

State of New Mexico
Energy, Minerals and Natural Resources Department

Susana Martinez
Governor

David Martin
Cabinet Secretary

Brett F. Woods, Ph.D.
Deputy Cabinet Secretary

Jami Bailey, Division Director
Oil Conservation Division



ADMINISTRATIVE CENTRAL TANK BATTERY ORDER

Administrative Order CTB-698
Administrative Application Reference No. pMAM1405258647

April 29, 2014

Chevron USA Inc
Attention: Cindy Herrera-Murillo

Chevron USA Inc (OGRID 4323) is hereby authorized to surface commingle oil and gas production from Cottonwood Draw; Bone Spring (**97494**), and from the following leases and wells:

<u>Name</u>	<u>API No.</u>	<u>Footages</u>	<u>ULSTR</u>
Hayhurst 17 Federal Well No. 1H	30-015-41845	55 FNL & 190 FWL	D-17-25S-27E
Hayhurst 18 Federal Well No. 1H	30-015-41848	340 FNL & 1040 FEL	A-18-25S-27E

All in NMPM, Eddy County, New Mexico

The commingled oil and gas production from the wells detailed above shall be measured and sold at the Hayhurst 17 Federal Well No. 1H central tank battery (CTB) located in Unit D, Section 17, Township 25 South, Range 27 East, NMPM, Eddy County, New Mexico.

The oil production from each well shall be continuously measured with allocation meters before commingling with production from other wells. The allocation meters shall be calibrated quarterly in accordance with Rule 19.15.12.10.C (2) NMAC.

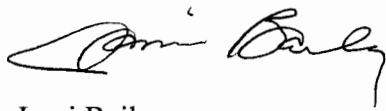
This installation shall be installed and operated in accordance with the applicable Division Rules. It is the responsibility of the producer to notify the transporter of this commingling authority.

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

This approval is subject to like approval from the Bureau of Land Management before commencing commingling operations.

April 29, 2014
Page 2

DONE at Santa Fe, New Mexico, on April 29, 2014

A handwritten signature in black ink, appearing to read "Jami Bailey". The signature is fluid and cursive, with a large initial "J" and a long, sweeping underline.

Jami Bailey
Division Director

JB/mam

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