

State of New Mexico
Energy, Minerals and Natural Resources Department

Susana Martinez
Governor

David Martin
Cabinet Secretary

Tony Delfin
Deputy Cabinet Secretary

David R. Catanach, Division Director
Oil Conservation Division



ADMINISTRATIVE CENTRAL TANK BATTERY ORDER

Administrative Order CTB-792
Administrative Application Reference No. pMAM1615859448

June 28, 2016

V-F Petroleum Inc.
Attention: Mr. Eric Sprinkle

V-F Petroleum Inc. (OGRID 24010) is hereby authorized to surface commingle oil and gas production from Vacuum; Abo Reef Pool (pool code 61780) from the following leases and wells:

Lease: State lease VO-8722-001
Description: SW/4 SE/4 of Section 8, Township 18 South, Range 35 East, NMPM
Well: State AF Well No. 2

Lease: State lease VO-8723-001
Description: SE/4 SE/4 of Section 8, Township 18 South, Range 35 East, NMPM
Well: Mid-VAC State 8 Well No.1

The commingled oil and gas production from the wells detailed above shall be measured and sold at the State AF Well No. 2 and Mid-Vac State Well No. 1 central tank battery (CTB), located in Unit O, of Section 8, Township 18 South, Range 35 East, NMPM, Lea County, New Mexico.

The oil and gas production from the diversely-owned leases shall be measured using a combination of well testing and allocation meters.

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

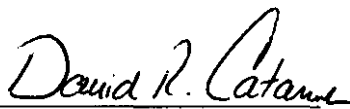
Subsequently drilled wells that produce from the subject pool within the project areas approved by this order may be added to this commingling authority by submittal of a Sundry Notice to the Engineering Bureau in Santa Fe.

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 Hobbs 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 before commencing commingling operations.

Done at Santa Fe, New Mexico, on June 28, 2016.


DAVID R. CATANACH
Director

DRC/mam

cc: Oil Conservation Division – Hobbs
New Mexico State Land Office – Oil, Gas, and Minerals