State of New Mexico Energy, Minerals and Natural Resources Department

Susana Martinez

Governor

David Martin Cabinet Secretary David R. Catanach, Division Director Oil Conservation Division



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

ADMINISTRATIVE CENTRAL TANK BATTERY ORDER

Administrative Order CTB-758 Administrative Application Reference No. pMAM1519141812

July 31, 2015

Chevron USA Inc.

Attention: Ms. Denise Pinkerton

Chevron USA Inc. (OGRID 4323) is hereby authorized to surface commingle oil and gas production from Hay Hollow; Bone Spring, North Pool (Pool code 30216) from the diversely owned federal and state leases and wells:

Lease: Federal Lease NMNM-107369; State Lease VB-0673-2

Description: W/2 W/2 of Section 21, Township 25 South, Range 27 East

Well: White City 21 25 27 Federal Com. Well No. 5H

Lease: Federal Lease NMNM-107369; State Lease VB-0673-2

Description: E/2 W/2 of Section 21, Township 25 South, Range 27 East

Well: White City 21 25 27 Federal Com. Well No. 6H

The combined project area for these wells include the W/2 of Section 21, Township 25 South, Range 27 East, NMPM, Eddy County, New Mexico.

The commingled oil and gas production from the wells detailed above shall be measured and sold at the White City 21 Central Tank Battery (CTB), located in Unit N, of Section 21, Township 25 South, Range 27 East, NMPM, Eddy County, New Mexico.

Production from the subject wells shall be determined as follows:

The oil and gas production from each of the diversely-owned leases shall be separately metered using allocation meters.

The allocation meters shall be calibrated quarterly in accordance with Rule 19.15.12.10.C (2).

Subsequently drilled wells that produce from the subject pool within the project areas approved by this order may be added to this commingling authority by submittal of a Sundry Notice to the Engineering Bureau in Santa Fe.

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

Done at Santa Fe, New Mexico, on July 31, 2015.

DAVID R. CATANACH

Director

DRC/mam

cc: Oil Conservation Division – Artesia

Bureau of Land Management - Carlsbad