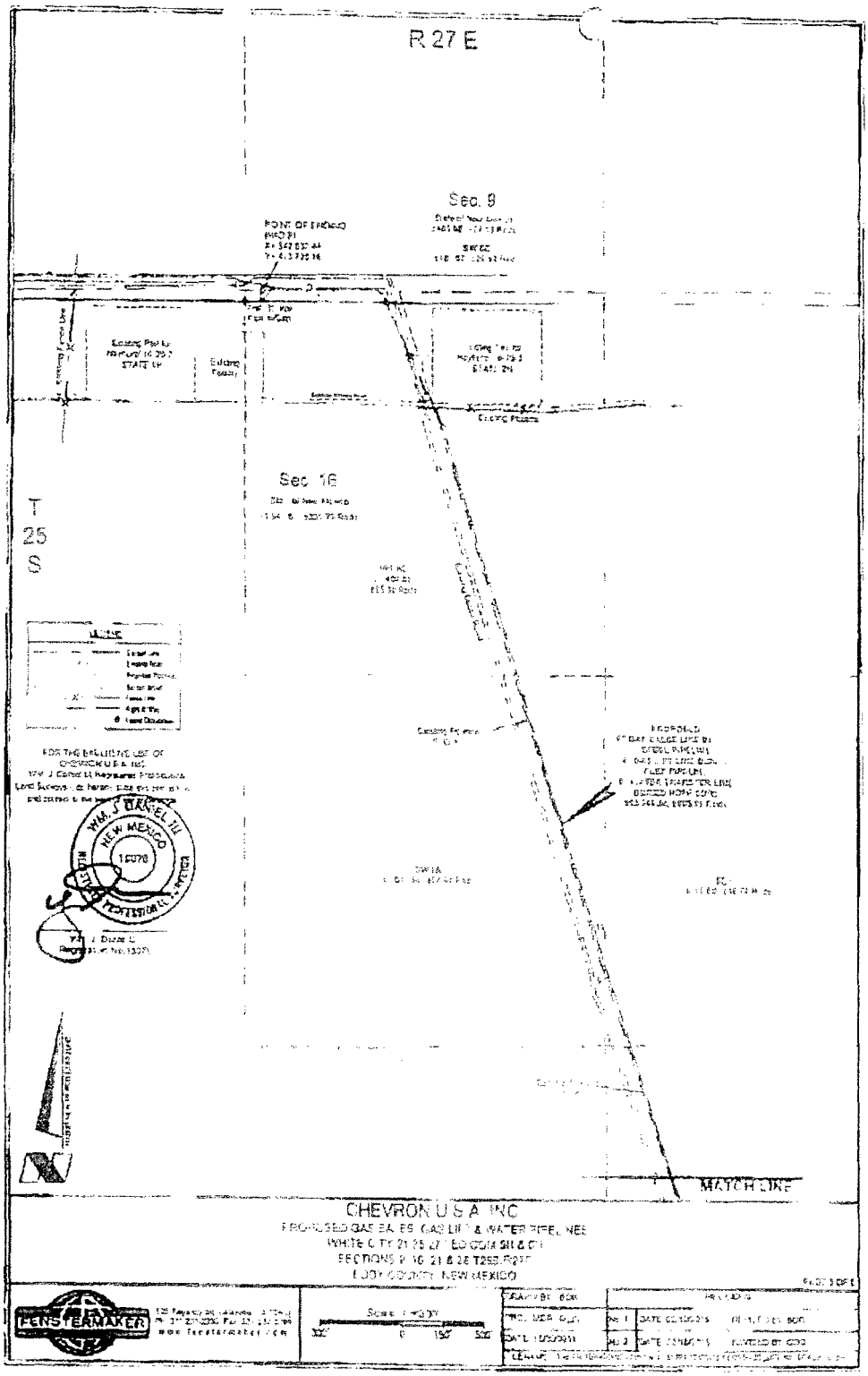
APPLICATION FOR COMMINGLING AT A COMMON CENTRAL TANK BATTERY Chevron U.S.A. Inc.
White City 21 25 27 Fed Com #5H and White City 21 25 27 Fed Com #6H



APPLICATION FOR COMMINGLING AT A COMMON CENTRAL TANK BATTERY Chevron U.S.A. Inc.
White City 21 25 27 Fed Com #5H and White City 21 25 27 Fed Com #6H



APPLICATION FOR COMMINGLING AT A COMMON CENTRAL TANK BATTERY Chevron U.S.A. Inc.
White City 21 25 27 Fed Com #5H and White City 21 25 27 Fed Com #6H



BUREAU OF LAND MANAGEMENT
CASE RECORDATION
(LIVE) SERIAL REGISTER PAGE

01 12-22-1987;101STAT1330;30USC181 ET SEQ
Case Type 312021: O&G LSE COMP PD -1987
Commodity 459: OIL & GAS
Case Disposition: AUTHORIZED Case File Juris:

Total Acres 1,200.000

Serial Number NMNM-- - 107369

Serial Number: NMNM-- - 107369

Name & Address			Int Rel	%Interest
CHEVRON USA INC	6301 DEAUVILLE	MIDLAND TX 797062964	LESSEE	100.000000000

Serial Number: NMNM-- - 107369

Mer	Twp	Rng	Sec	SType	Nr	Suff	Subdivision	District/Resource Area	County	Mgmt Agency
23	0250S	0270E	021	ALIQ			NWNE,N2NW,N2S2;	CARLSBAD FIELD OFFICE	EDDY	BUREAU OF LAND MGMT
23	0250S	0270E	026	ALIQ			NE,W2NW,SW,SWSE;	CARLSBAD FIELD OFFICE	EDDY	BUREAU OF LAND MGMT
23	0250S	0270E	035	ALIQ			N2,SW;	CARLSBAD FIELD OFFICE	EDDY	BUREAU OF LAND MGMT

Serial Number: NMNM-- - 107369

Act Date	Code	Action	Action Remarks	Pending Office
10/16/2001	387	CASE ESTABLISHED	200110074	
10/17/2001	191	SALE HELD		
10/17/2001	267	BID RECEIVED	$120000.00;	
10/17/2001	392	MONIES RECEIVED	$120000.00;	
11/05/2001	237	LEASE ISSUED		
11/05/2001	974	AUTOMATED RECORD VERIF	LBO	
12/01/2001	496	FUND CODE	05;145003	
12/01/2001	530	RLTY RATE - 12 1/2%		
12/01/2001	868	EFFECTIVE DATE		
01/28/2002	963	CASE MICROFILMED/SCANNED		
11/15/2002	140	ASGN FILED	GRANDE OIL & GAS IN;1	
02/19/2003	139	ASGN APPROVED	EFF 12/01/02;	
02/19/2003	974	AUTOMATED RECORD VERIF	MV	
09/07/2007	246	LEASE COMMITTED TO CA	NMNM120260;	
04/08/2008	643	PRODUCTION DETERMINATION	/1/	
04/08/2008	660	MEMO OF 1ST PROD-ALLOC	/1/NMNM120260;	
06/11/2008	817	MERGER RECOGNIZED	CHESA LLC/CHESA LP	
08/22/2008	817	MERGER RECOGNIZED	CHESA EXP LP/EXP LLC	
05/15/2010	246	LEASE COMMITTED TO CA	NMNM124859;	
11/27/2012	140	ASGN FILED	CHESAPEAK/CHEVRON U;1	
04/09/2013	139	ASGN APPROVED	EFF 12/01/12;	
04/09/2013	974	AUTOMATED RECORD VERIF	ANN	
06/12/2015	246	LEASE COMMITTED TO CA	NMNM135707;	
06/12/2015	246	LEASE COMMITTED TO CA	NMNM135716;	
07/28/2015	650	HELD BY PROD - ACTUAL	/3/#6H WHITE CITY 21;	
07/28/2015	658	MEMO OF 1ST PROD-ACTUAL	/3/NMNM135716;	
09/28/2015	658	MEMO OF 1ST PROD-ACTUAL	/2/NMNM135707;	
03/28/2016	643	PRODUCTION DETERMINATION	/2/	
03/30/2016	643	PRODUCTION DETERMINATION	/3/	

Line Nr Remarks Serial Number: NMNM 107369

BUREAU OF LAND MANAGEMENT
CASE RECORDATION
(LIVE) SERIAL REGISTER PAGE

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

Total Acres 160.000

Serial Number NMNM-- - 135707

Case Type 318310: O&G COMMUNITZATION AGRMT

Commodity 459: OIL & GAS

Case Disposition: AUTHORIZED **Case File Juris:** CARLSBAD FIELD OFFICE

Serial Number: NMNM-- - 135707

Name & Address			Int Rel	%Interest
BLM CARLSBAD FO	620 E GREENE ST	CARLSBAD NM 88220	OFFICE OF RECORD	0.000000000
CHEVRON USA INC	6301 DEAUVILLE	MIDLAND TX 797062964	OPERATOR	100.000000000

Serial Number: NMNM-- - 135707

Mer	Twp	Rng	Sec	SType	Nr	Suff	Subdivision	District/Resource Area	County	Mgmt Agency
23	0250S	0270E	021	ALIQ			W2W2;	CARLSBAD FIELD OFFICE	EDDY	BUREAU OF LAND MGMT

Serial Number: NMNM-- - 135707

Act Date	Code	Action	Action Remarks	Pending Office
06/12/2015	387	CASE ESTABLISHED		
06/12/2015	516	FORMATION	BONE SPRING	
06/12/2015	525	ACRES-NONFEDERAL	80;50%	
06/12/2015	526	ACRES-FED INT 100%	80;50%	
06/12/2015	868	EFFECTIVE DATE	30-015-42975	
09/28/2015	654	AGRMT PRODUCING	/1/	
09/28/2015	658	MEMO OF 1ST PROD-ACTUAL	/1/30-015-42975	
03/28/2016	334	AGRMT APPROVED		
03/28/2016	643	PRODUCTION DETERMINATION	/1/	

Serial Number: NMNM-- - 135707

Line Nr	Remarks			
0001	RECAPITULATION EFFECTIVE 06/12/2015			
0002	TRACT #	LEASE SERIAL #	AC COMMITTED	PCT INT
0003	1	NMNM107369	80.00	50.00
0004	2	STATE	40.00	25.00
0005	3	FEE	40.00	25.00
0006		TOTAL	160.00	100.00

BUREAU OF LAND MANAGEMENT
CASE RECORDATION
(LIVE) SERIAL REGISTER PAGE

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

Total Acres 160.000

Serial Number NMNM-- - 135716

Case Type 318310: O&G COMMUNITZATION AGRMT

Commodity 459: OIL & GAS

Case Disposition: AUTHORIZED **Case File Juris:** CARLSBAD FIELD OFFICE

Serial Number: NMNM-- - 135716

Name & Address			Int Rel	%Interest
BLM CARLSBAD FO	620 E GREENE ST	CARLSBAD NM 88220	OFFICE OF RECORD	0.000000000
CHEVRON USA INC	6301 DEAUVILLE	MIDLAND TX 797062964	OPERATOR	100.000000000

Serial Number: NMNM-- - 135716

Mer	Twp	Rng	Sec	SType	Nr	Suff	Subdivision	District/Resource Area	County	Mgmt Agency
23	0250S	0270E	021	ALIQ			E2W2;	CARLSBAD FIELD OFFICE	EDDY	BUREAU OF LAND MGMT

Serial Number: NMNM-- - 135716

Act Date	Code	Action	Action Remarks	Pending Office
06/12/2015	387	CASE ESTABLISHED		
06/12/2015	516	FORMATION	BONE SPRING	
06/12/2015	525	ACRES-NONFEDERAL	80;50%	
06/12/2015	526	ACRES-FED INT 100%	80;50%	
06/12/2015	868	EFFECTIVE DATE	30-015-42976	
07/28/2015	654	AGRMT PRODUCING	/1/	
07/28/2015	658	MEMO OF 1ST PROD-ACTUAL	/1/30-015-42976	
03/30/2016	334	AGRMT APPROVED		
03/30/2016	643	PRODUCTION DETERMINATION	/1/	

Serial Number: NMNM-- - 135716

Line Nr	Remarks			
0001	RECAPITULATION EFFECTIVE 06/12/2015			
0002	TRACT #	LEASE SERIAL #	AC COMMITTED	PCT INT
0003	1	NMNM107369	80.00	50.00
0004	2	STATE	40.00	25.00
0005	3	FEE	40.00	25.00
0006		TOTAL	160.00	100.00

Denise Pinkerton
Regulatory Specialist
Midcontinent BU

Chevron North America
Exploration and Production Company
(A Chevron U.S.A. Inc. Division)
15 Smith Road
Midland, TX 79705
Tel 432-687-7375
Leakejd@chevron.com

July 10, 2015

Bureau of Land Management
620 E. Greene St.
Carlsbad, NM 88220

Application for surface commingling of the Hay Hollow; Bone Spring, North Pool, Eddy County, NM (T25S-R27E, Sec 21)

Dear Sirs,

Chevron U.S.A. Inc. respectfully requests administrative approval to surface commingle oil, gas, and water production from the Bone Spring, North Pool to a common central delivery point. Chevron requests the approval to minimize surface disturbance and future traffic by concentrating activities at the battery. The commingling of this production will reduce the surface facility footprint and overall emissions. Each well's share of the central tank battery's (CTB's) total production will be calculated based on the results of continuous tests. Wells producing to this battery include the Chevron White City 21 25 27 Fed Com #5H & White City 21 25 27 Fed Com #6H. These wells will be completed within the Bone Spring, North formation and are located in section 21, T-25S, R-27E, Eddy County, New Mexico.

The working interest and royalties for each well are as follows:

White City 21 25 27 Fed Com #5H WI 86%; NRI 71.2%; RI BLM-12.5%, STATE-18.75%
White City 21 25 27 Fed Com #6H WI 86%; NRI 71.2%; RI BLM-12.5%, STATE-18.75%

Working and royalty interest owners have been notified of this proposal via certified mail.

These wells were drilled in the 2nd quarter of 2015, and are in the process of being completed.

Sincerely,

Denise Pinkerton
Regulatory Specialist

APPLICATION FOR COMMINGLING AT A COMMON CENTRAL TANK BATTERY Chevron U.S.A. Inc.
White City 21 25 27 Fed Com #5H and White City 21 25 27 Fed Com #6H

Chevron

Denise Pinkerton
Regulatory Specialist
Midcontinent BU

Chevron North America
Exploration and Production
Company
15 Smith Road
Midland, Texas 79705
Tel: (432) 687-7375
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July 09, 2015

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

Application for surface commingling of the Hay Hollow, Bone Spring, North Pool, Eddy County, NM (T25S-R27E, Sec 21)

Dear Sirs,

Chevron U.S.A. Inc. respectfully requests administrative approval to surface commingle oil, gas, and water production from the Hay Hollow; Bone Spring, North Pool to a common central delivery point. Chevron requests the approval to minimize surface disturbance and future traffic by concentrating activities at the battery. The commingling of this production will reduce the surface facility footprint and overall emissions. Each well's share of the central tank battery's total production will be calculated based on the results of continuous tests. Wells producing to this battery include the Chevron White City 21 25 27 Fed Com #5H & #6H. These wells will be completed within the Bone Spring, North formation and are located in section 21, T-25S, R-27E, Eddy County, New Mexico.

The working interest and royalties for each well are as follows:

White City 21 25 27 #5H	WI 86%; NRI 71.2%; RI BLM-12.5%, STATE-18.75%
White City 21 25 27 #6H	WI 86%; NRI 71.2%; RI BLM-12.5%, STATE-18.75%

Working and royalty interest owners have been notified of this proposal via certified mail.

These wells were drilled 2nd quarter, 2015, and are in the process of being completed.

Sincerely,

Denise Pinkerton
Regulatory Specialist

APPLICATION FOR COMMINGLING AT A COMMON CENTRAL TANK BATTERY Chevron U.S.A. Inc.
White City 21 25 27 Fed Com #5H and White City 21 25 27 Fed Com #6H

Serial Register page form LR2000 is attached on the following pages:

Federal Lease	Lease Description	WI/NRI	Lease	Royalty Interest
NMNM107369	White City 21 25 27 Fed Com 5H	86%/71.2%	Federal	12.50%
NMNM107369	White City 21 25 27 Fed Com 6H	86%/71.2%	Federal	12.50%

A list of all interest owner addresses is below.

INTEREST TYPE	NAME	ADDRESS	CITY	ZIP CODE
RI	United States of America	P.O. Box 27115	Santa Fe	87502
WI	Chevron U.S.A. Inc.	1400 Smith St.	Houston	77002
RI	State of New Mexico, acting by and through its Commissioner of Public Lands	P.O. Box 1148	Santa Fe	87504
RI	The William L. and Muriel M. Diescher Irrevocable Trust	3646 Route 11, South	Cortland	13045
RI	Francis F. Beeman and Bettye Jo Beeman Irrevocable Trust	1405 Ural Dr.	Carlsbad	88220
RI	Mark A. Beeman, SSP	57 North Sly Loop	Roswell	88201
RI	William F. Beeman, SSP	71 Apache Dr.	Carlsbad	88220
RI	Robert B. Beeman, SSP	1520 N. Guadalupe	Carlsbad	88220
RI	Patricia Ann Beeman Allen Trust	807 Alamosa	Carlsbad	88220
RI	Thomas B. Stribling	75 Circle Drive NE	Albuquerque	87122
RI	George and Teresa Stribling	1933 San Mateo Blvd. NE	Albuquerque	87110
RI	Martha J. Stribling	918 Park Land Circle SE	Albuquerque	87108
RI	Steve R. Stribling	5670 Iris Road NE	Rio Rancho	87144
RI	George O. Stribling, as Trustee of the Margaret Stribling, Robert Cain and Salem Stribling Trust	1933 San Mateo Blvd. NE	Albuquerque	87110
RI	John D. Stribling	P.O. Box 10204	Albuquerque	87184
RI	Carmex Inc	P.O. Box 1718	Carlsbad	88201
RI	The Beveridge Company	P.O. Box 993	Midland	79702
WI	Gulf Coast Oil and Gas Company	P.O. Box 1684	Midland	79702
RI	Zia Royalty	P.O. Box 2160	Hobbs	88241
RI	T.L. And Margaret D. Rees, HW	P.O. Box 1007	Colorado City	79512
RI	Pamela Rae Cummings, MSU	P.O. Box 817	Panhandle	79068
RI	Patricia Gae Stamps, MSU	P.O. Box 249	Panhandle	79068
RI	John W. Osborn, MSU	P.O. Box 419	Tipton	73570
WI	Law Firm of Klipstine & Hanratty	P.O. Box 1525	Carlsbad	88220
WI	Sue Osborn Powell, MSU	889 Hedgewood Dr.	Georgetown	78628
WI	Mary Camille Hall, MSU	3812 Tailfeather Dr.	Round Rock	78681
WI	John E. Hall ,III, MSU	2358 23rd St.	Littlefield	79339
RI	Brian L. McGonagill and Shirley C. McGonagill, HW	1612 Westridge	Carlsbad	88220
WI	Mary Jo Dickerson, MSU	Unknown Address		
RI	Panagopoulos Enterprises, LLC	511 W. Reinken	Belen	87002
RI	Bonnie Ruth Gregory, widow	305 S. Hemlock Ave.	Roswell	88203
WI	Virginia Lee Davis, MSU	Unknown Address		
WI	Clarence W. Ervin and Mary I. Ervin, HW	4016 Jones St.	Carlsbad	88220
WI	LBD, LP	P.O. Box 686	Hobbs	88241
WI	Law Firm of Kirby, Ratliff, Manning & Greak	8008 Slide Rd. , Ste. 33	Lubbock	79424
RI	Louis Ratliff, Jr. and Mary D. Ratliff, HW	8 Firwood Ct.	The Hills	78738
WI	Neville Manning, MSU	2112 Indiana	Lubbock	79410
WI	Nolan Greak, MSU	8008 Slide Rd., Ste. 33	Lubbock	79424
RI	Chasity Garza, SSP	1410 E. Broadway	Brownfield	79316
WI	MRC Permian Company	5400 LBJ Freeway, Ste 1500	Dallas	75240

The royalty and working interest owners are same in all of the wells listed above. I verify that the above information is correct

Tiffany McGuire
Land Representative

Chevron

Halley Pinkerton

APPLICATION FOR COMMINGLING AT A COMMON CENTRAL TANK BATTERY Chevron U.S.A. Inc.
White City 21 25 27 Fed Com #5H and White City 21 25 27 Fed Com #6H

Owner Letters for White City 21 #5H & #6H

(tracking numbers – first 16 numbers are 7014 2120 0002 6343)

NAME	DATE MAILED	TRK #	ADDRESS
USA – BLM	06/30/2015	0407	P.O.Box 27115, Santa Fe, NM 87502
State Land Office	06/30/2015	0414	P.O.Box 1148, Santa Fe, NM 87504
Wm & Muriel Diescher Jr Trust	06/30/2015	0032	3646 Rt 11, South, Cortland, NY 13045
Francis & Bettye Jo Beeman	06/30/2015	0056	1405 Ural Dr. Carlsbad, NM 88220
Mark A Beeman	06/30/2015	0063	57 North Sly Loop, Roswell NM 88201
Wm F Beeman	06/30/2015	0070	71 Apache Dr, Carlsbad, NM 88220
Robert B Beeman	06/30/2015	0087	1520 N Guadalupe, Carlsbad, NM 88220
Patricia A Beeman Allen Trust	06/30/2015	0100	807 Alamosa, Carlsbad, NM 88220
Thomas B Stribling	06/30/2015	0148	75 Circle Drive, NE, Albuquerque, NM 87122
George & Teresa Stribling	06/30/2015	0445	1933 San Mateo Blvd, NE, Albuqrqe, NM 87110
Martha J Stribling	06/30/2015	0452	918 Park Land Cr SE Albuqrqe, NM 87108
Steve R. Stribling	06/30/2015	0469	5670 Iris Road NE Rio Rancho, NM 87144
George O. Stribling Trustee	06/30/2015	0476	1933 San Mateo Blvd, NM, Albuqrqe, NM 87110
John D. Stribling	06/30/2015	0483	P O. Box 10204, Albuquerque, NM 87184
Carmex Inc.	06/30/2015	0179	P O Box 1718, Carlsbad, NM 88201
The Beveridge Company	06/30/2015	0186	P.O Box 993, Midland, TX 79702
Gulf Coast Oil & Gas Company	06/30/2015	0193	P O Box 1684, Midland, TX 79702
Zia Royalty	06/30/2015	0209	P O. Box 2160, Hobbs, NM 88241
T.L & Margaret D Rees, HW	06/30/2015	0216	P O Box 1007, Colorado City, TX 79512
Pamela Rae Cummings, MSU	06/30/2015	0223	P O Box 817, Panhandle, TX 79068
Patricia Gae Stamps, MSU	06/30/2015	0230	P.O. Box 249, Panhandle, TX 79068
John W Osborn, MSU	06/30/2015	0247	P.O Box 419, Tipton, TX 73570
Law Firm – Klipstine & Hanratty	06/30/2015	0254	P O Box 1525, Carlsbad, NM 88220
Sue Osborn Powell, MSU	06/30/2015	0261	889 Hedgewood Dr. Georgetown, TX 78628
Mary Camille Hall, MSU	06/30/2015	0278	3812 Tailfeather Dr. Round Rock, TX 78681
John E. Hall, III MSU	06/30/2015	0285	2358 23rd St, Littlefield. TX 79339
Brian & Shirley McGonagill, HW	06/30/2015	0292	1612 Westridge, Carlsbad, NM 88220
Panagopoulos Enterprises LLC	06/30/2015	0308	511 W.I Reinken, Belen, NM 87002
Bonnie Ruth Gregory, widow	06/30/2015	0315	305 S. Hemlock Ave, Roswell NM 88203
Clarence & Mary Ervin, HW	06/30/2015	0322	4016 Jones St, Carlsbad. NM 88220
LBD, LP	06/30/2015	0339	P O Box 686, Hobbs, NM 88241
Law Frm Kirby, Ratliff, Mng. Greak	06/30/2015	0346	8008 Slide Rd, Ste 33, Lubbock, TX 79424
Louis & Mary Ratliff, HW	06/30/2015	0353	8 Firwood Ct, The Hills, TX 78738
Neville Manning, MSU	06/30/2015	0360	2112 Indiana, Lubbock, TX 79410
Nolan Greak, MSU	06/30/2015	0377	8008 Slide Rd, Ste 33, Lubbock, TX 79424
Chasity Garza, SSP	06/30/2015	0384	1410 E Broadway, Brownfield. TX 79316
MRC Permian Company	06/30/2015	0391	5400 LBJ Freeway, Ste 1500. Dallas TX 75240

Chevron Functional Contacts

Contact Name	Function	Phone Number	Email Address
Nick Wann	*FE Team Lead / Primary Point of Contact*	(432) 687-7852	NWann@chevron.com
Caleb Brown	Facilities Engineer	(432) 687-7326	Caleb.Brown@chevron.com
David Macurdy	Regulatory Team Lead	(713) 754-3826	david.macurdy@chevron.com
Denise Pinkerton	Regulatory Specialist	(432) 687-7375	leakejd@chevron.com
Clayton Williams	Execution Team Lead	(713) 372-0978	clay.williams@chevron.com
Danny Boone	Project Manager	(713) 372-5390	DBoone@chevron.com
Justin Blackburn	Drilling	(713) 372-0235	Justin.Blackburn@chevron.com
Hallie Byth	Reservoir Engineer	(713) 372-7772	HByth@chevron.com
JJ Lanning	Subsurface Land Team Lead	(713) 372-1290	JLPX@chevron.com
Tiffany McGuire	Subsurface Land	(713) 372-1450	TIFK@chevron.com
Kevin Dickerson	Surface Land	(432) 687-7104	Kevin.Dickerson@chevron.com

Bureau of Land Management
Carlsbad Field Office
620 East Greene Street
Carlsbad, New Mexico 88220
575-234-5972

White City 21 25 27 Fed Com 5H & 6H
3001542975 & 3001542976
Leases NMNM107369 and CA- NMNM135707 & NMNM135716

Chevron USA INCORPORATED
May 9, 2017

Condition of Approval

Surface commingling, off lease storage measurement and sales.

1. This approval is subject to like approval by the New Mexico Oil Conservation Division.

2. This agency shall be notified of any spill or discharge as required by NTL-3A.

3. This agency reserves the right to modify or rescind approval whenever it determines continued use of the approved method may adversely affect the surface or subsurface environments or product accountability.

4. This approval does not constitute right-of-way approval for any off-lease activities. Within 30 days, an application for right-of-way approval must be submitted to the Realty Section if not already done.

5. Approval for combining production from various sources is a privilege which is granted to lessees for the purpose of aiding conservation and extending the economic life of leases. Applicants should be cognizant that failure to operate in accordance with the provisions outlined in the Authorized Officer's conditions of approval and/or subsequent stipulations or modifications will subject such approval to revocation.

6. Gas measurement for allocation must be measured as per Federal Regulations, AGA and API requirements for sales meters.

7. All gas and oil subject to royalty shall be measured as per federal regulations and shall be reported to ONRR as required. All gas which is vented, flared or used on lease shall be reported as per NTL-4A to ONRR. All gas which is vented or flared shall be subject to royalty, unless prior approval was given by the authorized officer.

8. This agency shall be notified of any change in sales method or location of sales point.

9. Additional wells and/or leases require additional commingling approvals.

10. Notify this office 24 Hrs. prior to any meter proving to allow time for an inspector to witness.