

State of New Mexico
Energy, Minerals and Natural Resources Department

Susana Martinez
Governor

John H. Bemis
Cabinet Secretary

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

Jami Bailey
Division Director
Oil Conservation Division



ADMINISTRATIVE ORDER OF THE OIL CONSERVATION DIVISION

Administrative Order CTB-669
Administrative Application Reference No. pWVJ1303060079

February 18, 2013

Chevron Midcontinent, L.P.
1400 Smith Street
Houston, TX 77002

Attention: Mr. Greg Minnery:

Chevron Midcontinent, L.P. ("Chevron") is hereby authorized to surface commingle oil and gas production from South Culebra Bluff; Bone Spring, Pool (**15011**), and from the following State of New Mexico leases and wells:

Heritage 2 15 Well No. 2H (**API No. 30-015-40818**), Unit M, Sect. 15, T-23-S, R-28-E.
Heritage 2 15 Well No. 1H (**API No. 30-015-40166**), Unit N, Sect 15, T-23-S, R-28 E.

All in NMPM, Eddy County, New Mexico.

The commingled oil production from the wells detailed above shall be measured and sold at the Central Tank Battery (CTB), located at, in Unit N, Section 15 Township 23 South, Range 28 East, NMPM, Eddy County, New Mexico. The commingled gas production will be measured and sold at the gas sales meter.

Commingling authority is granted for these wells upon the express condition that all oil and gas production from each well shall be continuously measured with allocation meters before commingling with production from any other well. The allocation meters shall be calibrated quarterly.

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

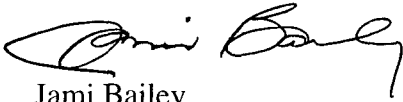
FURTHER: The operator shall notify the Artesia District office of the Division prior to implementation of the commingling operations.

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

February 20, 2013

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DONE at Santa Fe, New Mexico, on the date shown above.

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/re

cc: Oil Conservation Division – Artesia
State Land Office – Oil, Gas, and Minerals Division