

8/06/2014 DATE IN	SUSPENSE	ENGINEER <i>Re</i>	8/06/2014 LOGGED IN	CTB TYPE	PHAM1421855774 APP NO.
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ABOVE THIS LINE FOR DIVISION USE ONLY

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 Amend CTB-685

- CTB-685-A
- Chevron USA, Inc
4323

RECEIVED
 8/13/14 10:30 AM
 PHAM-1421855774

[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

Wells
- Hayhurst 162527
State #14
30-015-41120
- Hayhurst 162527
State #24
30-015-141121
- Hayhurst 162527
30-015-42491

[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
 Print or Type Name

Cindy Herrera-Murillo
 Signature

Permitting Specialist
 Title

08/04/2014
 Date

Cherreramurillo@chevron.com
 e-mail Address

685-A
CTB-



Cindy Herrera-Murillo
Regulatory Specialist
Midcontinent BU

**Chevron North America
Exploration and Production
Company**
1616 W. Bender Blvd Room 121
Hobbs FMT, Hobbs, NM 88240
Tel 575-263-0431
Fax 575-263-0445
cherreramurillo@chevron.com

August 4, 2014

**Re: Application for Surface Commingling
Hayhurst 16 Central Tank Battery
Section 16, T25S, R27E,
Eddy County, New Mexico**

**State Of New Mexico
Commissioner of Public Lands
Royalty Interest Owner,**

Chevron U.S.A. Inc. respectfully gives notice of intend to amend the Commingle Order CTB-685 oil, gas and water production from the Wildcat, Bone Spring Pool through Chevron's Hayhurst 16 Central Battery. Wells producing to this battery include Chevron Hayhurst 16 State #1 and Hayhurst 16 State #2H and will include the Hayhurst 16 State #3H. (which will be horizontally drilled in the fall of 2014). These wells are located in section 16, Township 25 South and Range 27 East.

The working interest and royalties are the same in all wells and all leases. (100% Chevron, WI/81.25% NRI and 12.5% OCD RI).

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: cherreramurillo@chevron.com.

Sincerely,

A handwritten signature in black ink that reads "Cindy Herrera-Murillo". The signature is fluid and cursive, with the first letters of the first and last names being capitalized and prominent.

Cindy Herrera-Murillo
Regulatory Specialist
Enclosure



Cindy Herrera-Murillo
Regulatory Specialist
Midcontinent BU

**Chevron North America
Exploration and Production
Company**
1616 W. Bender Blvd Room 121
Hobbs FMT, Hobbs, NM 88240
Tel 575-263-0431
Fax 575-263-0445
cherreramurillo@chevron.com

August 4, 2014

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

Application for surface commingling, Wildcat Bone Spring Pool (97816), Eddy County
NM (T25S-R27E, Section 16)

Dear Sirs,

Chevron U.S.A. Inc. respectfully requests amendment to the administrative approval to surface commingle oil, gas and water production for the Wildcat Bone Spring pool through Chevron's Hayhurst 16 Central Battery. CTB- 685 was approved on November 12, 2013. Wells producing to this battery include Chevron Hayhurst 16 State #1 and Hayhurst 16 State #2H and will include the Hayhurst 16 State #3H. (which will be horizontally drilled in the fall of 2014). These wells are located in section 16, Township 25 South and Range 27 East. APD's for each well, which include surface plats, are included with this notification.

The working interest and royalties are the same in all wells and all leases. (100% Chevron, WI/81.25% NRI and 12.5% OCD RI). These wells will be horizontally drilled in the fall of 2014. As such, the wells will be allocated by monthly well test with coriolis on oil and EFM on gas on each well. A schematic showing this configuration is attached.

Names of all WIO and RIO for each well are included with this request, and all of these owners are being notified of this request and that each will have 20 days with which to object to the commingling request per NMOCD Rule 19.15.12.10 Surface Commingling C. (4)c.

Sincerely,

A handwritten signature in black ink that reads "Cindy Herrera-Murillo".

Cindy Herrera-Murillo
Regulatory Specialist

Submit 1 Copy To Appropriate District
Office
District I – (575) 393-6161
1625 N. French Dr., Hobbs, NM 88240
District II – (575) 748-1283
811 S. First St., Artesia, NM 88210
District III – (505) 334-6178
1000 Rio Brazos Rd., Aztec, NM 87410
District IV – (505) 476-3460
1220 S. St. Francis Dr., Santa Fe, NM
87505

State of New Mexico
Energy, Minerals and Natural Resources

Form C-103
Revised July 18, 2013

OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

SUNDRY NOTICES AND REPORTS ON WELLS (DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH PROPOSALS.)		WELL API NO. 30-015-42491
1. Type of Well: Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other <input type="checkbox"/>		5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
2. Name of Operator CHEVRON USA INC		6. State Oil & Gas Lease No. VB-1865
3. Address of Operator 1616 W. BENDER BLVD HOBBS, NM 88240		7. Lease Name or Unit Agreement Name HAYHURST 16 25 27
4. Well Location Unit Letter <u>D</u> : <u>175'</u> feet from the <u>NORTH</u> line and <u>660'</u> feet from the <u>WEST</u> line Section <u>16</u> Township <u>25S</u> Range <u>27E</u> NMPM County <u>EDDY</u>		8. Well Number <u>3H</u>
11. Elevation (Show whether DR, RKB, RT, GR, etc.)		9. OGRID Number 4323
		10. Pool name or Wildcat WILDCAT G-02 S2527 15A;BONE SRPING

12. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data

NOTICE OF INTENTION TO:		SUBSEQUENT REPORT OF:	
PERFORM REMEDIAL WORK <input type="checkbox"/>	PLUG AND ABANDON <input type="checkbox"/>	REMEDIAL WORK <input type="checkbox"/>	ALTERING CASING <input type="checkbox"/>
TEMPORARILY ABANDON <input type="checkbox"/>	CHANGE PLANS <input type="checkbox"/>	COMMENCE DRILLING OPNS. <input type="checkbox"/>	P AND A <input type="checkbox"/>
PULL OR ALTER CASING <input type="checkbox"/>	MULTIPLE COMPL <input type="checkbox"/>	CASING/CEMENT JOB <input type="checkbox"/>	
DOWNHOLE COMMINGLE <input type="checkbox"/>			
CLOSED-LOOP SYSTEM <input type="checkbox"/>			
OTHER: SURFACE COMMINGLE- AMEND CTB-685 <input checked="" type="checkbox"/>		OTHER: <input type="checkbox"/>	

13. Describe proposed or completed operations. (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work). SEE RULE 19.15.7.14 NMAC. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

Chevron U.S.A. Inc. respectfully requests amendment to the administrative approval to surface commingle oil, gas and water production for the Wildcat Bone Spring pool through Chevron's Hayhurst 16 Central Battery. CTB- 685 was approved on November 12, 2013. Wells producing to this battery include Chevron Hayhurst 16 State #1 and Hayhurst 16 State #2H and will include the Hayhurst 16 State #3H. (which will be horizontally drilled in the fall of 2014). These wells are located in section 16, Township 25 South and Range 27 East. Eddy County, New Mexico.

Spud Date:

Rig Release Date:

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 08/04/2014

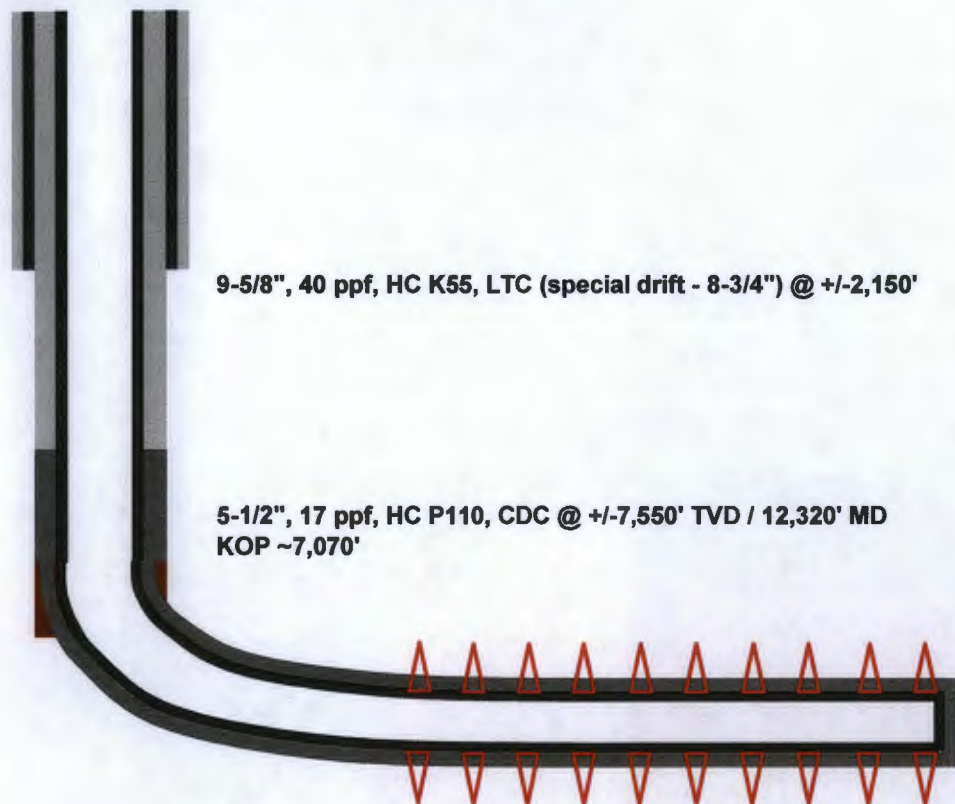
Type or print name Cindy Herrera-Murillo E-mail address: Cherreramurillo@chevron.com PHONE: 575-263-0431

For State Use Only

APPROVED BY: _____ TITLE _____ DATE _____

Conditions of Approval (if any):

Hayhurst 16 State 3H Drilling Program "Quick-Look"



General Drilling Procedure

- Currently 10' cylindrical cellar installed with 80' of 20" conductor pipe set.
- MIRU
- N/U on 20" conductor and drill 12-1/4" surface hole with fresh water to 2,150'.
- Run 9-5/8"-40#-HC K55-LTC casing and cement with a lead and tail system. Install 11" 5M SH-2R wellhead on hanger.
- N/U and test BOPE to 250 psi / 5,000 psi.
- Drill 8-3/4" production hole to KOP of 7,070'.
- Drill 8-3/4" build & 8-3/4" lateral hole to +/-12,320' in pay zone.
- TOH with no lateral logs planned.
- Run 5-1/2" - 17# - HC P110 - LTC casing and cement with a Class "H" lead and tail system
- RDMO and turn well over for completion.

Delaware River: 16, 25S, 27E Eddy County, New Mexico

Hole Size	Mud	Bits
12-1/4"	Fresh water/Brine 9.4/10.0 ppg	PDC
8-3/4"	Cut Brine/LSND 8.6-8.8 ppg	PDC

Formation & Geologic Feature Tops	Lithology	Depth (TVD)
Kelly height		0
Surface elevation		31
Aluvium / Rustler	Unconsolidated	31
Salado	NP	NP
Castile	Anhydrite / Salt	560
Lamar LS	Limestone	2,089
Bell Canyon	Sandstone	2,134
Cherry Canyon	Sandstone	2,959
Brushy Canyon	Sandstone	4,055
Top of Bone Spring	Limestone	5,531
Avalon	Shale	5,754
1st Bone Spring Sand	Sandstone / Shale	6,574
2nd Bone Spring Sand	Sandstone / Shale	7,254
Base of SBSG Sand	Limestone	7,595

District I
1625 N. French Dr., Hobbs, NM 88240
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District II
811 S. First St., Artesia, NM 88210
Phone: (575) 748-1283 Fax: (575) 748-9720
District III
1000 Rio Brazos Road, Aztec, NM 87410
Phone: (505) 334-6178 Fax: (505) 334-6170
District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505
Phone: (505) 476-3460 Fax: (505) 476-3462

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

Form C-102
Revised August 1, 2011
Submit one copy to appropriate
District Office

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number 30-015-41120	² Pool Code 97816	³ Pool Name WILDCAT G-02 S2527 15A; BONE SPRING
⁴ Property Code 39726	⁵ Property Name HAYHURST 16 25 27 STATE	⁶ Well Number 1H
⁷ OGRID No. 4323	⁸ Operator Name CHEVRON U.S.A. INC.	⁹ Elevation 3212'

¹⁰ Surface Location

UL or lot no.	Section	Township	Range	Lot Ida	Feet from the	North/South line	Feet from the	East/West line	County
C	16	25 SOUTH	27 EAST, N.M.P.M.		175'	NORTH	2280'	WEST	EDDY

¹¹ Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Ida	Feet from the	North/South line	Feet from the	East/West line	County
N	16	25 SOUTH	27 EAST, N.M.P.M.		250'	SOUTH	2280'	WEST	EDDY

¹² Dedicated Acres 160	¹³ Joint or Infill	¹⁴ Consolidation Code	¹⁵ 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>HAYHURST 16 25 27 STATE NO. 1H WELL</p> <p>X= 542,513 NAD 27 Y= 413,504 LAT. 32.138764 LONG. 104.195988</p> <p>X= 583,686 NAD83 Y= 413,561 LAT. 32.138885 LONG. 104.196483</p> <p>ELEVATION +3212' NAVD 88</p>	<p>¹⁷ OPERATOR CERTIFICATION</p> <p>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or undivided 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 a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.</p> <p><i>Cindy Herrera-Murillo</i> 84-K Signature Date Cindy Herrera-Murillo Printed Name Cherreramurillo@chevron.com E-mail Address</p>
	<p>PROPOSED BOTTOM HOLE LOCATION</p> <p>X= 542,530 NAD 27 Y= 408,636 LAT. 32.123382 LONG. 104.195953</p> <p>X= 583,714 NAD83 Y= 408,693 LAT. 32.123503 LONG. 104.196448</p>	<p>¹⁸ 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>4.18.13 Date of Survey Signature and Seal of Professional Surveyor: Certificate Number #15078</p>

District I
1625 N. French Dr., Hobbs, NM 88240
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811 S. First St., Artesia, NM 88210
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District III
1000 Rio Bravo Road, Aztec, NM 87410
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District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505
Phone: (505) 476-3460 Fax: (505) 476-3462

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

Form C-102
Revised August 1, 2011
Submit one copy to appropriate
District Office

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number 30-015-41121		² Pool Code 97816	³ Pool Name WILDCAT G-02 S2527 15A; BONE SPRING
⁴ Property Code 39726	⁵ Property Name HAYHURST 16 25 27 STATE		⁶ Well Number 2H
⁷ OGRID No. 4323	⁸ Operator Name CHEVRON U.S.A. INC.		⁹ Elevation 3200'

10 Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
B	16	25 SOUTH	27 EAST, N.M.P.M.		175'	NORTH	1733'	EAST	EDDY

11 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
O	16	25 SOUTH	27 EAST, N.M.P.M.		250'	SOUTH	1733'	EAST	EDDY

¹² Dedicated Acres 160	¹³ Joint or Infill	¹⁴ Consolidation Code	¹⁵ 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>HAYHURST 16 25 27 STATE 2H WELL X= 543,787 NAD 27 Y= 413,517 LAT. 32.136797 LONG. 104.191871 X= 584,971 NAD83 Y= 413,575 LAT. 32.136918 LONG. 104.192366 ELEVATION -3200' NAVD 88</p> <p>PROPOSED BOTTOM HOLE LOCATION X= 543,810 NAD 27 Y= 408,654 LAT. 32.123427 LONG. 104.191818 X= 584,993 NAD83 Y= 408,712 LAT. 32.123549 LONG. 104.192313</p> <p>Proposed Penetration Point 330' FNL & 1733' FEL</p> <p>Project Area Producing Area</p> <p>S 00°18'01"E 4863.35'</p> <p>1733'</p> <p>175'</p> <p>250'</p> <p>1733'</p>	<p>17 OPERATOR CERTIFICATION I hereby certify that the information contained 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 a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.</p> <p>Signature: <u>Cindy Herrera-Murillo</u> Date: <u>8/4/13</u> Printed Name: <u>Cindy Herrera-Murillo</u> E-mail Address: <u>Cherreramurillo@chevron.com</u></p> <p>18 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.</p> <p>Date of Survey: <u>4-18-13</u> Signature and Seal of Professional Surveyor: <u>[Signature]</u> Certificate Number: <u>15078</u></p> <p>WM. J. DANIEL III NEW MEXICO REGISTERED PROFESSIONAL SURVEYOR 15078</p>
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Revised August 1, 2011
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☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number 30-015-42491	² Pool Code 97816	³ Pool Name Wildcat G025252715A; Bone Spring
⁴ Property Code 39726	⁵ Property Name HAYHURST 16 25 27 STATE	
⁶ GRID No. 4323	⁷ Operator Name CHEVRON U.S.A. INC.	⁸ Well Number 3H
		⁹ Elevation 3219'

* Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
D	16	25 SOUTH	27 EAST, N.M.P.M.		175'	NORTH	660'	WEST	EDDY

" 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
M	16	25 SOUTH	27 EAST, N.M.P.M.		150'	SOUTH	660'	WEST	EDDY

¹⁰ Dedicated Acres	¹¹ Joint or Infill	¹² Consolidation Code	¹³ Order No.

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>Proposed First Take Point 330' FNL & 660' FWL</p> <p>Proposed Producing Interval</p> <p>Proposed Last Take Point 330' FSL & 660' FWL</p>	<p>HAYHURST 16 25 27 STATE NO. 3H WELL</p> <p>X= 540,693 NAD 27 Y= 413,487 LAT. 32.136723 LONG. 104.201221</p> <p>X= 582,075 NAD83 Y= 413,544 LAT. 32.136843 LONG. 104.201717</p> <p>ELEVATION +3219' NAVD 86</p>	<p>17 OPERATOR CERTIFICATION</p> <p>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or undivided 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 a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.</p> <p><i>Cindy Herrera-Murillo</i> 8-4-14 Signature Date</p> <p><i>Cindy Herrera-Murillo</i> Printed Name</p> <p><i>Cherreramurillo@chevron.com</i> E-mail Address</p>
	<p>CORNER COORDINATES TABLE (NAD 27)</p> <p>A - Y=413664.70, X=540232.48 B - Y=413668.74, X=541554.28 C - Y=408353.74, X=540251.14 D - Y=408372.47, X=541574.37</p>	<p>18 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>5.17.14 Date of Survey</p> <p><i>[Signature]</i> Signature and Seal of Registered Professional Surveyor</p> <p><i>Wm. J. Daniel III</i> NEW MEXICO 15078 REGISTERED PROFESSIONAL SURVEYOR</p> <p>_____ Certificate Number</p> <p>#15078</p>

Hayhurst 16 State #1H, #2H and #3H

Owner Information

Hayhurst 16 State #1H, #2H and #3H Commingling Permit

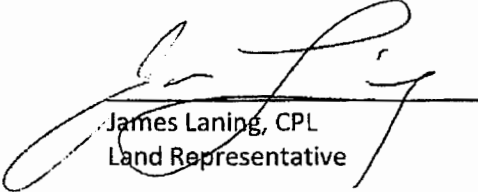
State of New Mexico Leases VB-1865 (W/2 of Section 16, T25S, R27E, Eddy Co., NM) & VO-7320 (E/2 of Section 16, T25S, R27E, Eddy Co., NM)

Section 16, T25S, R27E

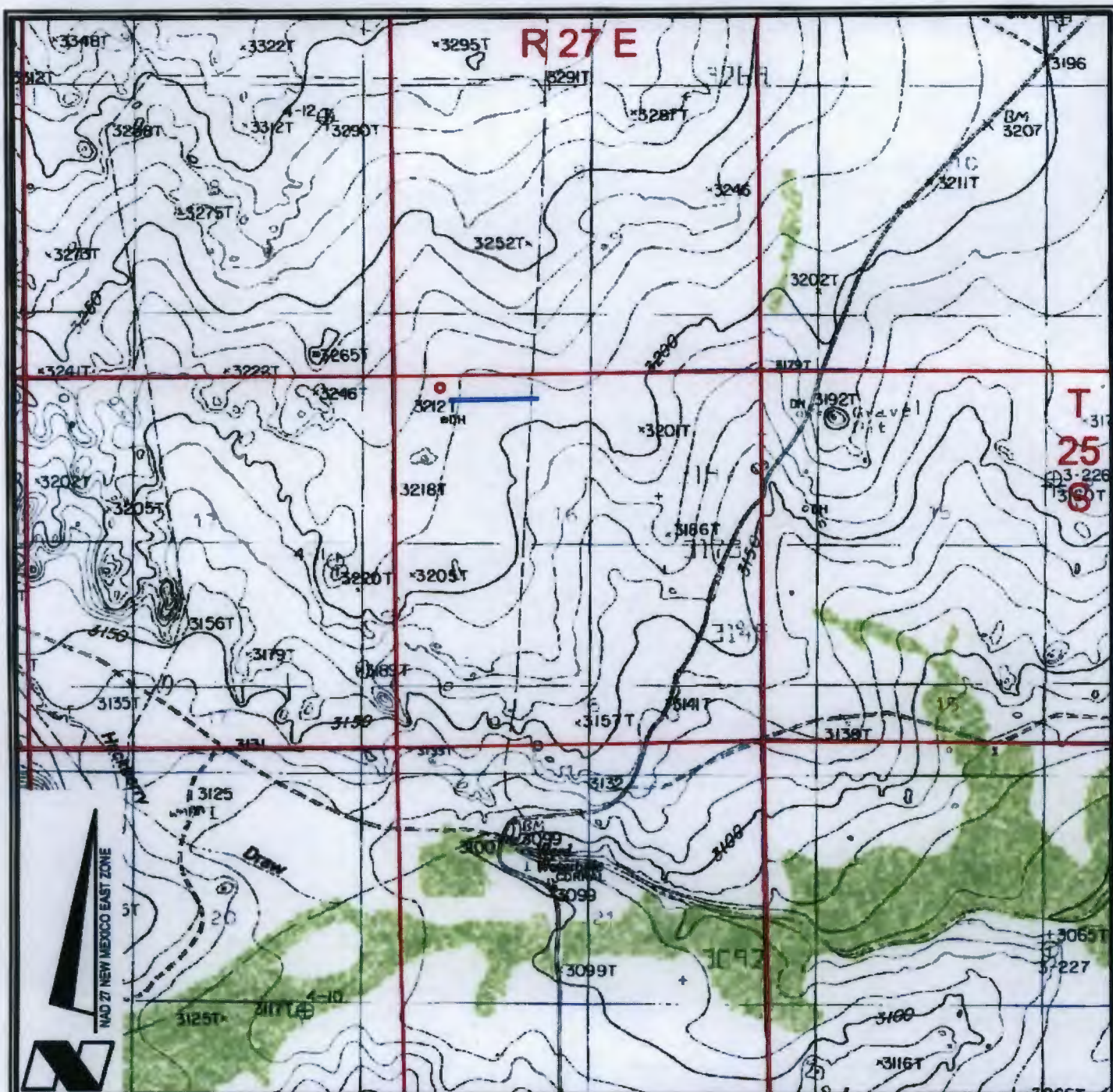
Eddy County, New Mexico

<u>Interest Type</u>	<u>Name</u>	<u>ADDRESS</u>	<u>CITY</u>	<u>STATE CODE</u>	<u>ZIP CODE</u>
Working Interest	Chevron U.S.A. Inc.	PO Box 2100	Houston	TX	77252-2100
Royalty Interest	State of New Mexico	PO Box 1148	Santa Fe	NM	87504-1148

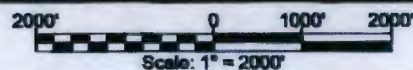
The royalty and working interest owners are same in all of the wells and both leases listed above. I verify that the above information is correct.



James Laning, CPL
Land Representative



VICINITY MAP



CHEVRON U.S.A. INC.
HAYHURST 16 25 27 STATE NO. 3H WELL
LOCATED 175' FNL AND 660' FWL
SECTION 16, T25S-R27E
EDDY COUNTY, NEW MEXICO



Lafayette New Orleans Houston
 135 Regency Sq. Lafayette, LA 70508
 Ph. 337-237-2200 Fax. 337-232-3299
www.fenstermaker.com

DRAWN BY: BMO

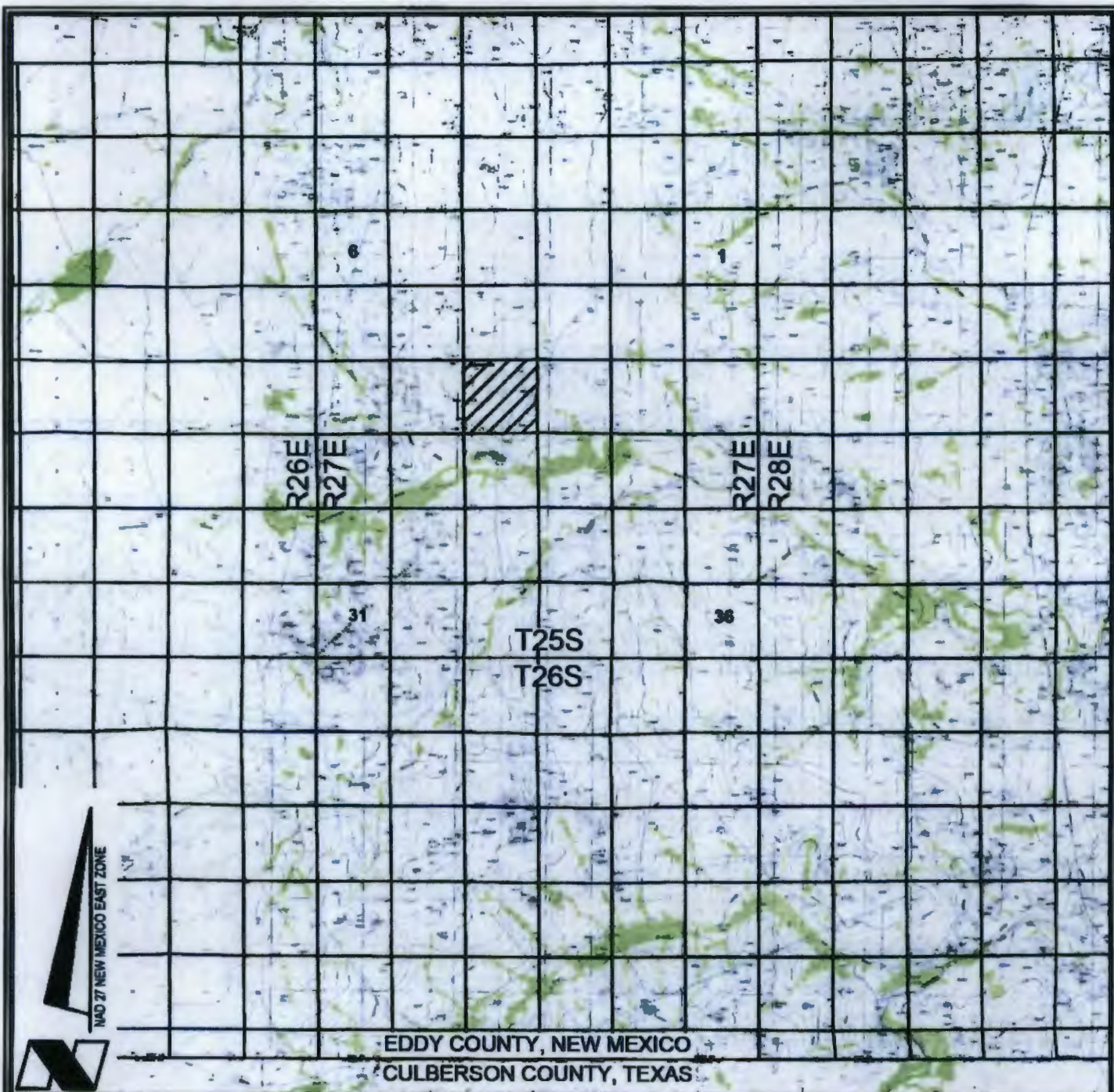
REVISED:

DATE: MAY 09, 2014

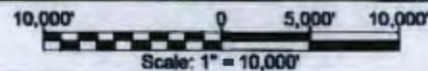
PROJ. MGR: GDG

SHEET 1 OF 3 SHEETS

FILENAME: T:\2014\2145150\DWG\HAYHURST 16 25 27 STATE 3H APD.dwg



VICINITY MAP



CHEVRON U.S.A. INC.

HAYHURST 16 25 27 STATE NO. 3H WELL

LOCATED 175' FNL AND 660' FWL

SECTION 16, T25S-R27E

EDDY COUNTY, NEW MEXICO



Lafayette New Orleans Houston
135 Regency Sq. Lafayette, LA 70508
Ph. 337-237-2200 Fax. 337-232-3299
www.fenstermaker.com

DRAWN BY: BMO

REVISED:

DATE: MAY 08, 2014

PROJ. MGR: GDG

SHEET 2 OF 3 SHEETS

FILENAME: T:\2014\2145150\DWG\HAYHURST 16 25 27 STATE 3H APD.dwg

Hayhurst 16-25-27

CBT

3H

1H

2H

Humble State 1

Mathews 16 State 1

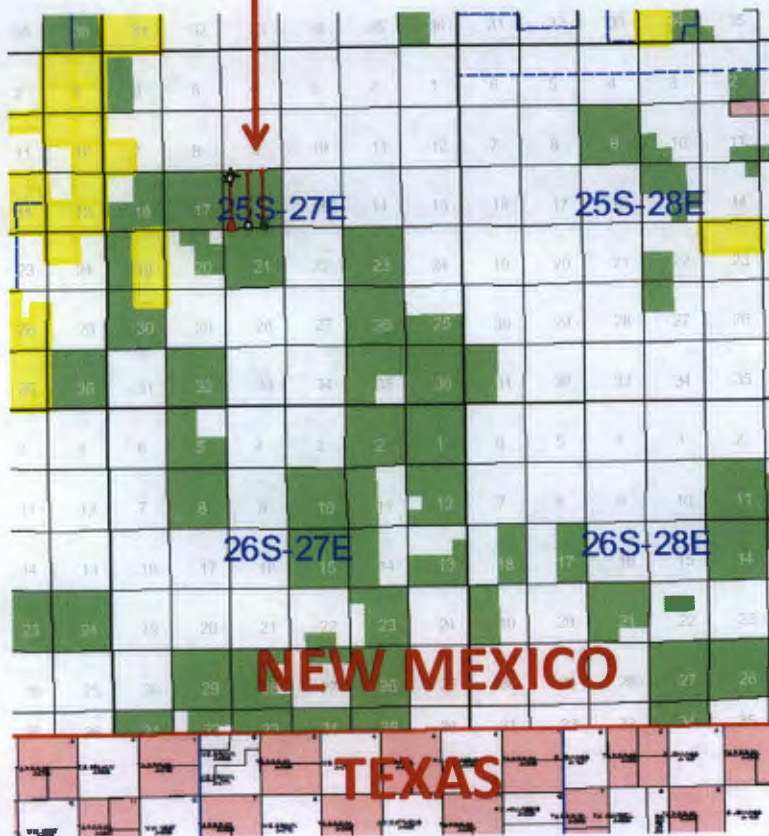
17

16

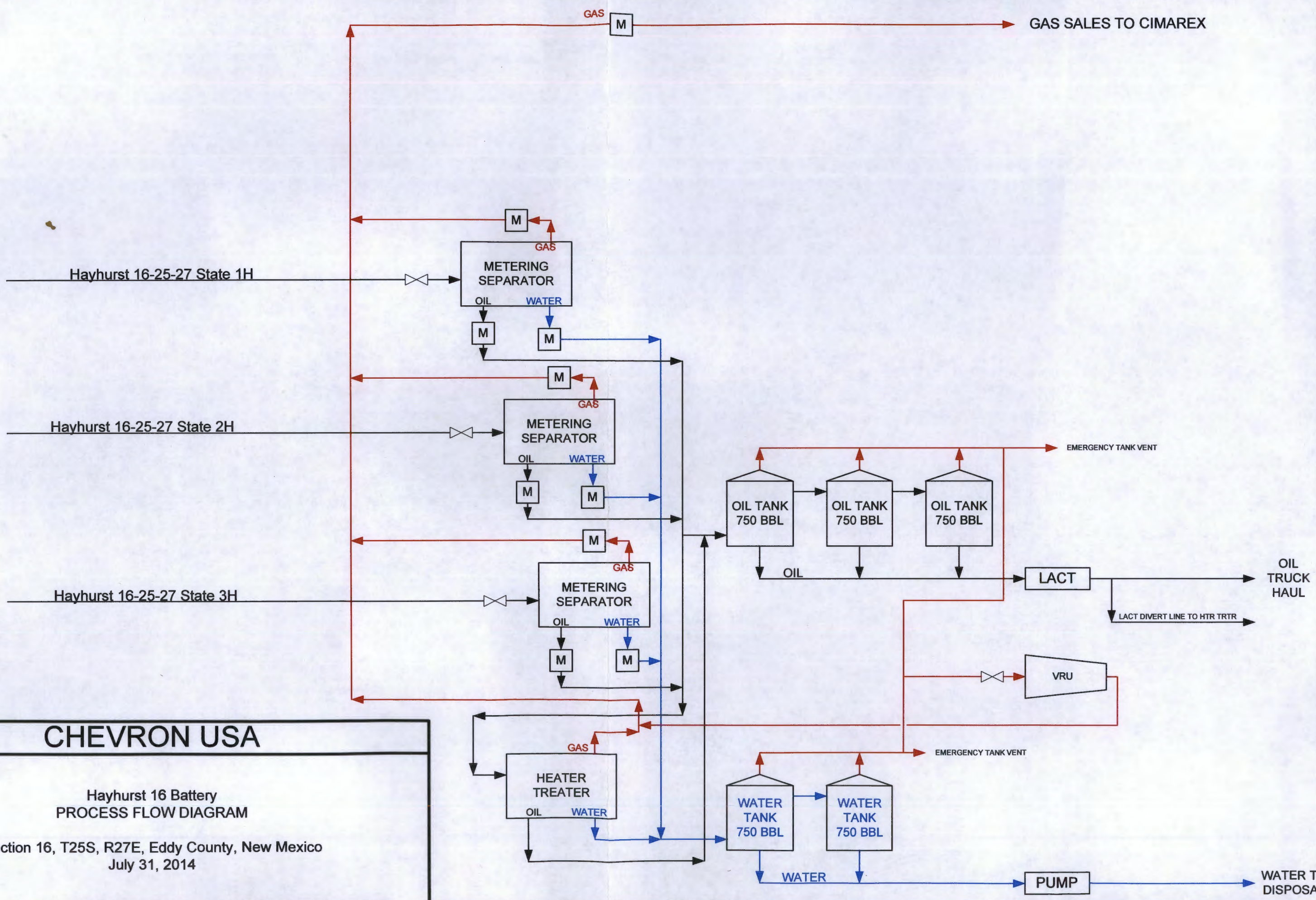
T25S-R27

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21



16



CHEVRON USA

Hayhurst 16 Battery
PROCESS FLOW DIAGRAM

Section 16, T25S, R27E, Eddy County, New Mexico
July 31, 2014

State of New Mexico
Energy, Minerals and Natural Resources Department

Susana Martinez
Governor

David Martin
Cabinet Secretary-Designate

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

Jami Bailey, Division Director
Oil Conservation Division



ADMINISTRATIVE CENTRAL TANK BATTERY ORDER

Administrative Order CTB-685
Administrative Application Reference No. pPRG1328953057

November 12, 2013

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

Chevron USA Inc. (OGRID 4323) is hereby authorized to surface commingle oil and gas production from the Wildcat G-02 S2527 15A; Bone Spring Pool (97816) from the following and wells located on the Hayhurst 16 State lease in Township 25 South, Range 27 East, NMPM, in Eddy County, New Mexico:

Hayhurst 16 25 27 State Well No. 1H (API 30-015-41120), Unit C, Section 16.

Hayhurst 16-25-27 State Well No. 2H (API 30-015-41121), Unit B, Section 16.

The commingled oil and gas production from the wells detailed above shall be measured and sold at the Central Tank Battery (CTB), located at the Hayhurst 16-25-27 State Well No. 1H wellhead in Unit C, Section 16, Township 25 South, Range 27 East, NMPM, Eddy County, New Mexico.

Oil and gas production from each well shall be separately metered. Meters shall be calibrated in accordance with Rule 19.15.12.10.C(2)(b) NMAC.

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

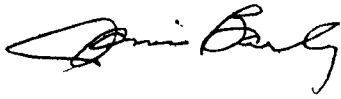
The operator shall notify the Artesia District office of the Division prior to implementation of the commingling operations.

November 12, 2013

Page 2

This approval is subject to like approval from the New Mexico State Land Office (SLO) before commencing commingling operations.

Sincerely

A handwritten signature in black ink, appearing to read "Jami Bailey". The signature is fluid and cursive, with the first name "Jami" and last name "Bailey" clearly distinguishable.

Jami Bailey
Division Director

JB/db

cc: Oil Conservation Division – Artesia
New Mexico State Land Office