

State of New Mexico
Energy, Minerals and Natural Resources Department

Susana Martinez
Governor

David Martin
Cabinet Secretary

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

Jami Bailey, Division Director
Oil Conservation Division



Administrative Order DHC-4683
Order Date: September 11, 2014
Application Reference Number: pMAM1414358289

Chevron U.S.A. Inc
15 Smith Road
Midland, Texas 79705

Attention: Ms. Cindy Herrera-Murillo

State "BA" Well No. 14
API No. 30-025-33570
Unit A, Section 36, Township 17 South, Range 34 East, NMPM
Lea County, New Mexico

Pool	VACUUM ; ABO, NORTH	Oil	61760
Names:	VACUUM ; UPPER PENN	Oil	62320
	VACUUM ; WOLFCAMP	Oil	62340

Reference is made to your recent application for an exception to 19.15.12.9A. NMAC of the Division Rules and Regulations to permit the above-described well to commingle production from the subject pools in the wellbore.

It appearing that the subject well qualifies for approval for such exception pursuant to the provisions of 19.15.12.11A. NMAC, and since reservoir damage or waste will not result from such downhole commingling, and correlative rights will not be violated thereby, you are hereby authorized to commingle the production as described above and any Division Order which authorized the dual completion or otherwise required separation of the zones is hereby placed in abeyance.

In accordance with 19.15.12.11A.(6) NMAC, the production attributed to any commingled pool within the well shall not exceed the allowable applicable to that pool.

As per the application, the assignment of allowable and allocation of production from the subject well shall be based on the analysis of the historical production and testing from surrounding wells in the same pools.

Assignment of allowable and allocation of production from the well shall be as follows:

VACUUM ; ABO, NORTH	Pct. Gas: 17	Pct. Oil: 17
VACUUM ; UPPER PENN	Pct. Gas: 54	Pct. Oil: 54
VACUUM ; WOLFCAMP	Pct. Gas: 29	Pct. Oil: 29

REMARKS: The operator shall notify the Division's district I office upon implementation of commingling operations.

This application is done in conjunction with SD-201401, issued on September 11, 2014.

This Order is subject to like approval from the New Mexico State Land Office.

Pursuant to 19.15.12.11B. NMAC, the commingling authority granted herein may be rescinded by the Division Director if conservation is not being best served by such commingling.



JAMI BAILEY
Director

JB/mam

cc: New Mexico Oil Conservation Division – Hobbs
New Mexico State Land Office – Oil, Gas, and Minerals
Well File API No. 30-025-33570