

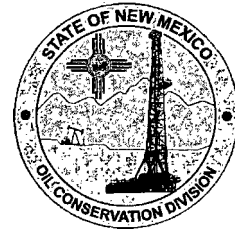
State of New Mexico
Energy, Minerals and Natural Resources Department

Michelle Lujan Grisham
Governor

Sarah Cottrell Propst
Cabinet Secretary

Todd E. Leahy, JD, PhD
Deputy Secretary

Adrienne Sandoval, Director
Oil Conservation Division



April 4, 2019

Surface Commingling Order PLC-560

CHEVRON USA INC.
Attention: Ms. Cindy Herrera-Murillo

Pursuant to your application received on March 14, 2019, Chevron USA Inc. (OGRID 4323) is hereby authorized to surface commingle oil and gas production and off lease-measure from the following pools located in Township 23 South, Range 28 East, NMPM, Eddy County, New Mexico;

CULEBRA BLUFF; BONE SPRING, SOUTH	OIL (15011)
PURPLE SAGE; WOLFCAMP (GAS)	GAS (98220)

and from the following diversely owned fee wells and leases in said Section, Township, and Range in Eddy County, New Mexico.

Lease:	El Toro Invicta 14 Well No. 221H Lease	
Description:	W/2 W/2 of Section 14	
Well:	El Toro Invicta 14 Well No. 221H	API 30-015-44091
Pool:	Culebra Bluff; Bone Spring, South	

Lease:	El Toro Gigante 23 Well No. 211H Lease	
Description:	W/2 W/2 of Section 23	
Well:	El Toro Gigante 23 Well No. 211H	API 30-015-44090
Pool:	Culebra Bluff; Bone Spring, South	

Lease:	El Toro Invicta 14 Well No. 301H Lease	
Description:	W/2 of Section 14	
Well:	El Toro Invicta 14 Well No. 301H	API 30-015-44088
Pool:	Purple Sage; Wolfcamp (Gas)	

Lease:	El Toro Gigante 23 Well No. 431H Lease	
Description:	W/2 of Section 23	
Well:	El Toro Gigante 23 Well No. 431H	API 30-015-44089
Pool:	Purple Sage; Wolfcamp (Gas)	

The commingled oil and gas production from the wells shall be measured and sold at the El Toro Central Tank Battery (CTB), located in Unit M of Section 14, Township 23 South, Range 28 East, NMPM, Eddy County, New Mexico.

Production from the subject wells shall be determined as follows:

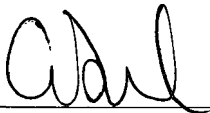
The oil and gas production from each well will flow into a dedicated 3-phase separator. The production stream will be separated into 3 independent streams by the separator and each stream will be measured individually after it exits the separator, before commingling.

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

Subsequently drilled wells that produce from the subject pool within the horizontal spacing unit 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 transporter of this commingling authority and the Artesia District Office prior to implementation of commingling operations.

This installation shall be installed and operated in accordance with the applicable Division Rules and Regulations.



Adrienne Sandoval
Director

AS/mam

cc: Oil Conservation Division District Office – Artesia