



David W. Macurdy  
Factory HES Support  
Supervisor  
Midcontinent BU  
RECEIVED UCD

2016 JUL -5 P 2: 51

**Chevron North America**  
**Exploration and Production Company**  
(A Chevron U.S.A. Inc. Division)  
1600 Smith Street, Room 26100C  
Houston, TX 77002  
Tel 713-754-3826  
david.macurdy@chevron.com

June 30, 2016

New Mexico Oil Conservation Division  
Engineering Bureau  
1220 South St. Francis Drive  
Santa Fe, NM 87505

Application for Surface Commingling, Jennings; Upper Bone Spring Shale Pool, Lea County, NM (T26S, R32E, Sections 14 & 23)

Dear Sirs,

Chevron U.S.A. Inc., respectfully requests administrative approval to surface commingle oil, gas, and water production from the Jennings; Upper Bone Spring Shale Pool (97838) through Chevron's Salado Draw 23 Central Tank Battery *from existing and future wells* drilled in the following areas of common ownership in Township 26 South, Range 32 East in Lea County, New Mexico:

- a) Section 14 to include the SD WE 14 Fed P5 #1H, SD WE 14 Fed P5 #2H, SD WE 14 Fed P7 #3H, and SD WE 14 Fed P7 #4H.
- b) Section 23 to include the SD WE 23 Fed P5 #1H, SD WE 23 Fed P5 #2H, SD WE 23 Fed P7 #3H, and SD WE 23 Fed P7 #4H.

The working interest and federal royalty rate are the same for the two leases involved in this application (100% CVX, 12.5% federal royalty rate) and there are no other working or overriding royalty interest owners.

Please contact me with any questions about this application.

Sincerely,

David W. Macurdy  
Factory HES Support Supervisor

APPLICATION FOR COMMINGLING AT A COMMON CENTRAL TANK BATTERY Chevron U.S.A. Inc.  
Salado Draw 23 Central Tank Battery

DATE IN 7/01/2016	SUSPENSE	ENGINEER MAM	LOGGED IN 7/01/2016	TYPE CTB	APP NO. PymAm161832425
----------------------	----------	-----------------	------------------------	-------------	---------------------------

ADDITIONAL INFORMATION FOR DIVISION USE ONLY

NEW MEXICO OIL CONSERVATION DIVISION  
- Engineering Bureau -  
1220 South St. Francis Drive, Santa Fe, NM 87505



### ADMINISTRATIVE APPLICATION CHECKLIST

THIS CHECKLIST IS MANDATORY FOR ALL ADMINISTRATIVE APPLICATIONS FOR EXCEPTIONS TO DIVISION RULES AND REGULATIONS WHICH REQUIRE PROCESSING AT THE DIVISION LEVEL IN SANTA FE

**Application Acronyms:**

[NSL-Non-Standard Location] [NSP-Non-Standard Proration Unit] [SD-Simultaneous Dedication]  
[DHC-Downhole Commingling] [CTB-Lease Commingling] [PLC-Pool/Lease Commingling]  
[PC-Pool Commingling] [OLS - Off-Lease Storage] [OLM-Off-Lease Measurement]  
[WFX-Waterflood Expansion] [PMX-Pressure Maintenance Expansion]  
[SWD-Salt Water Disposal] [IPI-Injection Pressure Increase]  
[EOR-Qualified Enhanced Oil Recovery Certification] [PPR-Positive Production Response]

[1] TYPE OF APPLICATION - Check Those Which Apply for [A]

- [A] Location - Spacing Unit - Simultaneous Dedication  
☐ NSL ☐ NSP ☐ SD

Check One Only for [B] or [C]

- [B] Commingling - Storage - Measurement  
☐ DHC ☒ CTB ☐ PLC ☐ PC ☐ OLS ☐ OLM

- [C] Injection - Disposal - Pressure Increase - Enhanced Oil Recovery  
☐ WFX ☐ PMX ☐ SWD ☐ IPI ☐ EOR ☐ PPR

- [D] Other: Specify \_\_\_\_\_

[2] NOTIFICATION REQUIRED TO: - Check Those Which Apply, or Does Not Apply

- [A] ☐ Working, Royalty or Overriding Royalty Interest Owners  
[B] ☐ Offset Operators, Leaseholders or Surface Owner  
[C] ☐ Application is One Which Requires Published Legal Notice  
[D] ☒ Notification and/or Concurrent Approval by BLM or SLO  
U.S. Bureau of Land Management - Commissioner of Public Lands, State Land Office  
[E] ☒ For all of the above, Proof of Notification or Publication is Attached, and/or.  
[F] ☐ Waivers are Attached

[3] SUBMIT ACCURATE AND COMPLETE INFORMATION REQUIRED TO PROCESS THE TYPE OF APPLICATION INDICATED ABOVE.

[4] CERTIFICATION: I hereby certify that the information submitted with this application for administrative approval is accurate and complete to the best of my knowledge. I also understand that no action will be taken on this application until the required information and notifications are submitted to the Division.

Note: Statement must be completed by an individual with managerial and/or supervisory capacity.

David W. Macurdy  
Print or Type Name

Signature

Factory HES Support Supervisor  
Title

08/17/2016  
Date

david.macurdy@chevron.com  
e-mail Address

District I  
1625 N. French Drive, Hobbs, NM 88240  
District II  
811 S. First St., Artesia, NM 88210  
District III  
1000 Rio Brazos Road, Aztec, NM 87410  
District IV  
1220 S. St Francis Dr, Santa Fe, NM  
87505

State of New Mexico  
Energy, Minerals and Natural Resources Department

Form C-107-B  
Revised August 1, 2011

**OIL CONSERVATION DIVISION**

1220 S. St Francis Drive  
Santa Fe, New Mexico 87505

Submit the original  
application to the Santa Fe  
office with one copy to the  
appropriate District Office.

**APPLICATION FOR SURFACE COMMINGLING (DIVERSE OWNERSHIP)**

OPERATOR NAME: Chevron U.S.A. Inc.

OPERATOR ADDRESS: 6301 Deauville Blvd., Midland, TX 79706

APPLICATION TYPE:

☐ Pool Commingling ☒ Lease Commingling ☐ Pool and Lease Commingling ☐ Off-Lease Storage and Measurement (Only if not Surface Commingled)

LEASE TYPE: ☐ Fee ☐ State ☒ Federal

Is this an Amendment to existing Order? ☐ Yes ☒ No If "Yes", please include the appropriate Order No.

Have the Bureau of Land Management (BLM) and State Land office (SLO) been notified in writing of the proposed commingling

☒ Yes ☐ No

**(A) POOL COMMINGLING**

Please attach sheets with the following information

(1) Pool Names and Codes	Gravities / BTU of Non-Commingled Production	Calculated Gravities / BTU of Commingled Production		Calculated Value of Commingled Production	Volumes

(2) Are any wells producing at top allowables? ☐ Yes ☐ No

(3) Has all interest owners been notified by certified mail of the proposed commingling? ☐ Yes ☐ No.

(4) Measurement type: ☐ Metering ☐ Other (Specify)

(5) Will commingling decrease the value of production? ☐ Yes ☐ No If "yes", describe why commingling should be approved

**(B) LEASE COMMINGLING**

Please attach sheets with the following information

(1) Pool Name and Code: Jennings; Upper Bone Spring Shale / 97838

(2) Is all production from same source of supply? ☒ Yes ☐ No

(3) Has all interest owners been notified by certified mail of the proposed commingling? ☐ Yes ☒ No (BLM is only interest owner)

(4) Measurement type: ☒ Metering ☐ Other (Specify)

**(C) POOL and LEASE COMMINGLING**

Please attach sheets with the following information

(1) Complete Sections A and E.

**(D) OFF-LEASE STORAGE and MEASUREMENT**

Please attached sheets with the following information

(1) Is all production from same source of supply? ☐ Yes ☐ No

(2) Include proof of notice to all interest owners.

**(E) ADDITIONAL INFORMATION (for all application types)**

Please attach sheets with the following information

(1) A schematic diagram of facility, including legal location.

(2) A plat with lease boundaries showing all well and facility locations. Include lease numbers if Federal or State lands are involved.

(3) Lease Names, Lease and Well Numbers, and API Numbers.

I hereby certify that the information above is true and complete to the best of my knowledge and belief.

SIGNATURE:

TITLE: Factory HES Support Supervisor DATE: 06/17/2016

TYPE OR PRINT NAME: David W. Macurdy

TELEPHONE NO.: 713-754-3826

E-MAIL ADDRESS: david.macurdy@chevron.com

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

FORM APPROVED  
OMB NO. 1004-0135  
Expires: July 31, 2010

**SUNDRY NOTICES AND REPORTS ON WELLS**  
*Do not use this form for proposals to drill or to re-enter an abandoned well. Use form 3160-3 (APD) for such proposals.*

**SUBMIT IN TRIPLICATE - Other instructions on reverse side.**

1. Type of Well <input checked="" type="checkbox"/> Oil Well <input type="checkbox"/> Gas Well <input type="checkbox"/> Other		5. Lease Serial No. NMNM118722
2. Name of Operator CHEVRON U.S.A. INC.		6. If Indian, Allottee or Tribe Name
3a. Address 6301 DEAUVILLE MIDLAND, TX 79706		7. If Unit or CA/Agreement, Name and/or No.
3b. Phone No. (include area code) Ph: 432-687-7375		8. Well Name and No. SD WE 14 FED P7 3H
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) Sec 14 T26S R32E Mer NMP 215FSL 698FEL		9. API Well No. 30-025-43086
		10. Field and Pool, or Exploratory JENNINGS; UPPER BN SPR SH
		11. County or Parish, and State LEA COUNTY, NM

**12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA**

TYPE OF SUBMISSION	TYPE OF ACTION			
<input checked="" type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input checked="" type="checkbox"/> Other
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	Surface Commingling
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	

13. Describe Proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recompleat horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompleat in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.)

CHEVRON U.S.A. INC. PROVIDES NOTICE OF INTENT AND REQUESTS APPROVAL TO SURFACE COMMINGLE OIL, GAS, AND WATER PRODUCTION FROM THE JENNINGS; UPPER BONE SPRING SHALE POOL THROUGH THE SALADO DRAW 23 CENTRAL TANK BATTERY. ALL LISTED WELLS ARE OR WILL BE COMPLETED WITHIN THE BONE SPRING FORMATION LOCATED IN SECTIONS 14 AND 23, T26S, R32E, LEA COUNTY, NEW MEXICO.

SD WE 14 FED P7 #3H 30-025-43086 LEASE NMNM118722  
SD WE 14 FED P7 #4H 30-025-43087 LEASE NMNM118722  
SD WE 14 FED P5 #1H 30-025-42800 LEASE NMNM118722  
SD WE 14 FED P5 #2H 30-025-42801 LEASE NMNM118722  
SD WE 23 FED P7 #3H 30-025-43088 LEASE NMNM118723  
SD WE 23 FED P7 #4H 30-025-43089 LEASE NMNM118723  
SD WE 23 FED P5 #1H 30-025-42802 LEASE NMNM118723

14. I hereby certify that the foregoing is true and correct. <b>Electronic Submission #343508 verified by the BLM Well Information System For CHEVRON U.S.A. INC., sent to the Hobbs</b>	
Name (Printed/Typed) DENISE PINKERTON	Title REGULATORY SPECIALIST
Signature (Electronic Submission)	Date 06/30/2016

**THIS SPACE FOR FEDERAL OR STATE OFFICE USE**

Approved By _____	Title _____	Date _____
Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.		Office _____

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

**\*\* OPERATOR-SUBMITTED \*\* OPERATOR-SUBMITTED \*\* OPERATOR-SUBMITTED \*\***

**Additional data for EC transaction #343508 that would not fit on the form**

**32. Additional remarks, continued**

SD WE 23 FED P5 #2H 30-025-42803 LEASE NMNM118723

PLEASE FIND ATTACHED, THE SD 23 CTB SURFACE COMMINGLE APPLICATION 06302016

APPLICATION FOR COMMINGLING AT A COMMON CENTRAL TANK BATTERY Chevron U.S.A. Inc.  
Salado Draw 23 Central Tank Battery

APPLICATION FOR COMMINGLING AT A COMMON CENTRAL TANK BATTERY

Chevron U.S.A. Inc. is requesting approval for the Central Tank Battery (CTB) and commingling for the following wells:

**Federal Lease NMNM118722**

Well Name	Location	API #	Pool 97838	Oil		Gas	
				BOPD	Gravity	MCFPD	BTU
SD WE 14 Fed P7 #3H	Sec14, SESE T26S R32E	3002543086	Jennings; Upper Bone Spring	470*	43*	940*	1400*
Well Name	Location	API #	Pool 97838	Oil		Gas	
				BOPD	Gravity	MCFPD	BTU
SD WE 14 Fed P7 #4H	Sec14, SESE T26S R32E	3002543087	Jennings; Upper Bone Spring	470*	43*	940*	1400*
Well Name	Location	API #	Pool 97838	Oil		Gas	
				BOPD	Gravity	MCFPD	BTU
SD WE 14 Fed P5 #1H	Sec14, SWSW T26S R32E	3002542800	Jennings; Upper Bone Spring	470*	43*	940*	1400*
Well Name	Location	API #	Pool 97838	Oil		Gas	
				BOPD	Gravity	MCFPD	BTU
SD WE 14 Fed P5 #2H	Sec14, SWSW T26S R32E	3002542801	Jennings; Upper Bone Spring	470*	43*	940*	1400*

**Federal Lease NMNM118723**

Well Name	Location	API #	Pool 97838	Oil		Gas	
				BOPD	Gravity	MCFPD	BTU
SD WE 23 Fed P7 #3H	Sec14, SESE T26S R32E	3002543088	Jennings; Upper Bone Spring	470*	43*	940*	1400*
Well Name	Location	API #	Pool 97838	Oil		Gas	
				BOPD	Gravity	MCFPD	BTU
SD WE 23 Fed P7 #4H	Sec14, SESE T26S R32E	3002543089	Jennings; Upper Bone Spring	470*	43*	940*	1400*
Well Name	Location	API #	Pool 97838	Oil		Gas	
				BOPD	Gravity	MCFPD	BTU
SD WE 23 Fed P5 #1H	Sec14, SWSW T26S R32E	3002542802	Jennings; Upper Bone Spring	470*	43*	940*	1400*
Well Name	Location	API #	Pool 97838	Oil		Gas	
				BOPD	Gravity	MCFPD	BTU
SD WE 23 Fed P5 #2H	Sec14, SWSW T26S R32E	3002542803	Jennings; Upper Bone Spring	470*	43*	940*	1400*

\*These are only estimates; actuals will be supplied after well tests are complete.

The BLM's interest in these leases is the same. Lease NMNM118722 royalty rate is 12.5% and Lease NMNM118723 is 12.5%.

APPLICATION FOR COMMINGLING AT A COMMON CENTRAL TANK BATTERY Chevron U.S.A. Inc.  
Salado Draw 23 Central Tank Battery

**Oil & Gas metering:**

Definitions:

Train 1 wells (Lease NMNM 118722) refer to the following:

- SD WE 14 Fed P7 #3H
- SD WE 14 Fed P7 #4H
- SD WE 14 Fed P5 #1H
- SD WE 14 Fed P5 #2H

Train 2 wells (Lease NMNM 118723) refer to the following:

- SD WE 23 Fed P7 #3H
- SD WE 23 Fed P7 #4H
- SD WE 23 Fed P5 #1H
- SD WE 23 Fed P5 #2H

“Bulk” Gas:

- Refers to gas measured downstream of primary gas separation in a Two-Phase separation vessel

“Flash” Gas:

- Refers to gas measured downstream of VRU and Flash Gas Compressor which flashes from the oil following primary gas separation

“Bulk” Oil

- Refers to oil measured downstream of Heater Treater prior to commingling

The Salado Draw 23 CTB is located in the SESW portion of Sec 14 T26S R32E in Lea County, New Mexico

There are three shared oil tanks at the Salado Draw 23 CTB that the wells will utilize, and oil will be sold through a common central delivery point (CDP) Lease Automated Custody Transfer unit (SN TBD). For gas, there will be a common central delivery point (CDP) DBM sales meter (SN TBD) located on the northern pad edge of the Salado Draw 23 CTB. The produced water will go to common water tanks on location at Salado Draw 23 CTB.

All oil from Train 1 Wells will be continuously measured through a coriolis meter (SN TBD) on the oil outlet line of the Train 1 heater treater and all gas will be continuously measured through an orifice meter run with a Total Flow computer (SN TBD) on the outlet of the Train 1 Two-Phase Separator. All oil from Train 2 Wells will be continuously measured through a coriolis meter (SN TBD) on the oil outlet line of the Train 2 heater treater and all gas will be continuously measured through an orifice meter run with a Total Flow computer (SN TBD) on the outlet of the Train 2 Two-Phase Separator.

**Oil Allocation:**

Oil will be allocated to Train 1 and Train 2 wells on a daily basis, and each area's share of the CTB's total production will be calculated based on the results of continuous oil measurement downstream of each heater treater. This ratio will be applied to the total oil production metered by the Lease Automated Custody Transfer (LACT) meter (SN TBD) located at the Salado Draw 23 CTB.

- Salado Draw 23 Train 1 bulk oil allocation meter on the Salado Draw CTB Train 1 heater treater consists of a Micro Motion Coriolis meter (SN TBD).
- Salado Draw 23 Train 2 bulk oil allocation meter on the Salado Draw CTB Train 2 heater treater consists of a Micro Motion Coriolis meter (SN TBD)

**Gas Allocation:**

Gas will be allocated to Train 1 and Train 2 on a daily basis based on a combination of each Train's bulk gas measurement and flash gas measurement. Bulk gas for each train will be continuously measured utilizing orifice meters fitted with EFM flow computers installed downstream of each Train's two-phase separator and each area's share of bulk gas will be allocated based on a percentage of total bulk gas metered. Flash gas for the battery will be measured utilizing an orifice meter fitted with EFM flow computer installed downstream of the VRU and Flash Gas Compressor discharge (SN TBD) and each Train's share of flash gas will be allocated based on total oil allocations

APPLICATION FOR COMMINGLING AT A COMMON CENTRAL TANK BATTERY Chevron U.S.A. Inc.  
Salado Draw 23 Central Tank Battery

to each train. Fuel gas will be pulled from the common gas stream to benefit compressors and heated vessels as necessary.

- Salado Draw 23 Train 1 bulk gas allocation meter on the Salado Draw 23 CTB Train 1 two-phase separator consists of a Total Flow EFM (SN TBD).
- Salado Draw 23 Train 2 bulk gas allocation meter on the Salado Draw 23 CTB Train 2 two-phase separator consists of a Total Flow EFM (SN TBD).
- Salado Draw 23 Flash gas allocation meter on the Salado Draw 23 CTB flash gas outlet consists of a Total Flow EFM (SDN TBD)

Gas from Salado Draw 23 CTB will be either sold through the DBM Sales Meter or compressed for gas lift at the Salado Draw 23 Compressor Station located in the SESW portion of Sec 14 T26S R32E. Gas leaving the CTB will be continuously measured utilizing an orifice meter fitted with EFM flow computers (SN TBD) prior to entering either the Salado Draw 23 DBM Sales Line or the Salado Draw 23 Compressor Station suction.

**Process and Flow Descriptions:**

The flow of production is shown in detail on the enclosed facility diagram and map which shows the lease boundaries, location of wells, location of flow lines, facility, and gas sales meter. The commingling of this production is the most efficient means of producing the reserves and will not result in reduced royalty or improper measurement of production. The proposed commingling will reduce the surface facility footprint, reduce traffic, and lower overall emissions.

Chevron U.S.A. Inc. understands the requested approval will not constitute the granting of any right-of-way or construction rights not granted by the lease instrument.

Printed Name: Michelle Burkett  
Date: 6/15/2016

Title: Facility Engineer



APPLICATION FOR COMMINGLING AT A COMMON CENTRAL TANK BATTERY Chevron U.S.A. Inc.  
Salado Draw 23 Central Tank Battery

**Economic Justification Work Sheet  
Salado Draw 23 Central Tank Battery**

Commingling proposal for leases: NMNM118722 and NMNM118723

Federal Lease	Royalty Rate	Well Name	BOPD	Oil Gravity (@60 deg)	Value/ bbl	MCFPD	DRY BTU	Value /mcf
NMNM118722	12.5%	SD WE 14 Fed P7 #3H	470*	43*	\$36.48	940*	1400*	\$1.23
NMNM118722	12.5%	SD WE 14 Fed P7 #4H	470*	43*	\$36.48	940*	1400*	\$1.23
NMNM118722	12.5%	SD WE 14 Fed P5 #1H	470*	43*	\$36.48	940*	1400*	\$1.23
NMNM118722	12.5%	SD WE 14 Fed P5 #2H	470*	43*	\$36.48	940*	1400*	\$1.23
NMNM118723	12.5%	SD WE 23 Fed P7 #3H	470*	43*	\$36.48	940*	1400*	\$1.23
NMNM118723	12.5%	SD WE 23 Fed P7 #4H	470*	43*	\$36.48	940*	1400*	\$1.23
NMNM118723	12.5%	SD WE 23 Fed P5 #1H	470*	43*	\$36.48	940*	1400*	\$1.23
NMNM118723	12.5%	SD WE 23 Fed P5 #2H	470*	43*	\$36.48	940*	1400*	\$1.23

**Economic Combined Production**

Federal Lease	Facility Name	BOPD	Oil Gravity (@60 deg)	Value/ bbl	MCFPD	DRY BTU	Value /mcf
NMNM118722 NMNM118723	Salado Draw 23 Central Tank Battery	3760	43*	\$36.48	7520*	1400*	\$1.23

\*These are estimated numbers. Actuals will be supplied after completion.

Bone Spring oil production in the area is sweet and is sold at a flat rate of 40 API gravity. Therefore, regardless of the API values of the individual wells the common stream will be sold as if it was sweet and 40 API gravity.

Gas production is sold at El Paso Permian index commercial value less gathering, processing, transportation, and point sales fees regardless of BTU heating value and commingling will not impact royalty value. These wells are in the same formation and therefore the heating value is similar.

Printed Name: David Macurdy

Title: Factory HES Support Supervisor

Date: 06/17/2016

APPLICATION FOR COMMINGLING AT A COMMON CENTRAL TANK BATTERY Chevron U.S.A. Inc.  
Salado Draw 23 Central Tank Battery

Salado Draw 23 CTB Surface Commingling Application— Lea County, New Mexico, T26S-R32E

Owner Information:

<u>Interest Type</u>	<u>Name</u>	<u>ADDRESS</u>	<u>CITY</u>	<u>STATE CODE</u>	<u>ZIP CODE</u>
Working Interest	Chevron U.S.A. Inc.	PO Box 2100	Houston	TX	77252-2100
Royalty Interest	United States of America	PO Box 27115	Santa Fe	NM	87502-0115

Wells:

SD WE 14 Fed P7 #3H  
SD WE 14 Fed P7 #4H  
SD WE 14 Fed P5 #1H  
SD WE 14 Fed P5 #2H  
SD WE 23 Fed P7 #3H  
SD WE 23 Fed P7 #4H  
SD WE 23 Fed P5 #1H  
SD WE 23 Fed P5 #2H

Leases:

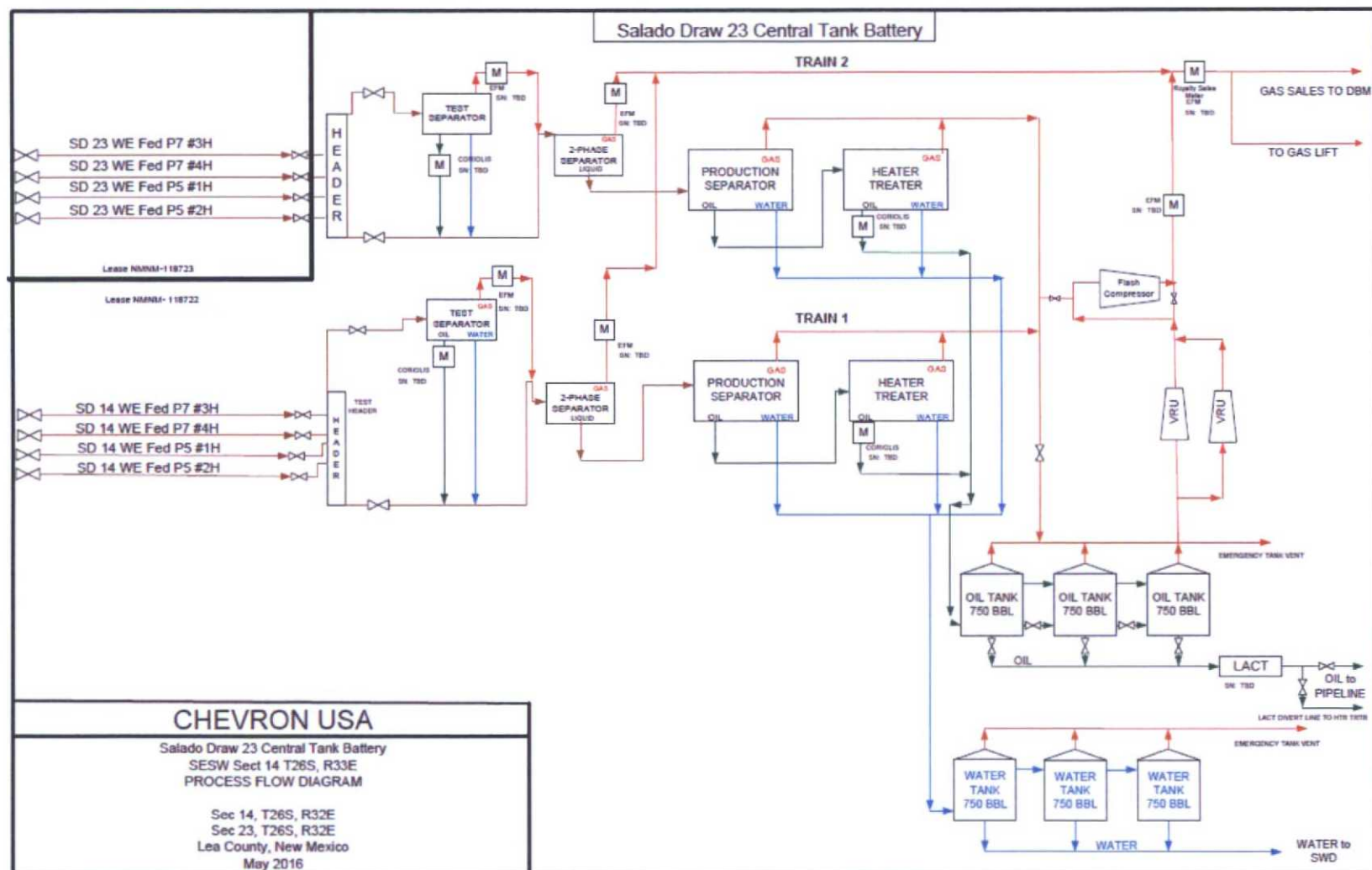
BLM Lease NMNM 118722 – E/2 E/2 and W/2 W/2 of Section 14  
BLM Lease NMNM 118723 – E/2 E/2 and W/2 W/2 of Section 23  
All within T26S-R32E, Lea County, New Mexico

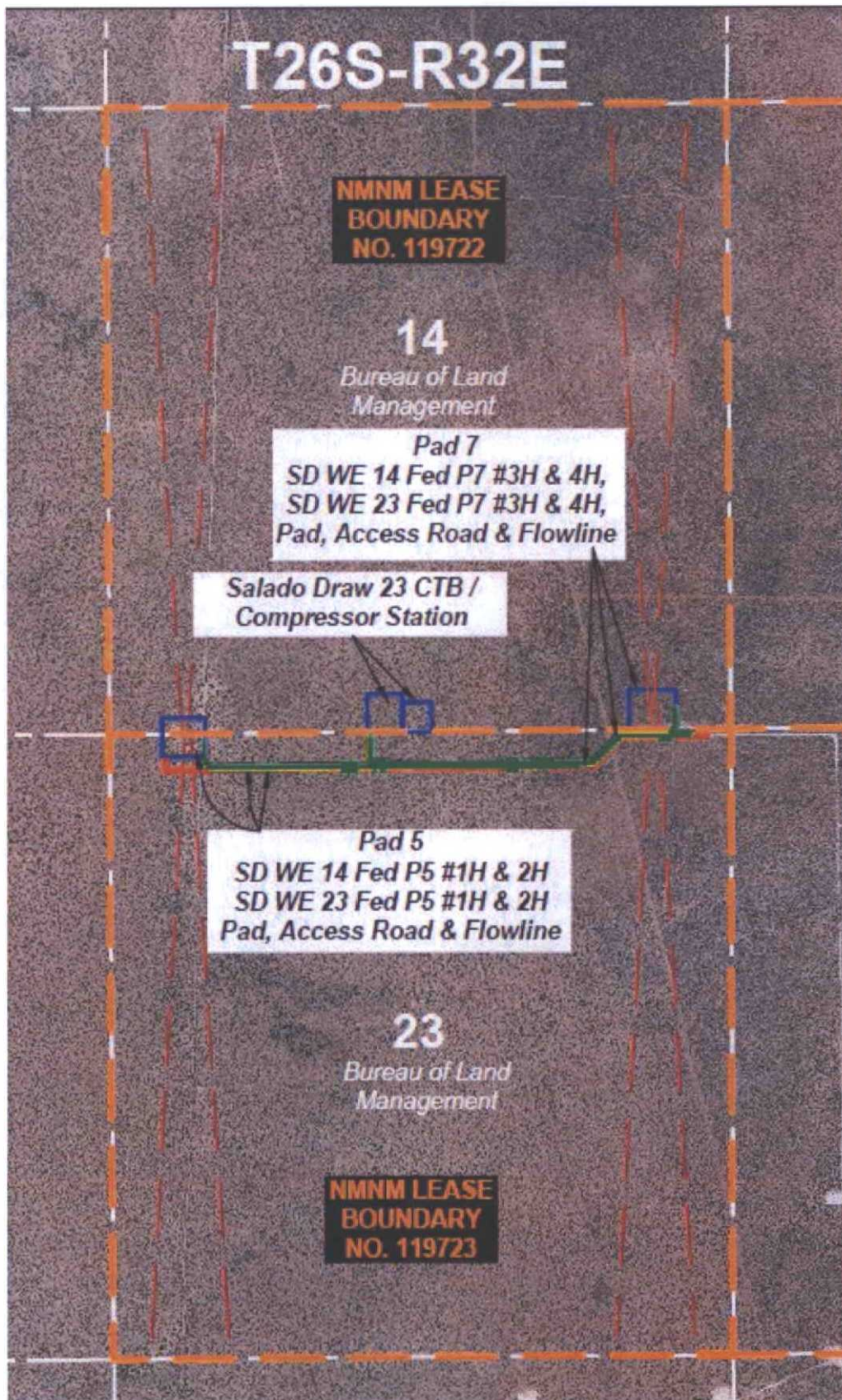
The royalty and working interest owners are the same in all of the wells and all leases listed above. There is no overriding royalty interest ownership. I verify that the above information is correct.



Shalyce Holmes  
Land Representative  
6/17/2016

APPLICATION FOR COMMINGLING AT A COMMON CENTRAL TANK BATTERY Chevron U.S.A. Inc.  
Salado Draw 23 Central Tank Battery







APPLICATION FOR COMMINGLING AT A COMMON CENTRAL TANK BATTERY Chevron U.S.A. Inc.  
Salado Draw 23 Central Tank Battery

DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT  
CASE RECORDATION  
(MASS) Serial Register Page

Run Time: 02:18 PM

Page 6 of 6

Run Date: 06/18/2018

01 12-22-1987;101STAT1330;30USC181 ET SE  
Case Type 312021: O&G LSE COMP PD -1987  
Commodity 459: OIL & GAS  
Case Disposition: AUTHORIZED

Total Acres 1,800.000  
Serial Number NMNM-- - 118722

Serial Number: NMNM-- - 118722  
Name & Address Int Rel % Interest  
CHEVRON USA INC 6301 DEAUVILLE MIDLAND TX 797062964 LESSEE 100.000000000

Serial Number: NMNM-- - 118722  
Mer Twp Rng Sec STyp SNr Suff Subdivision District/Field Office County Mgmt Agency  
23 02605 0320E 013 ALIQ N2,SW,W2SE,SESE; CARLSBAD FIELD OFFICE LEA BUREAU OF LAND MGMT  
23 02605 0320E 014 ALL ENTIRE SECTION CARLSBAD FIELD OFFICE LEA BUREAU OF LAND MGMT  
23 02605 0320E 024 ALIQ N2,N2S2,S2SW; CARLSBAD FIELD OFFICE LEA BUREAU OF LAND MGMT

Serial Number: NMNM-- - 118722  
Act Date Code Action Action Remark Pending Office  
05/25/2007 387 CASE ESTABLISHED 200707062;  
07/18/2007 143 BONUS BID PAYMENT RECD \$3600.00;  
07/18/2007 191 SALE HELD  
07/18/2007 267 BID RECEIVED \$630000.00;  
07/25/2007 143 BONUS BID PAYMENT RECD \$626400.00;  
08/27/2007 237 LEASE ISSUED  
08/27/2007 974 AUTOMATED RECORD VERIF BCO  
09/01/2007 496 FUND CODE 05;145003  
09/01/2007 530 RLTY RATE - 12 1/2%  
09/01/2007 868 EFFECTIVE DATE  
06/11/2008 817 MERGER RECOGNIZED CHESA LLC/CHESA LP  
08/22/2008 817 MERGER RECOGNIZED  
11/27/2012 140 ASGN FILED CHESAPEAK/CHEVRON U;1  
04/10/2013 139 ASGN APPROVED EFF 12/01/12;  
04/10/2013 974 AUTOMATED RECORD VERIF ANN  
08/31/2017 763 EXPIRES

Serial Number: NMNM-- - 118722  
Line Nr Remarks  
0002 STIPULATIONS ATTACHED TO LEASE;  
0003 NM-11-IN SPECIAL CULTURAL RESOURCE  
0004 SRNM-S-20 SPRINGS, SERPE AND TANKS  
0005 04/10/2013 - RENTAL PAID 09/01/12; PER ONRR

NO WARRANTY IS MADE BY BLM FOR USE OF THE DATA FOR PURPOSES NOT INTENDED BY BLM

APPLICATION FOR COMMINGLING AT A COMMON CENTRAL TANK BATTERY Chevron U.S.A. Inc.  
Salado Draw 23 Central Tank Battery

DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT  
CASE RECORDATION  
(MASS) Serial Register Page

Run Time: 02:21 PM

Page 8 of 8

Run Date: 06/16/2016

01 12-22-1987;101STAT1330;30USC181 ET SE  
Case Type 312021: O&G LSE COMP PD -1987  
Commodity 459: OIL & GAS  
Case Disposition: AUTHORIZED

Total Acres 1,280.000  
Serial Number NMNM-- - 118723

Name & Address	Serial Number: NMNM-- - 118723	Int Rel	% Interest
CHEVRON USA INC	6301 DEAUVILLE	MIDLAND TX 797062954	LESSEE 100.000000000

Mer Twp Rng Sec	S Typ	S Nr SUFF	Subdivision	District/Field Office	County	Mgmt Agency
23 02605 0320E 015	ALL		ENTIRE SECTION	CARLSBAD FIELD OFFICE	LEA	BUREAU OF LAND MGMT
23 02605 0320E 023	ALL		ENTIRE SECTION	CARLSBAD FIELD OFFICE	LEA	BUREAU OF LAND MGMT

Act Date	Code	Action	Action Remark	Pending Office
05/25/2007	387	CASE ESTABLISHED	200707063;	
07/18/2007	143	BONUS BID PAYMENT RECD	\$2560.00;	
07/18/2007	191	SALE HELD		
07/18/2007	267	BID RECEIVED	\$640000.00;	
07/25/2007	143	BONUS BID PAYMENT RECD	\$637440.00;	
08/27/2007	237	LEASE ISSUED		
08/27/2007	974	AUTOMATED RECORD VERIF	BCO	
09/01/2007	496	FUND CODE	05;145003	
09/01/2007	530	RLTY RATE - 12 1/2%		
09/01/2007	868	EFFECTIVE DATE		
06/11/2008	817	MERGER RECOGNIZED	CHESA LLC/CHESA LP	
08/22/2008	817	MERGER RECOGNIZED		
10/09/2012	650	HELD BY PROD - ACTUAL	/1/	
11/27/2012	140	ASGN FILED	CHESAPEAK/CHEVRON U;1	
12/20/2012	643	PRODUCTION DETERMINATION	/1/	
12/20/2012	658	MEMO OF 1ST PROD-ACTUAL	/1/ KIEHIE RECH 15;	
04/10/2013	139	ASGN APPROVED	BPP 12/01/12;	
04/10/2013	974	AUTOMATED RECORD VERIF	ACN	

Line Nr	Remarks
0002	ETIPULATIONS ATTACHED TO LEASE:
0003	EM-11-LN SPECIAL CULTURAL RESOURCE
0004	04/10/2013 - RENTAL PAID 09/01/12 - PER OWNER

NO WARRANTY IS MADE BY BLM FOR USE OF THE DATA FOR PURPOSES NOT INTENDED BY BLM

District I  
1625 N. French Dr., Hobbs, NM 88240  
Phone: (575) 393-6161 Fax: (575) 393-0720  
District II  
811 S. First St., Artesia, NM 88210  
Phone: (575) 748-1283 Fax: (575) 748-9720  
District III  
1000 Rio Brazos Road, Aztec, NM 87410  
Phone: (505) 334-6178 Fax: (505) 334-6170  
District IV  
1220 S. St. Francis Dr., Santa Fe, NM 87505  
Phone: (505) 476-3460 Fax: (505) 476-3462

State of New Mexico  
Energy, Minerals & Natural Resources Department  
OIL CONSERVATION DIVISION  
1220 South St. Francis Dr.  
Santa Fe, NM 87505

**HOBBS OCD**

Form C-102

Revised August 1, 2011

Submit one copy to appropriate

District Office

FEB 29 2016

**RECEIVED**

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

<sup>1</sup> API Number 30-025-43086	<sup>2</sup> Pool Code 97838	<sup>3</sup> Pool Name Jennings; Upper BONE SPRING, Shale
<sup>4</sup> Property Code 316012	<sup>5</sup> Property Name SD WE 14 FED P7	
<sup>6</sup> GRID No. 4323	<sup>7</sup> Operator Name CHEVRON U.S.A. INC.	<sup>8</sup> Well Number 3H
<sup>9</sup> Elevation 3165'		

<sup>10</sup> Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
P	14	26 SOUTH	32 EAST, N.M.P.M.		215'	SOUTH	698'	EAST	LEA

<sup>11</sup> Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
A	14	26 SOUTH	32 EAST, N.M.P.M.		180'	NORTH	990'	EAST	LEA

<sup>12</sup> Dedicated Acres 160	<sup>13</sup> Joint or Infill	<sup>14</sup> Consolidation Code	<sup>15</sup> Order No.
--------------------------------------	-------------------------------	----------------------------------	-------------------------

No allowable will be assigned to this completion until all interests have been consolidated or a non-standard unit has been approved by the division.

<p><b>PROPOSED BOTTOM HOLE LOCATION</b></p> <p>X= 714,901 NAD 27 Y= 382,491 LAT. 32.049685 LONG. 103.639725</p> <p>X= 756,088 NAD83 Y= 382,548 LAT. 32.049810 LONG. 103.640195</p> <p><b>CORNER COORDINATES TABLE (NAD 27)</b></p> <p>A - Y=382668.90, X=714562.55 B - Y=382677.22, X=715890.15 C - Y=378663.24, X=714583.23 D - Y=378673.21, X=715914.07 E - Y=377328.02, X=714590.12 F - Y=377338.54, X=715922.04</p> <p><b>SD WE 14 FED P7 3H WELL</b></p> <p>X= 715,223 NAD 27 Y= 377,548 LAT. 32.036092 LONG. 103.638790</p> <p>X= 756,410 NAD83 Y= 377,605 LAT. 32.036217 LONG. 103.639259</p> <p>ELEVATION +3165 NAVD 88</p>	<p>Proposed Last Take Point 330' FNL, 981' FEL</p> <p>Proposed First Take Point 330' FSL, 705' FEL</p>	<p><b>" OPERATOR CERTIFICATION</b></p> <p>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.</p> <p>Cindy Herrera-Murillo 7-31-15 Signature Date</p> <p>Cindy Herrera-Murillo Printed Name</p> <p>Cherrera.murillo@chevron.com E-mail Address</p> <p><b>"SURVEYOR CERTIFICATION</b></p> <p>I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.</p> <p>3.24.15 Date of Survey</p> <p>Signature and Seal of Professional Surveyor</p> <p>WM. J. DANIEL III NEW MEXICO REGISTERED PROFESSIONAL SURVEYOR 19078</p> <p>Certificate Number #15078</p>
---	--	--

**District I**  
1625 N. French Dr., Hobbs, NM 88240  
Phone: (575) 393-6161 Fax: (575) 393-0720  
**District II**  
811 S. First St., Artesia, NM 88210  
Phone: (575) 748-1283 Fax: (575) 748-9720  
**District III**  
1000 Rio Brazos Road, Artesia, NM 87410  
Phone: (505) 334-6178 Fax: (505) 334-6170  
**District IV**  
1220 S. St. Francis Dr., Santa Fe, NM 87505  
Phone: (505) 476-3460 Fax: (505) 476-3462

State of New Mexico  
Energy, Minerals & Natural Resources Department  
OIL CONSERVATION DIVISION  
1220 South St. Francis Dr.  
Santa Fe, NM 87505

Form C-102  
Revised August 1, 2011  
Submit one copy to appropriate  
District Office

**HOBBS OCD**

FEB 29 2016

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

<sup>1</sup> API Number 30-024-	<sup>2</sup> Pool Code 97838	<sup>3</sup> Pool Name Jennings; Upper BOVE SPRING, Shale
<sup>4</sup> Property Code 716011	<sup>5</sup> Property Name SD WE 23 FED P7	<sup>6</sup> Well Number 3H
<sup>7</sup> OGRID No. 4323	<sup>8</sup> Operator Name CHEVRON U.S.A. INC.	<sup>9</sup> Elevation 3165'

<sup>10</sup> Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
P	14	26 SOUTH	32 EAST, N.M.P.M.		215'	SOUTH	673'	EAST	LEA

<sup>11</sup> Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
P	23	26 SOUTH	32 EAST, N.M.P.M.		180'	SOUTH	990'	EAST	LEA

<sup>12</sup> Dedicated Acres 160	<sup>13</sup> Joint or Infill	<sup>14</sup> Consolidation Code	<sup>15</sup> Order No.
--------------------------------------	-------------------------------	----------------------------------	-------------------------

No allowable will be assigned to this completion until all interests have been consolidated or a non-standard unit has been approved by the division.

<p><b>SD WE 23 FED P7 3H WELL</b></p> <p>X= 715,248 NAD 27 Y= 377,548 LAT. 32.036092 LONG. 103.638709</p> <p>X= 756,435 NAD83 Y= 377,605 LAT. 32.036217 LONG. 103.639178</p> <p>ELEVATION = 3165' NAVD 82</p>	<p><b>PROPOSED BOTTOM HOLE LOCATION</b></p> <p>X= 714,953 NAD 27 Y= 372,153 LAT. 32.021265 LONG. 103.639772</p> <p>X= 756,140 NAD83 Y= 372,210 LAT. 32.021390 LONG. 103.640241</p>	<p><b>CORNER COORDINATES TABLE (NAD 27)</b></p> <p>A - Y=378663.24, X=714583.23 B - Y=378673.21, X=715914.07 C - Y=377328.02, X=714590.12 D - Y=377338.54, X=715922.04 E - Y=371970.41, X=714615.34 F - Y=371978.70, X=715943.63</p>	<p><b>11 OPERATOR CERTIFICATION</b></p> <p>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.</p> <p>Signature: <u>Cindy Herrera-Murillo</u> Date: <u>07-3-15</u> Printed Name: <u>Cindy Herrera-Murillo</u> E-mail Address: <u>Cherreramurillo@chevron.com</u></p> <p><b>12 SURVEYOR CERTIFICATION</b></p> <p>I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.</p> <p>Date of Survey: <u>3.24.15</u> Signature and Seal of Professional Surveyor: <u>[Signature]</u> Certificate Number: <u>#15078</u></p> <p><b>W.M. J. DANIEL III</b> NEW MEXICO REGISTERED PROFESSIONAL SURVEYOR 19078</p>
---	--	--	--



District I  
1623 N. Freach Dr., Hobbs, NM 88240  
Phone: (505) 393-6161 Fax: (505) 393-0720  
District II  
811 S. First St., Artesia, NM 88210  
Phone: (505) 748-1293 Fax: (505) 748-9720  
District III  
1000 Rio Brazos Road, Aztec, NM 87410  
Phone: (505) 334-6178 Fax: (505) 334-6170  
District IV  
1220 S. St. Francis Dr., Santa Fe, NM 87505  
Phone: (505) 476-3460 Fax: (505) 476-3462

State of New Mexico  
Energy, Minerals & Natural Resources Department  
OIL CONSERVATION DIVISION  
1220 South St. Francis Dr.  
Santa Fe, NM 87505

HOBBS OCD

FEB 9 2016

RECEIVED

Form C-102  
Revised August 1, 2011  
Submit one copy to appropriate  
District Office  
☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number 30-025-43087	Well Code 97838	Pool Name Jennings; Upper Bone Spring Shale
Property Code 316012	Property Name SD WE 14 FED P7	Well Number 4H
GRID No. 4323	Operator Name CHEVRON U.S.A. INC.	Elevation 3165'

19 Surface Location									
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
P	14	26 SOUTH	32 EAST, N.M.P.M.		215'	SOUTH	648'	EAST	LEA

" Bottom Hole Location If Different From Surface.									
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
A	14	26 SOUTH	32 EAST, N.M.P.M.		180'	NORTH	330'	EAST	LEA

Dedicated Acres 160	Joint or Infill	Consolidation Code	Order No.
------------------------	-----------------	--------------------	-----------

No allowable will be assigned to this completion until all interests have been consolidated or a non-standard unit has been approved by the division.

<p><b>PROPOSED BOTTOM HOLE LOCATION</b></p> <p>X= 715,561 NAD 27 Y= 382,495 LAT. 32.049885 LONG. 103.637595</p> <p>X= 756,748 NAD83 Y= 382,552 LAT. 32.049810 LONG. 103.638065</p> <p><b>CORNER COORDINATES TABLE (NAD 27)</b></p> <p>A - Y=382668.90, X=714562.55 B - Y=382677.22, X=715890.15 C - Y=378663.24, X=714583.23 D - Y=378673.21, X=715914.07 E - Y=377328.02, X=714590.12 F - Y=377338.54, X=715922.04</p> <p><b>SD WE 14 FED P7 4H WELL</b></p> <p>X= 715,273 NAD 27 Y= 377,548 LAT. 32.036092 LONG. 103.638828</p> <p>X= 756,460 NAD83 Y= 377,606 LAT. 32.036217 LONG. 103.639098</p> <p>ELEVATION +3165 NAVD 88</p>	<p>Proposed Last Take Point 330' FNL, 340' FEL</p> <p>Proposed First Take Point 330' FSL, 641' FEL</p>	<p><b>17 OPERATOR CERTIFICATION</b></p> <p>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.</p> <p>Cindy Herrera-Murillo 1-31-15 Signature Date Cindy Herrera-Murillo Printed Name Cherreramurillo@chevron.com E-mail Address</p> <p><b>18 SURVEYOR CERTIFICATION</b></p> <p>I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.</p> <p>32415 Date of Survey Signature and Seal of Professional Surveyor Wm. J. Daniel III NEW MEXICO 18078 REGISTERED PROFESSIONAL SURVEYOR</p>
---	--	---

#15078

District I  
1625 N. French Dr., Hobbs, NM 88240  
Phone: (575) 393-6161 Fax: (575) 393-0720  
District II  
811 S. First St., Artesia, NM 88210  
Phone: (575) 748-1283 Fax: (575) 748-9720  
District III  
1000 Rio Brazos Road, Aztec, NM 87410  
Phone: (505) 334-6178 Fax: (505) 334-6170  
District IV  
1220 S. St. Francis Dr., Santa Fe, NM 87505  
Phone: (505) 476-3460 Fax: (505) 476-3462

State of New Mexico  
Energy, Minerals & Natural Resources Department  
OIL CONSERVATION DIVISION  
1220 South St. Francis Dr.  
Santa Fe, NM 87505

Form C-102  
Revised August 1, 2011  
Submit one copy to appropriate  
District Office

FEB 29 2016

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

<sup>1</sup> API Number 90025-	<sup>2</sup> Pool Code 97838	<sup>3</sup> Pool Name Jennings; Upper Bone Spring, Shale
<sup>4</sup> Property Code 716011	<sup>5</sup> Property Name SD WE 23 FED P7	<sup>6</sup> Well Number 4H
<sup>7</sup> OGRID No. 4323	<sup>8</sup> Operator Name CHEVRON U.S.A. INC.	<sup>9</sup> Elevation 3165'

<sup>10</sup> Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
P	14	26 SOUTH	32 EAST, N.M.P.M.		215'	SOUTH	623'	EAST	LEA

<sup>11</sup> Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
P	23	26 SOUTH	32 EAST, N.M.P.M.		180'	SOUTH	330'	EAST	LEA

<sup>12</sup> Dedicated Acres 160	<sup>13</sup> Joint or Infill	<sup>14</sup> Consolidation Code	<sup>15</sup> Order No.
--------------------------------------	-------------------------------	----------------------------------	-------------------------

No allowable will be assigned to this completion until all interests have been consolidated or a non-standard unit has been approved by the division.

<p>SD WE 23 FED P7 4H WELL</p> <p>X= 715,298 NAD 27 Y= 377,549 LAT. 32.036092 LONG. 103.638548</p> <p>X= 756,485 NAD83 Y= 377,606 LAT. 32.036217 LONG. 103.639017</p> <p>ELEVATION +3165' NAVD 88</p>	<p>PROPOSED BOTTOM HOLE LOCATION</p> <p>X= 715,513 NAD 27 Y= 372,157 LAT. 32.021265 LONG. 103.637643</p> <p>X= 756,890 NAD83 Y= 372,214 LAT. 32.021390 LONG. 103.638111</p>	<p>CORNER COORDINATES TABLE (NAD 27)</p> <p>A - Y=378663.24, X=714583.23 B - Y=378673.21, X=715914.07 C - Y=377328.02, X=714590.12 D - Y=377338.54, X=715922.04 E - Y=371970.41, X=714615.34 F - Y=371978.70, X=715943.63</p>	<p><sup>16</sup> OPERATOR CERTIFICATION</p> <p>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.</p> <p>Signature: <u>Cindy Herrera-Murillo</u> Date: <u>7-31-15</u> Printed Name: <u>Cindy Herrera-Murillo</u> E-mail Address: <u>Cherreramurillo@chevron.com</u></p> <p><sup>17</sup> SURVEYOR CERTIFICATION</p> <p>I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.</p> <p>Date of Survey: <u>3-24-15</u> Signature and Seal of Professional Surveyor: <u>[Signature]</u> Certificate Number: <u>#15078</u></p>
---	---	---	---

HOBBS OGD

SEP 21 2015

District I  
1625 N. French Dr., Hobbs, NM 88240  
Phone: (575) 393-6161 Fax: (575) 393-0720

District II  
811 S. First St., Artesia, NM 88210  
Phone: (575) 748-1283 Fax: (575) 748-9720

District III  
1900 Rio Brazos Road, Aztec, NM 87410  
Phone: (505) 334-6178 Fax: (505) 334-6170

District IV  
1220 S. St. Francis Dr., Santa Fe, NM 87505  
Phone: (505) 476-3460 Fax: (505) 476-3462

State of New Mexico  
Energy, Minerals & Natural Resources Department  
OIL CONSERVATION DIVISION  
1220 South St. Francis Dr.  
Santa Fe, NM 87505

RECEIVED Form C-102  
Revised August 1, 2011  
Submit one copy to appropriate  
District Office

☐ AMENDED REPORT

## WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number 30-025-42800	Pool Code 97838	Pool Name Jennings, Upper Bone Spring Shale
Property Code 315268	Property Name SD WE 14 FED P5	Well Number 1H
OGRID No 4323	Operator Name CHEVRON U.S.A. INC.	Elevation 3157'

## Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
M	14	26 SOUTH	32 EAST, N.M.P.M.		10'	SOUTH	623'	WEST	LEA

## Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
D	14	26 SOUTH	32 EAST, N.M.P.M.		280'	NORTH	330'	WEST	LEA

Dedicated Acres 160	Joint or Infill	Consolidation Code	Order No.
------------------------	-----------------	--------------------	-----------

No allowable will be assigned to this completion until all interests have been consolidated or a non-standard unit has been approved by the division.

	<p>PROPOSED BOTTOM HOLE LOCATION</p> <p>X= 710.916 NAD 27 Y= 382.368 LAT. 32.049411 LONG. 103.652607</p> <p>X= 752.097 NAD83 Y= 382.423 LAT. 32.049536 LONG. 103.653077</p>	<p><b>OPERATOR CERTIFICATION</b></p> <p>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or undivided mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.</p> <p>Signature: <i>Cindy Herrera-Murillo</i> Date: 4-27-15 Printed Name: Cindy Herrera-Murillo E-mail Address: CherreraMurillo@chevron.com</p>
	<p>CORNER COORDINATES TABLE (NAD 27)</p> <p>A - Y=382643.92, X=710579.74 B - Y=382652.25, X=711907.34 C - Y=378633.33, X=710590.73 D - Y=378643.30, X=711921.56 E - Y=377296.47, X=710594.39 F - Y=377306.99, X=711926.30</p>	<p><b>SURVEYOR CERTIFICATION</b></p> <p>I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.</p> <p>Date of Survey: 10-29-14 Signature and Seal of Professional Surveyor: <i>WM. J. DANIEL III</i> 15078 Certification Number: 15078</p>

SEP 22 2015

District I  
1625 N. French Dr., Hobbs, NM 88240  
Phone: (575) 393-6161 Fax: (575) 393-0720  
District II  
811 S. First St., Artesia, NM 88210  
Phone: (575) 748-1283 Fax: (575) 748-9720  
District III  
1000 Rio Brazos Road, Aztec, NM 87410  
Phone: (505) 334-6178 Fax: (505) 334-6170  
District IV  
1220 S. St. Francis Dr., Santa Fe, NM 87505  
Phone: (505) 476-3460 Fax: (505) 476-3462

State of New Mexico  
Energy, Minerals & Natural Resources Department  
OIL CONSERVATION DIVISION  
1220 South St. Francis Dr.  
Santa Fe, NM 87505

Form C-102  
Revised August 1, 2011  
Submit one copy to appropriate District Office  
SEP 21 2015 ☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

<sup>1</sup> API Number 30-025-42802		<sup>2</sup> Pool Code 97838		<sup>3</sup> Pool Name Jennings; Upper Bone Spring Shale	
<sup>4</sup> Property Code 315271		<sup>5</sup> Property Name SD WE 23 FED P5		<sup>6</sup> Well Number 1H	
<sup>7</sup> OGRID No. 4323		<sup>8</sup> Operator Name CHEVRON U.S.A. INC.		<sup>9</sup> Elevation 3157'	

<sup>10</sup> Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
M	14	26 SOUTH	32 EAST, N.M.P.M.		10'	SOUTH	648'	WEST	LEA

<sup>11</sup> Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
M	23	26 SOUTH	32 EAST, N.M.P.M.		280'	SOUTH	330'	WEST	LEA

<sup>12</sup> Dedicated Acres 160	<sup>13</sup> Joint or Infill	<sup>14</sup> Consolidation Code	<sup>15</sup> Order No.
--------------------------------------	-------------------------------	----------------------------------	-------------------------

No allowable will be assigned to this completion until all interests have been consolidated or a non-standard unit has been approved by the division.

<p>SD WE 23 FED P5 1H WELL</p> <p>X= 711,242 NAD 27 Y= 377,312 LAT. 32.035512 LONG. 103.651639</p> <p>X= 752,430 NAD83 Y= 377,369 LAT. 32.035637 LONG. 103.652109</p> <p>ELEVATION +3157' NAVD88</p>	<p>PROPOSED BOTTOM HOLE LOCATION</p> <p>X= 710,959 NAD 27 Y= 372,228 LAT. 32.021541 LONG. 103.652658</p> <p>X= 752,146 NAD83 Y= 372,285 LAT. 32.021666 LONG. 103.653127</p>	<p>Proposed First Take Point 330' FNL, 627' FWL</p> <p>Proposed Last Take Point 330' FSL, 333' FWL</p> <p>CORNER COORDINATES TABLE (NAD 27)</p> <p>A - Y=378633.33, X=710590.73 B - Y=378643.30, X=711921.56 C - Y=377296.47, X=710594.39 D - Y=377306.99, X=711926.30 E - Y=371945.53, X=710630.44 F - Y=371953.82, X=711958.74</p>	<p><sup>17</sup> OPERATOR CERTIFICATION</p> <p>I hereby certify that the information contained herein is true and complete in the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or working interest, or in a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.</p> <p>Cindy Herrera-Morillo 4-27-15 Signature Date Cindy Herrera-Morillo Printed Name CherreraMorillo@chevron.com E-mail Address</p> <p><sup>18</sup> SURVEYOR CERTIFICATION</p> <p>I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.</p> <p>10-29-14 Date of Survey Signature and Seal of Professional Surveyor Wm. J. Daniel III NEW MEXICO REGISTERED PROFESSIONAL SURVEYOR 15078 Certificate Number 1515078</p>
--	---	--	---

SEP 23 2015

SEP 21 2015

Form C-102

District I  
1625 N. French Dr., Hobbs, NM 88240  
Phone: (505) 393-6161 Fax: (505) 393-0720

District II  
311 S. First St., Artesia, NM 88210  
Phone: (505) 748-1283 Fax: (505) 748-5720

District III  
1000 Rio Brazos Road, Aztec, NM 87410  
Phone: (505) 334-6178 Fax: (505) 334-6170

District IV  
1220 S. St. Francis Dr., Santa Fe, NM 87505  
Phone: (505) 476-3460 Fax: (505) 476-2462

State of New Mexico  
Energy, Minerals & Natural Resources Department  
OIL CONSERVATION DIVISION  
1220 South St. Francis Dr.  
Santa Fe, NM 87505

RECEIVED

Revised August 1, 2011

Submit one copy to appropriate

District Office

☐ AMENDED REPORT

## WELL LOCATION AND ACREAGE DEDICATION PLAT

<sup>1</sup> API Number 30-025-42801	<sup>2</sup> Pool Code 97838	<sup>3</sup> Pool Name Jennings; Upper BONE Spring Shale
<sup>4</sup> Property Code 319268	<sup>5</sup> Property Name SD WE 14 FED P5	<sup>6</sup> Well Number 2H
<sup>7</sup> OGRID No 4323	<sup>8</sup> Operator Name CHEVRON U.S.A. INC.	<sup>9</sup> Elevation 3157

<sup>10</sup> Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
M	14	26 SOUTH	32 EAST, N.M.P.M.		10'	SOUTH	673'	WEST	LEA

<sup>11</sup> Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
D	14	26 SOUTH	32 EAST, N.M.P.M.		280'	NORTH	990'	WEST	LEA

<sup>12</sup> Dedicated Acres 160	<sup>13</sup> Joint or Infill	<sup>14</sup> Consolidation Code	<sup>15</sup> Order No.
--------------------------------------	-------------------------------	----------------------------------	-------------------------

No allowable will be assigned to this completion until all interests have been consolidated or a non-standard unit has been approved by the division.

<p>Proposed Last Take Point 330' FNL, 987' FWL</p> <p>Proposed Producing Interval N 03°25'47"E 5,067.42'</p> <p>Proposed First Take Point 330' FSL, 693' FWL</p>	<p><b>PROPOSED BOTTOM HOLE LOCATION</b></p> <p>X= 711,570 NAD 27 Y= 382,370 LAT. 32.049411 LONG. 103.650477</p> <p>X= 752,757 NAD83 Y= 382,427 LAT. 32.049536 LONG. 103.650947</p>	<p><b>OPERATOR CERTIFICATION</b></p> <p>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or undivided mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.</p> <p>Signature: <i>Cindy Herrera-Murillo</i> Date: 4-27-15 Printed Name: Cindy Herrera-Murillo E-mail Address: Cherreramurillo@chevron.com</p>
	<p><b>CORNER COORDINATES TABLE (NAD 27)</b></p> <p>A - Y=382643.92, X=710579.74 B - Y=382652.25, X=711907.34 C - Y=378633.33, X=710590.73 D - Y=378643.30, X=711921.56 E - Y=377298.47, X=710594.39 F - Y=377306.99, X=711926.30</p>	<p><b>SURVEYOR CERTIFICATION</b></p> <p>I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.</p> <p>Date of Survey: 10-29-14 Signature and Seal of Professional Surveyor: <i>WM. J. DANIEL III</i> Certificate Number: 15078</p>

SEP 23 2015

District I  
1625 N. French Dr., Hobbs, NM 88240  
Phone: (505) 393-6161 Fax: (505) 393-0720  
District II  
811 S. First St., Artesia, NM 88210  
Phone: (505) 748-1283 Fax: (505) 748-9720  
District III  
1600 Rio Brazos Road, Aztec, NM 87410  
Phone: (505) 334-6178 Fax: (505) 334-6170  
District IV  
1220 S. St. Francis Dr., Santa Fe, NM 87505  
Phone: (505) 476-3460 Fax: (505) 476-3462

State of New Mexico  
Energy, Minerals & Natural Resources Department  
OIL CONSERVATION DIVISION  
1220 South St. Francis Dr.  
Santa Fe, NM 87505

HOBBS OCD

SEP 21 2015

RECEIVED

Form C-102  
Revised August 1, 2011  
Submit one copy to appropriate  
District Office

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

1 API Number 30-025 42803		2 Pool Code 97838		3 Pool Name Jennings; Upper Bone Spring Shale	
4 Property Code 315271		5 Property Name SD WE 23 FED P5		6 Well Number 2H	
7 OGRID No. 4323		8 Operator Name CHEVRON U.S.A. INC.		9 Elevation 3156'	

10 Surface Location

U.S. or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
M	14	26 SOUTH	32 EAST, N.M.P.M.		10'	SOUTH	698'	WEST	LEA

11 Bottom Hole Location If Different From Surface

U.S. or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
M	23	26 SOUTH	32 EAST, N.M.P.M.		280'	SOUTH	990'	WEST	LEA

12 Dedicated Acres 160	13 Joint or Infill	14 Consolidation Code	15 Order No.
---------------------------	--------------------	-----------------------	--------------

No allowable will be assigned to this completion until all interests have been consolidated or a non-standard unit has been approved by the division.

<p>SD WE 23 FED P5 2H WELL</p> <p>X= 711,292 NAD 27 Y= 377,312 LAT. 32.035512 LONG. 103.651478</p> <p>X= 752,480 NAD83 Y= 377,369 LAT. 32.035637 LONG. 103.651947</p> <p>ELEVATION +3156 NAVD 88</p>	<p>PROPOSED BOTTOM HOLE LOCATION</p> <p>X= 711,619 NAD 27 Y= 372,232 LAT. 32.021541 LONG. 103.650529</p> <p>X= 752,806 NAD83 Y= 372,289 LAT. 32.021666 LONG. 103.650997</p>	<p>CORNER COORDINATES TABLE (NAD 27)</p> <p>A - Y=378633.33, X=710590.73 B - Y=378643.30, X=711921.56 C - Y=377296.47, X=710594.39 D - Y=377306.99, X=711926.30 E - Y=371945.53, X=710630.44 F - Y=371953.82, X=711958.74</p>		<p>17 OPERATOR CERTIFICATION</p> <p>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or undivided mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or working interest, or in a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.</p> <p>Cindy Herrera-Murillo 4-27-15 Signature Date Cindy Herrera-Murillo Printed Name CherreraMurillo@chevron.com E-mail Address</p> <p>18 SURVEYOR CERTIFICATION</p> <p>I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.</p> <p>10.29.14 Date of Survey Signature and Seal of Professional Surveyor Wm. J. Daniel III NEW MEXICO REGISTERED PROFESSIONAL SURVEYOR 15078 Certificate Number #15078</p>
--	---	---	--	---

SEP 22 2015

APPLICATION FOR COMMINGLING AT A COMMON CENTRAL TANK BATTERY Chevron U.S.A. Inc.  
Salado Draw 23 Central Tank Battery

<b>Chevron Functional Contacts</b>			
<i>Contact Name</i>	<i>Function</i>	<i>Phone Number</i>	<i>Email Address</i>
Michelle Burkett	CD/Performance FE Lead	432-687-7265	<a href="mailto:mburkett@chevron.com">mburkett@chevron.com</a>
David Macurdy	Factory HES Support Supervisor	713-754-3826	<a href="mailto:david.macurdy@chevron.com">david.macurdy@chevron.com</a>
Caleb Brown	Facilities Engineer	432-687-7326	<a href="mailto:Caleb.Brown@chevron.com">Caleb.Brown@chevron.com</a>

## McMillan, Michael, EMNRD

---

**From:** Macurdy, David W <david.macurdy@chevron.com>  
**Sent:** Friday, July 01, 2016 8:31 AM  
**To:** McMillan, Michael, EMNRD  
**Subject:** RE: RE: REQUEST: Surface Commingling Application / Salado Draw 23 Central Tank Battery

Correct.

David W. Macurdy ☺☺  
Factory HES Support Supervisor  
MidContinent Business Unit  
Chevron North America Exploration and Production Company  
1600 Smith Street, Room 26100C  
Houston, TX 77002  
Tel 713-754-3826  
Mobile 281-389-6353  
[david.macurdy@chevron.com](mailto:david.macurdy@chevron.com)

### **"Incident-Free Operations, Each and Every Day"**

*This message may contain confidential information that is legally privileged, and is intended only for the use of the parties to whom it is addressed. If you are not an intended recipient, you are hereby notified that any disclosure, copying, distribution or use of any information in this message is strictly prohibited. If you have received this message in error, please notify me at 713-754-3826 or by reply e-mail. Thank you.*

---

**From:** McMillan, Michael, EMNRD [<mailto:Michael.McMillan@state.nm.us>]  
**Sent:** Friday, July 01, 2016 9:24 AM  
**To:** Macurdy, David W  
**Subject:** [**\*\*EXTERNAL\*\***] RE: RE: REQUEST: Surface Commingling Application / Salado Draw 23 Central Tank Battery

So all you are requesting is that all wells in Section 14 be included in the project area because of identical ownership, and likewise all wells in Section 23 be included in other project area.

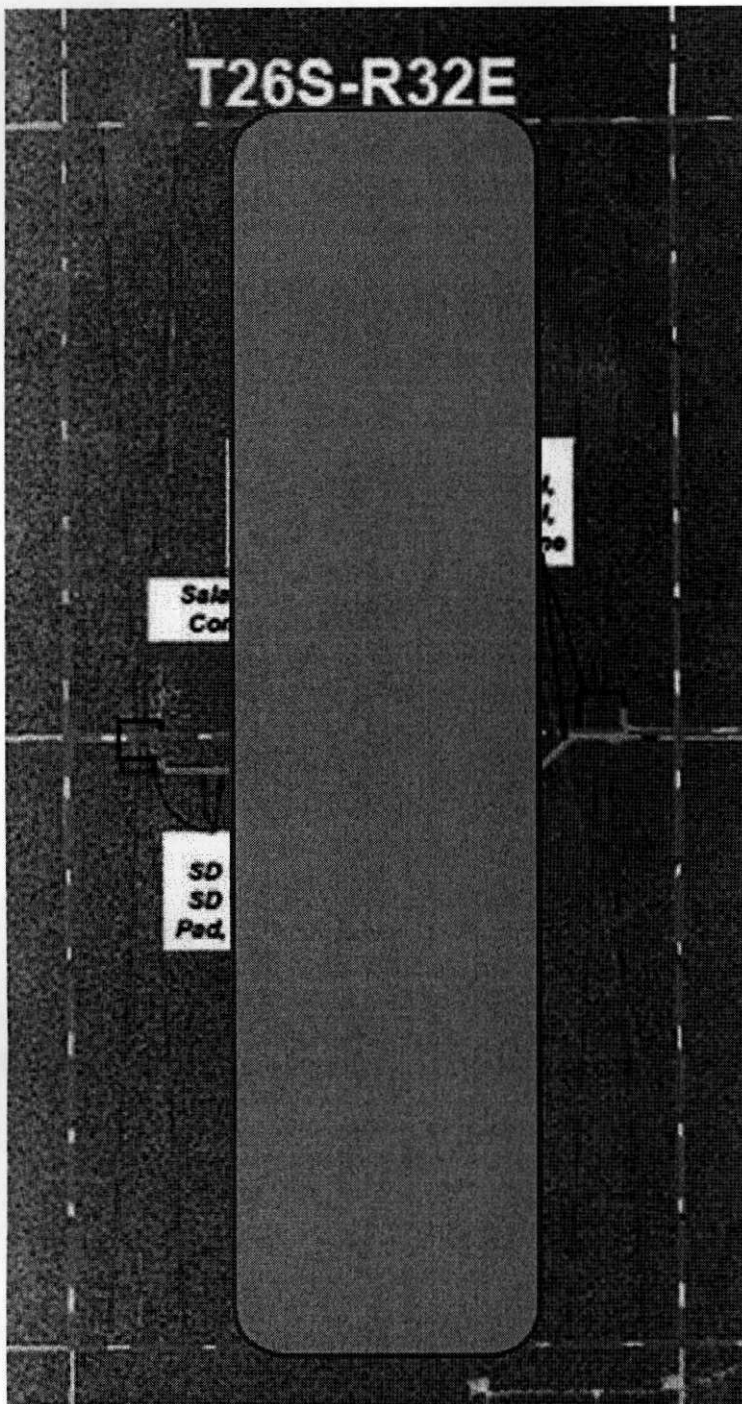
Mike

---

**From:** Macurdy, David W [<mailto:david.macurdy@chevron.com>]  
**Sent:** Friday, July 01, 2016 8:20 AM  
**To:** McMillan, Michael, EMNRD  
**Subject:** RE: RE: REQUEST: Surface Commingling Application / Salado Draw 23 Central Tank Battery

Lease NMNM119722 includes all of Section 14 and Lease NMNM119723 includes all of Section 23. The desire is to be able to add the planned eight wells (see blue shaded polygon below) in the W/2 E/2 and E/2 W/2 of Section 14 and W/2 E/2 and E/2 W/2 of Section 23 to the Salado Draw 23 CTB Administrative Order through subsequent Sundry notice and not need to submit an amended application.





Is my approach valid? This is my first application to allow addition of future wells under this approach.

Thanks.

David W. Macurdy ●●  
Factory HES Support Supervisor  
MidContinent Business Unit  
Chevron North America Exploration and Production Company  
1600 Smith Street, Room 26100C  
Houston, TX 77002  
Tel 713-754-3826

Mobile 281-389-6353  
[david.macurdy@chevron.com](mailto:david.macurdy@chevron.com)

**"Incident-Free Operations, Each and Every Day"**

*This message may contain confidential information that is legally privileged, and is intended only for the use of the parties to whom it is addressed. If you are not an intended recipient, you are hereby notified that any disclosure, copying, distribution or use of any information in this message is strictly prohibited. If you have received this message in error, please notify me at 713-754-3826 or by reply e-mail. Thank you.*

---

**From:** McMillan, Michael, EMNRD [<mailto:Michael.McMillan@state.nm.us>]  
**Sent:** Friday, July 01, 2016 9:10 AM  
**To:** Macurdy, David W  
**Subject:** **[\*\*EXTERNAL\*\*]** RE: RE: REQUEST: Surface Commingling Application / Salado Draw 23 Central Tank Battery

What about the acreage in the W/2 E/2 and E/2 W/2 of Section 14? is it in the same lease as the rest of the section?  
What about the acreage in the W/2 E/2 and E/2 W/2 of Section 23? is it in the same lease as the rest of the section?  
If you add wells in these sections and they are not listed in the proposed project area, you would have to amend the application.  
Mike

---

**From:** Macurdy, David W [<mailto:david.macurdy@chevron.com>]  
**Sent:** Friday, July 01, 2016 8:06 AM  
**To:** McMillan, Michael, EMNRD  
**Subject:** RE: RE: REQUEST: Surface Commingling Application / Salado Draw 23 Central Tank Battery

That is correct – there will be no stranded acreage in the project area.

David W. Macurdy 📧  
Factory HES Support Supervisor  
MidContinent Business Unit  
Chevron North America Exploration and Production Company  
1600 Smith Street, Room 26100C  
Houston, TX 77002  
Tel 713-754-3826  
Mobile 281-389-6353  
[david.macurdy@chevron.com](mailto:david.macurdy@chevron.com)

**"Incident-Free Operations, Each and Every Day"**

*This message may contain confidential information that is legally privileged, and is intended only for the use of the parties to whom it is addressed. If you are not an intended recipient, you are hereby notified that any disclosure, copying, distribution or use of any information in this message is strictly prohibited. If you have received this message in error, please notify me at 713-754-3826 or by reply e-mail. Thank you.*

---

**From:** McMillan, Michael, EMNRD [<mailto:Michael.McMillan@state.nm.us>]  
**Sent:** Friday, July 01, 2016 9:02 AM  
**To:** Macurdy, David W  
**Cc:** Paez, Antonio J.; Burkett, Michelle; Brown, Caleb T  
**Subject:** **[\*\*EXTERNAL\*\*]** RE: REQUEST: Surface Commingling Application / Salado Draw 23 Central Tank Battery

David:

Based on a REAL QUICK LOOK-I assume that the project areas for the wells will not strand any acreage in the form of stranded project area where you had to amend an application that was recently done-restated the project areas in the application will not leave any acreage stranded in a section?

Mike

---

**From:** Macurdy, David W [<mailto:david.macurdy@chevron.com>]

**Sent:** Friday, July 01, 2016 7:44 AM

**To:** McMillan, Michael, EMNRD

**Cc:** Paez, Antonio J.; Burkett, Michelle; Brown, Caleb T

**Subject:** REQUEST: Surface Commingling Application / Salado Draw 23 Central Tank Battery

Mike,

Chevron U.S.A. Inc. respectfully requests review and approval of the attached surface commingling application for the Salado Draw 23 Central Tank Battery. The original hard copy documents are being mailed today to your attention. Please note that Chevron U.S.A. Inc. and the Bureau of Land Management are the only interest owners in the affected leases.

Please contact me by telephone or email with any questions or concerns with this application. Thank you in advance for your cooperation and attention to this matter.

David W. Macurdy ☎

Factory HES Support Supervisor

MidContinent Business Unit

Chevron North America Exploration and Production Company

1600 Smith Street, Room 26100C

Houston, TX 77002

Tel 713-754-3826

Mobile 281-389-6353

[david.macurdy@chevron.com](mailto:david.macurdy@chevron.com)

**"Incident-Free Operations, Each and Every Day"**

*This message may contain confidential information that is legally privileged, and is intended only for the use of the parties to whom it is addressed. If you are not an intended recipient, you are hereby notified that any disclosure, copying, distribution or use of any information in this message is strictly prohibited. If you have received this message in error, please notify me at 713-754-3826 or by reply e-mail. Thank you.*

## McMillan, Michael, EMNRD

---

**From:** Macurdy, David W <david.macurdy@chevron.com>  
**Sent:** Friday, July 01, 2016 9:59 AM  
**To:** McMillan, Michael, EMNRD  
**Subject:** RE: RE: REQUEST: Surface Commingling Application / Salado Draw 23 Central Tank Battery

Mike,

None of these wells are currently producing as these are all new drills with the Pad 7 wells (SD WE 14 Fed P7 #3H & #4H, SD WE 23 Fed P7 #3H & #4H) scheduled to be brought on production later in July.

The Pad 5 wells (SD WE 14 Fed P5 #1H & #2H, SD WE 23 Fed P5 #1H & #2H) are currently being drilled and are anticipated to be brought on production in September.

Estimated production values as provided by our Reservoir Engineering group is provided on page 6 of the application.

Thanks.

David W. Macurdy ☎  
Factory HES Support Supervisor  
MidContinent Business Unit  
Chevron North America Exploration and Production Company  
1600 Smith Street, Room 26100C  
Houston, TX 77002  
Tel 713-754-3826  
Mobile 281-389-6353  
[david.macurdy@chevron.com](mailto:david.macurdy@chevron.com)

### **"Incident-Free Operations, Each and Every Day"**

*This message may contain confidential information that is legally privileged, and is intended only for the use of the parties to whom it is addressed. If you are not an intended recipient, you are hereby notified that any disclosure, copying, distribution or use of any information in this message is strictly prohibited. If you have received this message in error, please notify me at 713-754-3826 or by reply e-mail. Thank you.*

---

**From:** McMillan, Michael, EMNRD [<mailto:Michael.McMillan@state.nm.us>]  
**Sent:** Friday, July 01, 2016 10:41 AM  
**To:** Macurdy, David W  
**Subject:** **[\*\*EXTERNAL\*\*]** RE: RE: REQUEST: Surface Commingling Application / Salado Draw 23 Central Tank Battery

Can you provide the last 6 month's average monthly production an cum production for each well?  
Mike

---

**From:** Macurdy, David W [<mailto:david.macurdy@chevron.com>]  
**Sent:** Friday, July 01, 2016 8:20 AM  
**To:** McMillan, Michael, EMNRD  
**Subject:** RE: RE: REQUEST: Surface Commingling Application / Salado Draw 23 Central Tank Battery