

State of New Mexico
Energy, Minerals and Natural Resources Department

Susana Martinez
Governor

Ken McQueen
Cabinet Secretary

Matthias Sayer
Deputy Cabinet Secretary

David R. Catanach, Division Director
Oil Conservation Division



July 6, 2017

Surface Commingling Order PLC-477
Administrative Application Reference No pMAM1716453692

CHEVRON USA INC
Attention Ms. Cindy Herrera-Murillo

Pursuant to your application received on June 13, 2017, Chevron USA Inc. (OGRID 4323) is hereby authorized to surface commingle oil and gas production from the following pools located in Section 36, Township 20 South, Range 38 East, NMPM, Lea County, New Mexico,

D-K, ABO (15200)
WARREN, TUBB, EAST (87085)
BLINEBRY OIL AND GAS (OIL) (6660)

and from the following diversely owned state lease in said Section, Township, and Range in Lea County, New Mexico

Lease. State Lease B 017320004
Description NW/4 SW/4 of Section 36, Township 20 South, Range 38 East, NMPM
Well. TCB Well No 4 30-025-37041
Pool: Blinebry Oil and Gas (Oil)
Warren, Tubb, East

Lease State Lease B 017320004
Description NW/4 SE/4 of Section 36, Township 20 South, Range 38 East, NMPM
Well Jerry State Well No 1 30-025-34080
Pool D-K, Abo

The combined oil and gas spacing units for this well include the NW/4 SE/4 and NW/4 SW/4 of Section 36, Township 20 South, Range 38 East, NMPM, Lea County, New Mexico.

Commingled oil and gas production from the wells shall be measured and sold at the Jerry State Well No 1 Tank Battery (CTB), located in Unit J of Section 36, Township 20 South, Range 38 East, NMPM, Lea County, New Mexico

Production from the subject wells shall be determined as follows

Production for the separately owned leases shall be measured with a combination of well testing and metering. Each well shall be tested monthly for oil and gas production through a three-phase test separator. The well that is not on test shall be shut-in. Each well shall be tested for a minimum of 24 hours.

The allocation meters shall be calibrated quarterly in accordance with Division Rule 19 15 12 10 C (2) NMAC.

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

The Operator shall notify the transporter of this commingling authority and the Hobbs District Office prior to implementation of commingling operations.

This approval is subject to like approval from the **New Mexico State Land Office** before commencement of the commingling operations.

Done at Santa Fe, New Mexico, on July 6, 2017


DAVID R. CATANACH
Director

DRC/mam

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