	UNITED STATES EPARTMENT OF THE INT		OMB	M APPROVED NO. 1004-0137 January 31, 2018
	UREAU OF LAND MANAGE NOTICES AND REPORT		5. Lease Serial No. MultipleSee	
Do not use th	is form for proposals to dr ell. Use form 3160-3 (APD)	ill or to re-enter a	6. If Indian, Allotte	e or Tribe Name
SUBMIT IN	TRIPLICATE - Other instru	ctions on page <	7. If Unit or CA/Ag /ultiple-See	reement, Name and/or No. Attached
1. Type of Well ☑ Oil Well □ Gas Well □ Ou	ther		8 Well Name and N MultipleSee A	o. ttached 30.035- 4485
2. Name of Operator CHEVRON USA INCORPOR	Contact: LA	URA BECERRA CHEVRON.COM	9. API Well No. MultipleSee	
3a. Address 6301 DEAUVILLE BLVD MIDLAND, TX 79706		b. Phone No. (include ar Philes Addition of the Addition of th	. Field and Pool of Multiple-See	r Exploratory Area Attached
4. Location of Well (Footage, Sec., 1	T., R., M., or Survey Description)		11. County or Paris	h, State
MultipleSee Attached			LEA COUNTY	′, NM
12. CHECK THE A	PPROPRIATE BOX(ES) TO	D INDICATE NATURE C	OF NOTICE, REPORT, OR O	THER DATA
TYPE OF SUBMISSION		ΤΥΡΕ Ο	F ACTION	
Notice of Intent	Acidize	Deepen	Production (Start/Resume)	Water Shut-Off
-	□ Alter Casing	Hydraulic Fracturing	Reclamation	Well Integrity
Subsequent Report	Casing Repair	New Construction	Recomplete	Other Surface Commingling
Final Abandonment Notice	Change Plans	Plug and Abandon Plug Back	Temporarily Abandon Water Disposal	
determined that the site is ready for Chevron U.S.A. respectfully r production from the Bone Sp and Storage through Chevron Chevron requests the approv activities at one battery. A list	final inspection. requests administrative appro ring Shale and Upper Wolfca n's Salado Draw 19 Central T ral to minimize surface disturt	ival to commingle oil, gas, mp pools and for Off-Leas ank Battery. pance and future traffic by	e Measurement, Sales	BBS OCD
documents are attachéd.			JUN	2 4 2010
			RE	2 4 2019 CEIVED
	Electronic Submission #452	SA INCORPORATED, sent t sing by PRISCILLA PEREZ of	o the Hobbs	
Signature (Electronic	Submission)	Date 01/31/2	2019	
	THIS SPACE FOR	FEDERAL OR STATE	OFFICE USE	
_Approved_By_DYLAN_RQSSMAN Conditions of approval, if any, are attach certify that the applicant holds legal or ec which would entitle the applicant to conc	ed. Approval of this notice does no quitable title to those rights in the su	t warrant or	EUM ENGINEER	Date 05/31/2019
File 18 U.S.C. Section 1001 and Title 4. States any false, fictitious or fraudulent	U.S.C. Section 1212, make it a cri	me for any person knowingly an	d willfully to make to any department	or agency of the United

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Additional data for EC transaction #452702 that would not fit on the form

5. Lease Serial No., continued

NMNM132070 NMNM27506

7. If Unit or CA/Agreement, Name and No., continued

NMNM135806 NMNM135966

Wells/Facilities, continued

Agreement NMNM27506	Lease NMNM27506	Well/Fac Name, Number SD EA 18 19 FED COM P15 16H	API Number 30-025-44088-00-X1	Location Sec 18 T26S R33E NENE 455FNL 980FEL
NMNM27506 NMNM27506	NMNM27506 NMNM27506	PORTER BROWN 1H SALADO DRAW 18 26 33 FED 3H	30-025-40802-00-S1 i 30-025-42278-00-S1	32.049538 N Lat, 103.606003 W Lon Sec 19 T26S R33E SESE 340FSL 340FEL Sec 18 T26S R33E NENW 200FNL 1943FWL 32.035590 N Lat, 103.613078 W Lon
NMNM27506	NMNM27506	SALADO DRAW 18 26 33 FED 4H	1 30-025-42279-00-S1	Sec 19 T26S R33E NENW 200FNL 1993FWL 32.035590 N Lat, 103.612917 W Lon
NMNM27506	NMNM27506	SALADO DRAW 19 26 33 FED 3H	1 30-025-42280-00-S1	Sec 19 T26S R33E NENW 200FNL 1968FWL 32.035590 N Lat, 103.612998 W Lon
NMNM27506	NMNM27506	SALADO DRAW 19 26 33 FED 4H	1 30-025-42281-00-S1	Sec 19 T26S R33E NENW 200FNL 2018FWL 32.035590 N Lat, 103.612836 W Lon
NMNM27506 NMNM27506	NMNM27506 NMNM27506	SD EA 18 FEDERAL P6 5H SD EA 18 FEDERAL P6 6H	30-025-42795-00-S1 30-025-42796-00-S1	Sec 19 T26S R33E NWNE 266FNL 1778FEL Sec 19 T26S R33E NWNE 247FNL 1763FEL
NMNM27506 NMNM27506	NMNM27506 NMNM27506	SD EA 19 FEDERAL P6 5H SD EA 19 FEDERAL P6 6H	30-025-42797-00-S1 30-025-42798-00-S1	Sec 19 T26S R33E NWNE 227FNL 1747FEL Sec 19 T26S R33E NWNE 207FNL 1732FEL
NMNM27506 NMNM135806	NMNM27506 NMNM27506	SD EA 19 FEDERAL P6 7H SALADO DRAW 18 26 33 FED CO		Sec 19 T26S R33E NWNE 188FNL 1716FEL Sec 19 T26S R33E NWNW 200FNL 879FWL
NMNM135806 NMNM135996 NMNM135996	NMNM27506 NMLC065880A NMLC065880A	SALADO DRAW 18 26 33 FED CC SALADO DRAW 19 26 33 FED CC	DBD1025-42661-00-S1	Sec 19 T26S R33E Lot 1 200FNL 923FWL Sec 19 T26S R33E Lot 1 200FNL 898FWL
NMNM132070	NMNM132070	SALADO DRAW 19 26 33 FED CO SD EA 18 19 FED COM P15 17H		Sec 19 T26S R33E Lot 1 200FNL 948FWL Sec 18 T26S R33E NENE 455FNL 955FEL 32.049538 N Lat. 103.605919 W Lon
NMNM132070	NMNM132070	SD EA 18 19 FED COM P15 18H	30-025-44090-00-X1	Sec 18 T26S R33E NENE 455FNL 930FEL 32.049538 N Lat, 103.605858 W Lon
NMNM132070	NMNM132070	SD EA 18 19 FED COM P15 19H	30-025-44167-00-X1	Sec 18 T26S R33E NENE 455FNL 905FEL 32.049538 N Lat, 103.605759 W Lon
NMNM132070	NMNM132070	SD EA 18 19 FED COM P15 20H	30-025-44091-00-X1	Sec 18 T26S R33E NENE 455FNL 880FEL 32.049412 N Lat, 103.605209 W Lon

10. Field and Pool, continued

UNDESIGNATED WC025G06S263319P-BONE SPRING WC025G09S263327G-UP WOLFCAMP WILDCAT;WOLFCAMP

Revisions to Operator-Submitted EC Data for Sundry Notice #452702

	Operator Submitted	BLM Revised (AFMSS)
Sundry Type:	SUBCOM NOI	SURCOM NOI
Lease:	NMNM27506	NMNM132070 NMNM27506
Agreement:		NMNM135806 (NMNM135806) NMNM135966 (NMNM135996)
Operator:	CHEVRON USA INC 6301 DEAUVILLE BLVD MIDLAND, TX 79706 Ph: 432-687-7665	CHEVRON USA INCORPORATI 6301 DEAUVILLE BLVD MIDLAND, TX 79706 Ph: 432.687.7100 Fx: 432-687-7221
Admin Contact:	LAURA BECERRA REGULATORY SPECIALIST E-Mail: LBECERRA@CHEVRON.COM	LAURA BECERRA REGULATORY SPECIALIST E-Mail: LBECERRA@CHEVRON
	Ph: 432-687-7655	Ph: 432-687-7655
Tech Contact:	LAURA BECERRA REGULATORY SPECIALIST E-Mail: LBECERRA@CHEVRON.COM	LAURA BECERRA REGULATORY SPECIALIST E-Maii: LBECERRA@CHEVRON
	Ph: 432-687-7655	Ph: 432-687-7655
Location: State: County:	NM LEA	NM LEA
Field/Pool:	SANDERS TANK;UPR WOLFCAMP	BONE SPRINGS JENNINGS UNDESIGNATED WC025G06S263319P-BONE SP WC025G09S263327G-UP WOLI WILDCAT;WOLFCAMP
Well/Facility:	SD EA 18 19 FED COM P15 16H Sec 18 T26S R33E Mer NMP NENE 455FNL 980FEL	SD EA 18 19 FED COM P15 16 Sec 18 T26S R33E NENE 455FN 32.049538 N Lat, 103.606003 W PORTER BROWN 1H Sec 19 T26S R33E SESE 340FS SALADO DRAW 18 26 33 FED 3 Sec 18 T26S R33E NENW 200F 32.035590 N Lat, 103.613078 W SALADO DRAW 18 26 33 FED 4 Sec 19 T26S R33E NENW 200F 32.035590 N Lat, 103.612917 W SALADO DRAW 19 26 33 FED 3 Sec 19 T26S R33E NENW 200F 32.035590 N Lat, 103.612917 W SALADO DRAW 19 26 33 FED 4 Sec 19 T26S R33E NENW 200F 32.035590 N Lat, 103.61298 W SALADO DRAW 19 26 33 FED 4 Sec 19 T26S R33E NENW 200F 32.035590 N Lat, 103.61298 W SALADO DRAW 19 26 33 FED 4 Sec 19 T26S R33E NENW 200F 32.035590 N Lat, 103.612836 W SD EA 18 FEDERAL P6 5H Sec 19 T26S R33E NWNE 266F SD EA 18 FEDERAL P6 6H Sec 19 T26S R33E NWNE 247F SD EA 19 FEDERAL P6 6H Sec 19 T26S R33E NWNE 207F SD EA 19 FEDERAL P6 6H Sec 19 T26S R33E NWNE 207F SD EA 19 FEDERAL P6 6H Sec 19 T26S R33E NWNE 207F SD EA 19 FEDERAL P6 6H Sec 19 T26S R33E NWNE 207F SD EA 19 FEDERAL P6 6H Sec 19 T26S R33E NWNE 207F SD EA 19 FEDERAL P6 6H Sec 19 T26S R33E NWNE 207F SD EA 19 FEDERAL P6 6H Sec 19 T26S R33E NWNE 207F SD EA 19 FEDERAL P6 6H Sec 19 T26S R33E NWNE 207F SD EA 19 FEDERAL P6 6H Sec 19 T26S R33E NWNE 207F SD EA 19 FEDERAL P6 6H Sec 19 T26S R33E NWNE 207F SD EA 19 FEDERAL P6 6H Sec 19 T26S R33E NWNE 207F SD EA 19 FEDERAL P6 17 Sec 18 T26S R33E NWNE 188F SALADO DRAW 18 26 33 FED C Sec 19 T26S R33E Lot 1 200FNI SALADO DRAW 19 26 33 FED C Sec 19 T26S R33E Lot 1 200FNI SALADO DRAW 19 26 33 FED C Sec 19 T26S R33E Lot 1 200FNI SALADO DRAW 19 26 33 FED C Sec 19 T26S R33E Lot 1 200FNI SALADO DRAW 19 26 33 FED C Sec 19 T26S R33E Lot 1 200FNI SALADO DRAW 19 26 33 FED C Sec 19 T26S R33E Lot 1 200FNI SALADO DRAW 19 26 33 FED C Sec 19 T26S R33E Lot 1 200FNI SALADO DRAW 19 26 33 FED C Sec 19 T26S R33E Lot 1 200FNI SALADO DRAW 19 26 33 FED C Sec 19 T26S R33E Lot 1 200FNI SALADO DRAW 19 26 33 FED C Sec 19 T26S R33E Lot 1 200FNI SALADO DRAW 19 26 33 FED C Sec 19 T26S R33E Lot 1 200FNI SALADO DRAW 19 26 33 FED C Sec 19 T26S R33E Lot 1 200FNI SALADO SA N Lat, 103.605919 W S

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SPRING LFCAMP

3H FNL 980FEL W Lon FSL 340FEL) 3H)FNL 1943FWL W Lon) 4H)FNL 1993FWL W Lon) 3H)FNL 1968FWL W Lon) 4H)FNL 2018FWL W Lon FNL 1778FEL FNL 1763FEL FNL 1747FEL FNL 1732FEL 0FNL 1716FEL 0 COM 1H 0FNL 879FWL 0 COM 2H NL 923FWL 0 COM 1H NL 898FWL 0 COM 2H NL 948FWL 7H 7H FNL 955FEL V Lon SD EA 18 19 FED COM P15 18H Sec 18 T26S R33E NENE 455FNL 930FEL 32.049538 N Lat, 103.605858 W Lon

SD EA 18 19 FED COM P15 19H Sec 18 T26S R33E NENE 455FNL 905FEL 32.049538 N Lat, 103.605759 W Lon SD EA 18 19 FED COM P15 20H Sec 18 T26S R33E NENE 455FNL 880FEL 32.049412 N Lat, 103.605209 W Lon 1

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Bureau of Land Management Carlsbad Field Office 620 East Greene Street Carlsbad, New Mexico 88220 575-234-5972

Salado Draw 18 19, 18 26, 19 26, EA 18, & EA 19 wells (see list below)

Chevron USA Inc. May 31, 2018 Condition of Approval Lease/CA Commingling, Off lease/CA Storage, Measurement and Sales

- 1. This approval is subject to like approval by the New Mexico Oil Conservation Division.
- 2. This agency shall be notified of any spill or discharge as required by NTL-3A.
- 3. This agency reserves the right to modify or rescind approval whenever it determines continued use of the approved method may adversely affect the surface or subsurface environments.
- 4. This approval does not constitute right-of-way approval for any off-lease activities. Within 30 days, an application for right-of-way approval must be submitted to the Realty Section if not already done.
- 5. Approval for combining production from various sources is a privilege which is granted to lessees for the purpose of aiding conservation and extending the economic life of leases. Applicants should be cognizant that failure to operate in accordance with the provisions outlined in the Authorized Officer's conditions of approval and/or subsequent stipulations or modifications will subject such approval to revocation.
- 6. Gas measurement for allocation must be measured as per Onshore Order #5 or 43 CFR 3175 and API requirements for sales meters, or as approved in this approval to commingle production.
- 7. Oil measurement for allocation must be measured as per Onshore Order #4 or 43 CFR 3174 and API requirements for oil measurement, or as approved in this approval to commingle production.
- 8. All gas and oil subject to royalty shall be measured as per federal regulations and shall be reported to ONRR as required. All gas which is vented, flared or used on lease shall be reported as per 43 CFR 3179 to ONRR. All gas which is vented or flared shall be subject to royalty, unless prior approval was given by the authorized officer. These volumes are royalty bearing and shall be reported on OGOR "B" as disposition code "33" for royalty-bearing flared gas and disposition code 63 for royalty-bearing vented gas.

DC 33 = Flared gas – royalty due

DC 63 = Vented gas - royalty due

- 9. This agency shall be notified of any change in sales method or location of sales point.
- 10. Additional wells and/or leases/CAs require additional commingling approvals.
- 11. Notify this office 24 Hrs. prior to any meter proving to allow time for an inspector to witness.
- 12. Submit meter numbers upon installation of meters and also provide updated facility diagram with meters numbers.
- 13. This approval does not authorize any by passes around any allocation meter or metering separator, this is to include the use of headers to divert production to other production equipment other than the approve measurement points.

Well Name	API #	Formation	Lease/CA
Train 1:			·
Salado Draw 18 26 33 Federal 4H	3002542279	Bone Spring	NM27506
Salado Draw 18 26 33 Federal 3H	3002542278	Bone Spring	NM27506
Salado Draw 19 26 33 Federal 4H	3002542281	Bone Spring	NM27506
Salado Draw 19 26 33 Federal 3H	3002542280	Bone Spring	NM27506
SD EA 19 Federal P6 5H	3002542797	Bone Spring	NM27506
SD EA 19 Federal P6 6H	3002542798	Bone Spring	NM27506
SD EA 19 Federal P6 7H	3002542799	Bone Spring	NM27506
SD EA 18 Federal P6 5H	3002542795	Bone Spring	NM27506
SD EA 18 Federal P6 6H	3002542796	Bone Spring	NM27506
Porter Brown 1H	3002540802	Bone Spring	NM27506
Salado Draw 18 26 33 Federal 1H	3002542659	Bone Spring	CA-NM135806
Salado Draw 18 26 33 Federal 2H	3002542660	Bone Spring	CA-NM135806
Salado Draw 19 26 33 Federal 1H	3002542661	Bone Spring	CA-NM135996
Salado Draw 19 26 33 Federal 2H	3002542662	Bone Spring	CA-NM135996
Train 2A:			
SD EA 18 19 P15 Fed Com 16H	3002544088	Wolfcamp	NM27506
Train 2B:			
SD EA 18 19 P15 Fed Com 20H	3002544091	Bone Spring	CA-Pending#1
Train 3:			
SD EA 18 19 P15 Fed Com 17H	3002544089	Wolfcamp	CA-Pending#2
SD EA 18 19 P15 Fed Com 18H	3002544090	Wolfcamp	CA-Pending#2
SD EA 18 19 P15 Fed Com 19H	3002544167	Wolfcamp	CA-Pending#2

Leases NMNM27506, NMLC0065880A, NMNM132069, NMNM132070; All have a Royalty Rate of 12.5%

CA-NMNM135806 - includes Lease NM27506 - 75.0253% & NMNM132069 - 24.9747% CA-NMNM135996 - includes Lease NM27506 - 74.9874% & NMLC065880A - 25.0126% CA-Pending#1 - includes Lease NMNM132070 - 75% & FEE - 25% CA-Pending#2 - includes Lease NMNM27506 - 50% & NMNM132070 - 37.5% & FEE - 12.5%

5/31/2019 DR



Chevron North America Exploration and Production Company (A Chevron U.S.A. Inc. Division) 6301 Deauville Blvd Midland, TX 79706 Tel 432.687.7665 LBecerra@Chevron.com

January 25, 2019

Bureau of Land Management Attn: Engineering Department

Commingling & Off-Lease Measurement Application, Jennings; Upper Bone Spring Shale (97838)/Sanders Tank; Upper Wolfcamp (98097), Lea County, NM (Sec. 18 & 19, T26S-R33E)

Dear Sir/Madam,

Chevron U.S.A. Inc. respectfully requests administrative approval to commingle oil, gas, and water production from the Bone Spring Shale and Upper Wolfcamp pools and for Off-Lease Measurement, Sales and Storage through Chevron's Salado Draw 19 Central Tank Battery. Chevron requests the approval to minimize surface disturbance and future traffic by concentrating activities at one battery. A list of wells producing to this battery is attached.

These wells are located in the NE4NE4 of Section 19, T26S-R33E, Lea County, New Mexico. C-102s for all wells connected to this battery and facility diagrams are included with this notification.

The royalty rate for BLM leases (NMNM 27506, NMNM 132069, NMNM 132070 and NMLC 065880-A) is 12.5%. However, due to private fee in the NE/4 NE/4 of Section 18, the BLM's royalty distribution will vary across the acreage. Chevron plans to commingle the Bone Spring and Wolfcamp production covering the aforementioned BLM leases. Attached you will find a table with a list of wells and royalty details.

All wells will be tested monthly to meet all federal and state requirements. Additionally, Value of Oil will not be affected because the wells will be completed in the same formation; therefore, the APIs will be the same or similar. The value of gas will not be affected due to different formations as BTUs are expected to be the same or similar.

Names of all WIO and RIO are included with this request. All owners are being notified of this request and that each will have 20 days with which to object to the commingling request per NMOCD Rule 19.15.12.10 Surface Commingle C. (4) c.

Sincerely,

Laura Becerra Regulatory Specialist Midcontinent BU

WELL LIST

ederal Lease USA NMNM 2750	16		
Well Name	Location	API#	Pool 97838
	Sec. 19, NENW, T26S-R33E	30-025-42279	Jennings; Upper Bone Spring Shale
	Sec. 19, NENW, T26S-R33E	30-025-42278	Jennings; Upper Bone Spring Shale
	Sec. 19, NENW, T26S-R33E	30-025-42281	Jennings; Upper Bone Spring Shale
	Sec. 19, NENW, T26S-R33E	30-025-42280	Jennings; Upper Bone Spring Shale
	Sec. 19, NWNE, T26S-R33E	30-025-42797	Jennings; Upper Bone Spring Shale
	Sec. 19, NWNE, T26S-R33E	30-025-42798	Jennings; Upper Bone Spring Shale
	Sec. 19, NWNE, T26S-R33E	30-025-42799	Jennings; Upper Bone Spring Shale
	Sec. 19, NWNE, T26S-R33E	30-025-42795	Jennings; Upper Bone Spring Shale
	Sec. 19, NWNE, T26S-R33E	30-025-42796	Jennings; Upper Bone Spring Shale
	Sec. 19, SESE, T26S-R33E	30-025-40802	Jennings; Upper Bone Spring Shale
Well Name	Location	API#	Pool 98097
	Sec. 18, NENE, T26S-R33E	30-025-44088	Sanders Tank; Upper Wolfcamp
OM Agreement NM 135806 Well Name	Location	API#	Pagi 07838
weii Name	Location	API#	Pool 97838
	Soc 10 NIM/NIM/ TOES DOOL	20.025 42650	Jonnings, Linner Dene Carine Chale
	Sec. 19, NWNW, T26S-R33E	30-025-42659	
oderal Loaco LISA NMNM 2750	Sec. 19, NWNW, T26S-R33E	30-025-42659 30-025-42660	
	Sec. 19, NWNW, T26S-R33E		
OM Agreement NM 135996	Sec. 19, NWNW, T26S-R33E 6, USA NMLC 065880A	30-025-42660	Jennings; Upper Bone Spring Shale
	Sec. 19, NWNW, T26S-R33E 6, USA NMLC 065880A Location	30-025-42660 API#	Jennings; Upper Bone Spring Shale Pool 97838
OM Agreement NM 135996	Sec. 19, NWNW, T26S-R33E 6, USA NMLC 065880A Location Sec. 19, NWNW, T26S-R33E	30-025-42660 API# 30-025-42661	Jennings; Upper Bone Spring Shale Pool 97838 Jennings; Upper Bone Spring Shale
OM Agreement NM 135996 Well Name	Sec. 19, NWNW, T26S-R33E 6, USA NMLC 065880A Location Sec. 19, NWNW, T26S-R33E Sec. 19, NWNW, T26S-R33E	30-025-42660 API#	Jennings; Upper Bone Spring Shale Pool 97838 Jennings; Upper Bone Spring Shale
OM Agreement NM 135996 Well Name ederal Lease USA NMNM 2750	Sec. 19, NWNW, T26S-R33E 6, USA NMLC 065880A Location Sec. 19, NWNW, T26S-R33E	30-025-42660 API# 30-025-42661	Jennings; Upper Bone Spring Shale Pool 97838 Jennings; Upper Bone Spring Shale
OM Agreement NM 135996 Well Name ederal Lease USA NMNM 2750	Sec. 19, NWNW, T26S-R33E 6, USA NMLC 065880A Location Sec. 19, NWNW, T26S-R33E Sec. 19, NWNW, T26S-R33E	30-025-42660 API# 30-025-42661	Jennings; Upper Bone Spring Shale Pool 97838 Jennings; Upper Bone Spring Shale
OM Agreement NM 135996 Well Name ederal Lease USA NMNM 2750 COM awaiting approval	Sec. 19, NWNW, T26S-R33E 6, USA NMLC 065880A Location Sec. 19, NWNW, T26S-R33E Sec. 19, NWNW, T26S-R33E Sec. 19, NWNW, T26S-R33E 6, USA NMNM 132070, Private Fee	30-025-42660 API# 30-025-42661 30-025-42662	Jennings; Upper Bone Spring Shale Pool 97838 Jennings; Upper Bone Spring Shale Jennings; Upper Bone Spring Shale
OM Agreement NM 135996 Well Name ederal Lease USA NMNM 2750 COM awaiting approval	Sec. 19, NWNW, T26S-R33E 6, USA NMLC 065880A Location Sec. 19, NWNW, T26S-R33E Sec. 19, NWNW, T26S-R33E 16, USA NMNM 132070, Private Fee Location	30-025-42660 API# 30-025-42661 30-025-42662 API#	Jennings; Upper Bone Spring Shale Pool 97838 Jennings; Upper Bone Spring Shale Jennings; Upper Bone Spring Shale Pool 98097
OM Agreement NM 135996 Well Name ederal Lease USA NMNM 2750 COM awaiting approval	Sec. 19, NWNW, T26S-R33E 6, USA NMLC 065880A Location Sec. 19, NWNW, T26S-R33E Sec. 19, NWNW, T26S-R33E 6, USA NMNM 132070, Private Fee Location Sec. 18, NENE, T26S-R33E	30-025-42660 API# 30-025-42661 30-025-42662 API# 30-025-44089	Jennings; Upper Bone Spring Shale Pool 97838 Jennings; Upper Bone Spring Shale Jennings; Upper Bone Spring Shale Pool 98097 Sanders Tank; Upper Wolfcamp
OM Agreement NM 135996 Well Name ederal Lease USA NMNM 2750 COM awaiting approval Well Name	Sec. 19, NWNW, T26S-R33E 6, USA NMLC 065880A Location Sec. 19, NWNW, T26S-R33E Sec. 19, NWNW, T26S-R33E 6, USA NMNM 132070, Private Fee Location Sec. 18, NENE, T26S-R33E Sec. 18, NENE, T26S-R33E Sec. 18, NENE, T26S-R33E	30-025-42660 API# 30-025-42661 30-025-42662 API# 30-025-44089 30-025-44090	Jennings; Upper Bone Spring Shale Pool 97838 Jennings; Upper Bone Spring Shale Jennings; Upper Bone Spring Shale Pool 98097 Sanders Tank; Upper Wolfcamp Sanders Tank; Upper Wolfcamp
ederal Lease USA NMNM 2750 COM awaiting approval	Sec. 19, NWNW, T26S-R33E 6, USA NMLC 065880A Location Sec. 19, NWNW, T26S-R33E Sec. 19, NWNW, T26S-R33E 6, USA NMNM 132070, Private Fee Location Sec. 18, NENE, T26S-R33E Sec. 18, NENE, T26S-R33E Sec. 18, NENE, T26S-R33E	30-025-42660 API# 30-025-42661 30-025-42662 API# 30-025-44089 30-025-44090	Jennings; Upper Bone Spring Shale Pool 97838 Jennings; Upper Bone Spring Shale Jennings; Upper Bone Spring Shale Pool 98097 Sanders Tank; Upper Wolfcamp Sanders Tank; Upper Wolfcamp
OM Agreement NM 135996 Well Name ederal Lease USA NMNM 2750 COM awaiting approval Well Name ederal Lease USA NMNM 1320	Sec. 19, NWNW, T26S-R33E 6, USA NMLC 065880A Location Sec. 19, NWNW, T26S-R33E Sec. 19, NWNW, T26S-R33E 6, USA NMNM 132070, Private Fee Location Sec. 18, NENE, T26S-R33E Sec. 18, NENE, T26S-R33E Sec. 18, NENE, T26S-R33E	30-025-42660 API# 30-025-42661 30-025-42662 API# 30-025-44089 30-025-44090	Jennings; Upper Bone Spring Shale Jennings; Upper Bone Spring Shale Pool 98097 Sanders Tank; Upper Wolfcamp Sanders Tank; Upper Wolfcamp

The royalty rate for the BLM leases listed above is the same -- 12.5%. However, due to private fee in the NE/4 NE/4 of Section 18, the BLM's royalty distribution will vary across the acreage.

The BLM's royalty distribution in the wells highlighted in green is the same at 12.5% RI, the BLM's royalty distibution in the wells highlighted in orange is the same at 10.9375% RI and the BLM's royalty distribution in the well highlighted in yellow is 9.375% RI.

Due to this, Chevron will separately treat and meter production from the green wells, orange wells and yellow well as further depicted on the Facilities Diagram included within this packet. Please note however, Chevron will be commingling Bone Spring and Wolfcamp production from the green wells.

Oil & Gas metering:

The central tank battery (Salado Draw 19 Central Tank Battery) is located in the NWNW corner of Sect 19 T26S, R33E. For gas, there will be a common central delivery point (CDP) gas sales as well as a gas compression station that takes combined suction gas from CTB 19 and CTB 29. This compressor station sends gas either to a High Pressure sales point (Enterprise, DCP) or to a gas lift system. The produced water will go to common water tanks on location and then to the SWD station that will be located in the SWSW portion of Sect 13 T26S, R32E or third party disposal.

In order to meet all commingling requirements, the Salado Draw 18 19 Fed Com P15 #20H will produce through it's own production train (Train 2B) for separation and measurement. Salado Draw 18 19 Fed Com P15 #16H will produce through Train 2A. The remaining wells from Pad 15, Salado Draw 18 19 Fed Com P15 (#17H, #18H, and #19H), will produce through Train 3 for separation and measurement, described in the below PFD.

Trains 1, 2A, 2B, & 3 will have their own coriolis meter downstream of each heater treater (*SN 14465580, 14505433, TBD, & 14765033, respectively). Produced gas from Train 1 will be measured and totaled with an Orifice Meter and a EFM Flow computer downstream of hte Inlet Separator (SN: 2300250191). Train 2A gas will be measured in the same configuration (SN: 2300250192) as well as Trains 2B & 3 (SN: 5300250195 & TBD). This is further described in the Process Flow Diagram below.

After all wells are metered at their heater treaters, the oil will be sent to common oil tanks and sold through common LACT units (SN: 4300250051 & TBD).

All wells will at a minimum be tested monthly in order to meet all federal and state requirements regardless of the phase of decline. For wells that are in Range 1 of decline based on R-14299, the wells will be tested at least three times per month. The value of gas will not be affected due to different formations as BTUs are expected to be the same or similar.

Flash gas from the Tanks and the Heated Vessels (Heated Production Separator & Heater Treater) will be compressed via the VRU/FGC system and metered with a common meter (orifice meter containing a EFM Flow computer, SN 2300250193). Allocation will occur as described in the Allocation Methodology Section.

All produced gas from CTB #19 will be meter with 2 common orifice meters and EFM Flow computers, SN 2300250229 & TBD.

Flaring in the event of an upset will also be measured with an orifice meter fitted with an EFM Flow Computer (SN 7300250008). Pilot gas for the flare will be measured with 2-orifice meters containing EFM flow computers (SN 6300250011 & 6300250012). These flare meters are located downstream of hte common sales orifice meter.

Gas Lift -

Gas from Salado Draw 19 CTB and Salado Draw 29 CTB will be combined upstream of the Salado Draw 19 Compressor Station. Each CTB's gas will be continuously measured utilizing orifice meters fitted with EFM flow computers located at Salado Draw 19 CTB (SN 2300250229) and Salado Draw 29 CTB (SN 2300250228) prior to entering the Compressor Station suction. Gas will be utilized by the compressor station as needed for gas lift of wells in Sections 18, 19 and 29. Total gas lift volumes for each well will be measured through individual well gas lift orifice meters fitted with Total Flow EFM flow computers.

- Salado Draw 18-26-33 Fed Com #1H gas lift meter consists of a Total Flow EFM (SN 2300250221).
- Salado Draw 19-26-33 Fed Com #1H gas lift meter consists of a Total Flow EFM (SN 2300250223).
- Salado Draw 18-26-33 Fed Com #2H gas lift meter consists of a Total Flow EFM (SN 2300250222).
- Salado Draw 19-26-33 Fed Com #2H gas lift meter consists of a Total Flow EFM (SN 2300250224).
- Salado Draw 18-26-33 Fed #3H gas lift meter consists of a Total Flow EFM (SN 2300250205).
- Salado Draw 19-26-33 Fed #3H gas lift meter consists of a Total Flow EFM (SN 2300250206).
- Salado Draw 18-26-33 Fed #4H gas lift meter consists of a Total Flow EFM (SN 2300250208).
- Salado Draw 19-26-33 Fed #4H gas lift meter consists of a Total Flow EFM (SN 2300250207).
- Salado Draw 18-26-33 Fed #5H gas lift meter consists of a Total Flow EFM (*SN TBD).
- Salado Draw 19-26-33 Fed #5H gas lift meter consists of a Total Flow EFM (*SN TBD).
- Salado Draw 18-26-33 Fed #6H gas lift meter consists of a Total Flow EFM (*SN TBD).
- Salado Draw 19-26-33 Fed #6H gas lift meter consists of a Total Flow EFM (*SN TBD).
- Salado Draw 19-26-33 Fed #7H gas lift meter consists of a Total Flow EFM (*SN TBD).
- Porter Brown 19-26-33 Fed #1H gas lift meter consists of a Total Flow EFM (*SN TBD).
- Salado Draw 29-26-33 Fed Com #1H gas lift meter consists of a Total Flow EFM (SN 2300250234).
- Salado Draw 29-26-33 Fed Com #2H gas lift meter consists of a Total Flow EFM (SN 2300250235).
- Salado Draw 29-26-33 Fed Com #3H gas lift meter consists of a Total Flow EFM (SN 2300250236).
- Salado Draw 29-26-33 Fed Com #4H gas lift meter consists of a Total Flow EFM (SN 2300250237).
- Salado Draw 29-26-33 Fed Com #5H gas lift meter consists of a Total Flow EFM (SN 2300250215).
- Salado Draw 29-26-33 Fed Com #6H gas lift meter consists of a Total Flow EFM (SN 2300250216).
- Salado Draw 29-26-33 Fed Com #7H gas lift meter consists of a Total Flow EFM (SN 2300250217).
- Salado Draw 29-26-33 Fed Com #8H gas lift meter consists of a Total Flow EFM (SN 2300250218).
- Moose's Tooth 29-26-33 Fed Com #1H gas lift meter consists of a Total Flow EFM (SN 2300250204).
- Salado Draw 18-19 Fed Com #16H gas lift meter consists of a Total Flow EFM (*SN TBD).
- Salado Draw 18-19 Fed Com #17H gas lift meter consists of a Total Flow EFM (*SN TBD).
- Salado Draw 18-19 Fed Com #18H gas lift meter consists of a Total Flow EFM (*SN TBD).
- Salado Draw 18-19 Fed Com #19H gas lift meter consists of a Total Flow EFM (*SN TBD).
- Salado Draw 18-19 Fed Com #20H gas lift meter consists of a Total Flow EFM (*SN TBD).

Each Sales Point will have an orifice meter fitted with an EFM flow computer.

- Salado Draw 19 DBM Sales EFM (SN 3300250021)
- Salado Draw 29 DBM Sales EFM (SN 01605329)
- Enterprise Sales EFM (SN 5300250193)
- DCP Sales EFM (SN 3300250022)

The total gas sales from these meters will be combined and allocation to the batteries will be conducted based on the following allocation methodology:

SD 19 GAS ALLOCATION

Total Sales Gas from CTB #19 & CTB #29

= SD 19 DBM Meter + SD 29 DBM Meter + Enterprise Sales Meter + DCP Sales Meter - DCP Buyback Meter

Total Battery Gas

= SD 19 Battery Bulk Gas (SN 2300250229 + TBD) + SD 19 Fuel Gas + SD 29 Battery Bulk Gas + SD 29 Fuel Gas

Total Gas Lift = Sum of all well gas lift meters

SD 19 Gas Lift = Sum of all CTB 19 Gas Lift Meters

SD 19 Produced Gas = SD 19 CTB Meters (SN2300250229 + TBD) + SD 19 Fuel Gas

SD 19 Train 1 Gas Lift

= SD 181H + SD 182H + SD 191H + SD 192H + SD 183H + SD 184H + SD 185H + SD 186H + SD 193H + SD 194H + SD 195H + SD 196H + SD 197H + Porter Brown 1H

SD 19 Train 2A Gas Lift = SD 18 19 16H

SD Train 2B Gas Lift = SD 18 19 20H

SD Train 3 Gas Lift = SD 18 19 17H + SD 18 19 18H + SD 18 19 19H



SD 19 Train 1 Oil%

SD 19*T*1 Oil

= (SD19 Train 1 Oil + SD19 Train 2A Oil + SD19 Train 2B Oil + SD19 Train 3 Oil)

SD 19 Train 2A Oil%

SD 19 T2A Oil

= (SD19 Train 1 Oil + SD19 Train 2A Oil + SD19 Train 2B Oil + SD19 Train 3 Oil)

SD 19 Train 2B Oil%

SD 19 T2B Oil

= (SD19 Train 1 Oil + SD19 Train 2A Oil + SD19 Train 2B Oil + SD19 Train 3 Oil)

SD 19 Train 3 Oil%

SD 19 T3 Oil

= (SD19 Train 1 Oil + SD19 Train 2A Oil + SD19 Train 2B Oil + SD19 Train 3 Oil)

Chevron U.S.A. Inc.

 $SD 19 Sales Gas\% = \frac{(SD 19 Battery Gas - SD 19 Gas Lift)}{(Total Battery Gas - Total Gas Lift)}$ $SD 19 Sales Gas = SD 19 Produced Gas\% \bullet (Total Sales + Flared Gas)$ SD 19 Train 1 Sales Gas = SD 19 T1 Gas - SD 19 T1 Gas Lift + SD 19 T1 Flash

SD 19 Train 2A Sales Gas = SD 19 T2A Gas - SD 19 T2A Gas Lift + SD 19 T2A Flash

SD 19 Train 2B Sales Gas = SD 19 T2B Gas - SD 19 T2B Gas Lift + SD 19 T2B Flash

SD 19 Train 3 Sales Gas = SD 19 T3 Gas - SD 19 T3 Gas Lift + SD 19 T3 Flash

Process and Flow Descriptions:

A REAL PROPERTY OF A REAL PROPER

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

A central tank battery is located in the NWNW of Sect 19 T26S, R33E, on federal lease NM27506 in Lea County, New Mexico. After separation and allocation measurement, the oil, gas, and water will go to common oil tanks, common water tanks, and a gas CDP or compression station located at edge of facility pad in T26S, RR33E Section 19.

Printed Name: Matthew Kieke Title: Facility Engineer Date: 01/15/2019



APPLICATION FOR COMMINGLING and OFF LEASE MEASUREMENT AT A COMMON CENTRAL TANK BATTERY

Crude Data

Pricing table:

- Assuming crude price is \$50, the netback should be \$48.10
- Crude Price Assumes NYMEX +/-Roll +/- Midland/Cushing diff = \$50. The current transportation deduct is \$1.90 per bbl.

Crude Statement

• "Oil production in the area is currently sold as sweet under an existing contract where Chevron will receive the same sales price for all crude streams delivered at 49 API gravity and below. Because all production is expected to be less than 49 API, surface comingling of these pools will not change the value of the crude sales price under current terms."

Gas Data

Pricing table:

- Assuming crude price is \$50
- Estimate gas value about \$3/Mcf.

Gas Statement:

The commingling of gas between the captioned wells will not have an impact on the value of the production, as the gas to be commingled is produced from a common pool with similar BTUs.



Chevron North America Exploration and Production Company (A Chevron U.S.A. Inc. Division) 6301 Deauville Bivd Midland, TX 79706

January 25, 2019

RE: Application for surface commingling of the Jennings Upper Bone Spring Shale Pool (97838), the Sanders Tank Upper Wolfcamp Pool (98097), & the WC-025 G-06 S263319P Bone Spring Pool (97955), Lea County, NM; Salado Draw 19 Central Tank Battery

The Salado Draw 19 Central Tank Battery is located in the NWNW (UL: P), Sec. 19, T26S-R33E.

Monthly production for the last 6 months is attached. Wells P15 16H, P15 17H, P15 18H, P15 19H, & P15 20H are new wells (quantity 5) and are targeted to begin producing in May 2019.

The thirteen wells producing into this facility will be tested under the following conditions:

- Salado Draw 19 26 33 Fed Com #1H is in Range 3 of decline based on R-14299 and will be tested at least once per month;
- Salado Draw 19 26 33 Fed Com #2H is in Range 3 of decline based on R-14299 and will be tested at least once per month;
- Salado Draw 18 26 33 Fed Com #1H is in Range 3 of decline based on R-14299 and will be tested at least once per month;
- Salado Draw 18 26 33 Fed Com #2H is in Range 3 of decline based on R-14299 and will be tested at least once per month;
- Salado Draw 18 26 33 Fed #3H is in Range 3 of decline based on R-14299 and will be tested at least once per month;
- Salado Draw 18 26 33 Fed #4H is in Range 3 of decline based on R-14299 and will be tested at least once per month;
- Salado Draw 19 26 33 Fed #3H is in Range 3 of decline based on R-14299 and will be tested at least once per month;
- Salado Draw 19 26 33 Fed #4H
- Porter Brown #1H is in Range3 of decline based on R-14299 and will be tested at least once per month;
- Salado Draw EA 18 Fed P6 #5H is in Range 3 of decline based on R-14299 and will be tested at least once per month;
- Salado Draw EA 18 Fed P6 #6H is in Range 3of decline based on R-14299 and will be tested at least once per month;
- Salado Draw EA 19 Fed P6 #5H is in Range 3 of decline based on R-14299 and will be tested at least once per month;
- Salado Draw EA 19 Fed P6 #6H is in Range 3 of decline based on R-14299 and will be tested at least once per month;
- Salado Draw EA 19 Fed P6 #7H is in Range 3 of decline based on R-14299 and will be tested at least once per month;
- Salado Draw EA 18 19 Fed Com P15 #16H will be in Range 1 of decline based on R-14299 and will be tested at least three times per month;

- Salado Draw EA 18 19 Fed Com P15 #17H will be in Range 1 of decline based on R-14299 and will be tested at least three times per month;
- Salado Draw EA 18 19 Fed Com P15 #18H will be in Range 1 of decline based on R-14299 and will be tested at least three times per month;
- Salado Draw EA 18 19 Fed Com P15 #19H will be in Range 1 of decline based on R-14299 and will be tested at least three times per month;
- Salado Draw EA 18 19 Fed Com P15 #20H will be in Range 1 of decline based on R-14299 and will be tested at least three times per month;

Matthew Kieke Facilities Engineer

1-25-2019

		Jun-18	Jul-18	Aug-18	Sep-18	Oct-18	Nov-18
	Oil	1,054	977	1,049	968	1,160	962
SALADO DRAW 18 26 33 FED 4H	Gas	19,458	20,649	23,548	19,163	20,661	19,575
	Water	883	1,772	1,551	944	1,074	892
	Oil	579	645	811	763	900	721
SALADO DRAW 18 26 33 FED 3H	Gas	16,716	18,084	18,191	15,629	16,537	14,437
	Water	581	795	1,001	556	723	667
	Oil	882	833	864	806	834	811
SALADO DRAW 19 26 33 FED 4H	Gas	23,275	19,980	23,894	18,224	12,218	17,717
	Water	639	943	819	613	572	466
	Oil	882	811	805	567	994	849
SALADO DRAW 19 26 33 FED 3H	Gas	21,645	21,814	22,726	18,074	19,777	15,787
	Water	1,451	1,529	1,603	1,533	1,841	1,510
	Oil	1,124	1,107	1,233	1,036	1,329	940
SD EA 19 FED P6 SH	Gas	34,222	34,142	28,607	25,447	28,744	21,120
	Water	1,348	1,519	1,463	1,232	1,674	1,261
	Oil	935	1,458	1,268	1,148	1,337	1,020
SD EA 19 FED P6 6H	Gas	21,116	23,035	19,798	17,818	20,422	13,222
	Water	4,502	3,626	3,230	2,994	4,011	3,408
	Oil	1,465	1,483	1,508	1,305	1,390	1,153
SD EA 19 FED P6 7H	Gas	24,244	25,737	25,930	23,491	22,754	17,780
	Water	1,074	1,179	1,331	1,268	1,470	1,265
	Oil	1,592	1,289	1,169	1,027	1,072	1,235
SD EA 18 FED P6 5H	Gas	21,530	25,510	25,745	23,483	21,052	30,117
	Water	697	801	939	851	867	1,058
	Oil	2,272	2,055	2,171	1,890	2,091	1,747
SD EA 18 FED P6 6H	Gas	23,189	20,604	22,928	19,505	21,420	16,173
	Water	700	731	848	744	900	672
	Oil	782	785	840	895	946	1,029
PORTER BROWN 1H	Gas	7,274	6,358	3,490	7,329	21,253	17,281
	Water	362	439	512	[,] 554	569	545
	Oil	1,671	1,489	1,236	1,143	993	1,077
SALADO DRAW 18 26 33 FED 1H	Gas	7,950	9,641	8,798	4,806	388	2,568
	Water	2,693	3,388	2,081	1,851	1,351	1,723
	Oil	1,297	1,133	1,045	949	1,193	943
SALADO DRAW 18 26 33 FED 2H	Gas	9,237	12,466	14,655	11,457	16,570	14,232
	Water	1,787	1,778	1,073	892	974	841
	Oil	1,277	1,217	1,097	955	951	892
SALADO DRAW 19 26 33 FED 1H	Gas	4,004	4,434	8,913	7,018	8,751	7,915
	Water	3,039	3,947	2,624	1,994	1,902	1,822
	Oil	802	917	966	782	954	845
SALADO DRAW 19 26 33 FED 2H	Gas	16,905	16,589	22,960	18,468	24,468	24,255
	Water	2,071	1,737	894	1,104	795	504

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Revised March 23, 2017

RECEIVED:	REVIEWER:	TYPE:	APP NO:
		ABOVE THIS TABLE FOR OCD DI	
		O OIL CONSERVA	ATION DIVISION Bureau –
	ADMINISTRA		ON CHECKLIST
	THIS CHECKLIST IS MANDATORY FOR ALL	ADMINISTRATIVE APPLICA	ITIONS FOR EXCEPTIONS TO DIVISION RULES AND DIVISION LEVEL IN SANTA FE
Applicant:	CHEVRON USA INC	<u></u>	OGRID Number: 4323
	D EA 18 19 P15 FED COM 16H		API: <u>30-025-44088</u>
'00I: <u>SAND</u>	ERS TANK; UPPER WOLFCAMP		Pool Code: 97838
SUBMIT ACC	URATE AND COMPLETE INFO	ORMATION REQUI	RED TO PROCESS THE TYPE OF APPLICATION
•	PPLICATION: Check those w ion – Spacing Unit – Simulto NSL NSP(PRO.	neous Dedicatio	
[1]C [11]1r	njection – Disposal – Pressur WFX PMX SW	C PC C e Increase – Enhc D IPI E	OR PPR
A. ☐ Of B. ■ Ro C. ☐ Ar D. ☐ No E. ■ No F. ☐ Su G. ■ Fo	ION REQUIRED TO: Check the fiset operators or lease hold availy, overriding royalty ow oplication requires published offication and/or concurrent offication and/or concurrent race owner r all of the above, proof of o notice required	ers ners, revenue ow d notice nt approval by SL nt approval by BL	Notice Complete
 CERTIFICAT administra understand 	(ION: I hereby certify that the the the the time approval is accurate a	nd complete to t en on this applicc	omitted with this application for he best of my knowledge. I also ation until the required information and
	Note: Statement must be complete	ed by an individual with	managerial and/or supervisory capacity.
			12/2010
LAURA BECERRA			1/24/2018 Date
Print or Type Na	me		
			(432) 687-7665 Phone Number
Signature	7		LBECERRA@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 USA 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 🛛 Fede	eral					
Is this an Amendment to existing Order	? Yes No If	"Yes", please include t	he appropriate C	rder No			
Have the Bureau of Land Management Yes No	(BLM) and State Land	d office (SLO) been not	tified in writing o	of the proposed commi	ngling		
(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		
Jennings; Upper Bone Spring (97838)	44.7/ 1287						
Sanders Tank; Upper Wolfcamp (98097)	46.5/1233	7					

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

WC-025 G-06 S263319P; Bn Spg (97955)

(3) Has all interest owners been notified by certified mail of the proposed commingling?

44.7/1287

(4) Measurement type: Metering Other (Specify)

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

(B) LEASE COMMINGLING Please attach sheets with the following information

Upper Bone Spring (97838), Upper Wolfcamp (98097), Bone Spring (97955)

(2) Is all production from same source of supply? TYes No

(3) Has all interest owners been notified by certified mail of the proposed commingling?

(4) Measurement type: Metering Other (Specify)

(C) POOL and LEASE COMMINGLING Please attach sheets with the following information

(1) Complete Sections A and E.

(1) Pool Name and Code.

(D) OFF-LEASE STORAGE and MEASUREMENT

Please attached sheets with the following information

Is all production from same source of supply? Yes No
 Include proof of notice to all interest owners.

(E) ADDITIONAL INFORMATION (for all application types)
Please attach sheets with the follow	wing 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: Permitting Specialist	DATE: 1/24/2019					
TYPE OR PRINT NAME Laura Becerra		TELEPHONE NO.: (432) 687-7665					

E-MAIL ADDRESS: LBecerra@Chevron.com

Run Date/Time: 11/28/2018 14:31 PM

Name & Address

01 02-25-1920;041STAT0437;30USC226 Case Type 311111: O&G LSE NONCOMP PUB LAND Commodity 459: OIL & GAS Case Disposition: AUTHORIZED

Total Acres: 39.730 Serial Number NMLC 0065880A

Serial Number:	NWLC U U63880A
int Rel	% Interest

Serial Number: NMLC-- 0 065880A

	- · · · · · ·				// 111201001
ACME LAND CO	PO BOX 66	JOPLIN	MO 64802	OPERATING RIGHTS	0.000000000
CHEVRON USA INC	6301 DEAUVILLE	MIDLAND	TX 797062964	LESSEE	100.000000000

			Serial Nurr	1.10 NMLC 0 065880A		
Mer	<u>Twp Rng</u>	Sec SType	Nr Suff Subdivision	District/ Field Office	County	Mgmt Agency
23	0260S 0330E	019 LOTS	4;	CARLSBAD FIELD OFFICE	LEA	BUREAU OF LAND MGMT

Relinquished/Withdrawn Lands

23	0260S 0330E	718	FF	02	L1,3,4,SEGR;	PECOS DISTRICT OFFICE	LEA	BUREAU OF LAND MGMT
23	0260S 0330E	718	FF	03	W2E2,E2W2,SEGR;	PECOS DISTRICT OFFICE	LEA	BUREAU OF LAND MGMT
23	0260S 0330E	718	FF	01	L2 ASGN;	PECOS DISTRICT OFFICE	LEA	BUREAU OF LAND MGMT
23	0260S 0330E	719	FF	01	L1-3,SEGR;	PECOS DISTRICT OFFICE	LEA	BUREAU OF LAND MGMT
23	0260S 0330E	719	FF	02	E2,E2W2,SEGR;	PECOS DISTRICT OFFICE	LEA	BUREAU OF LAND MGMT
23	0260S 0330E	720	FF		ALL,SEGR;	PECOS DISTRICT OFFICE	LEA	BUREAU OF LAND MGMT
23	0260S 0330E	729	FF		N2,SW,SEGR;	PECOS DISTRICT OFFICE	LEA	BUREAU OF LAND MGMT

A of Doto	A -4 C -	de Aster Tut		Serial Number: NMLC 0 065880A
Act Date	Act Co	ode Action Txt	Action Remarks	Pending Off
08/31/1948	387	CASE ESTABLISHED		
09/01/1948	496	FUND CODE	05;145003	
09/01/1948	530	RLTY RATE - 12 1/2%		
09/01/1948	868	EFFECTIVE DATE		
04/09/1953	140	ASGN FILED	P BROWN/G LITTLEFIELD	
06/22/1955	553	CASE CREATED BY ASGN	OUT OF NMLC065880;	
07/28/1958	140	ASGN FILED	G LITTLEFIELD/RNLY	
08/20/1958	570	CASE SEGREGATED BY ASGN	INTO NMLC065880-B;	
05/26/1959	315	RENTAL RATE DET/ADJ	\$2.00;	
06/23/1959	140	ASGN FILED	LITTLEFIELD/GULF	
07/22/1959	139	ASGN APPROVED	EFF 07/01/59;	
01/08/1960	650	HELD BY PROD - ACTUAL		

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

Sarial Number NINI C 0.0659904

Serial Number: NMLC-- 0 065880A Act Date Act Code Action Txt Pending Off **Action Remarks** 01/08/1960 658 MEMO OF 1ST PROD-ACTUAL 03/11/1960 102 NOTICE SENT-PROD STATUS 05/26/1960 510 **KMA CLASSIFIED** 10/31/1973 700 LEASE SEGREGATED INTO NMNM27506: 11/01/1973 232 LEASE COMMITTED TO UNIT NMNM70994X;N EL MAR 10/24/1979 940 NAME CHANGE RECOGNIZED CONTL OIL/CONOCO INC 07/15/1986 817 MERGER RECOGNIZED **CHEVRON USA/GULF OIL** 07/15/1986 NAME CHANGE RECOGNIZED **GULF OIL/CHEVRON USA** 940 05/07/1987 963 CASE MICROFILMED/SCANNED CNUM 104,293 DS 10/01/1992 621 **RLTY RED-STRIPPER WELL** 7.7%;/1/ 04/05/1993 625 **RLTY REDUCTION APPV** /1/ 08/15/1994 932 TRF OPER RGTS FILED CONOCO/CHILDRESS 08/29/1994 932 **TRF OPER RGTS FILED** NEAL/ACME LAND CO 11/21/1994 933 TRF OPER RGTS APPROVED EFF 09/01/94; 11/21/1994 974 AUTOMATED RECORD VERIF LBO 12/01/1994 TRF OPER RGTS APPROVED 933 EFF 09/01/94; 06/27/2013 TRF OF ORR FILED 899 1 04/27/2015 **TRF OPER RGTS FILED** 932 CHILDRESS/ACME LAND;1 05/29/2015 933 TRF OPER RGTS APPROVED EFF 05/01/15; 05/29/2015 974 AUTOMATED RECORD VERIF LBO 12/01/2015 246 LEASE COMMITTED TO CA NMNM135996: 02/15/2016 MEMO OF 1ST PROD-ACTUAL 658 /2/NMNM135996;#2H 07/07/2016 643 **PRODUCTION DETERMINATION /2/**

Line Number **Remark Text**

Run Date/Time: 11/28/2018 14:31 PM

0002 BONDED OPERATOR (S) -0003

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

12/01/1994 - CHILDRESS ROYALTY CO. - NM2331 S/W;

Page 2 Of 2

Serial Number: NMLC-- 0 065880A

Run Date/Time: 11/28/2018 7:56 AM

Page 1 Of 4 Serial Number

Total Acres:

1,517.740

NMNM 027506

01 02-25-1920;041STAT0437;30USC226 Case Type 311111: O&G LSE NONCOMP PUB LAND Commodity 459: OIL & GAS **Case Disposition: AUTHORIZED**

Serial Number:	NMNM 027506	
Int Rel	% interest	

Name & Address		_			Int Rel	% interest
CHEVRON USA INC	6301 DEAUVILLE	MIDLAND	7 אז	797062964	LESSEE	100.00000000

Mer	Twp Rng	Sec	SType	Nr Su	ff_Subdivision	District/ Field Office		r: NMNM 027506 Mgmt Agency
23	0260S 0330E	018	LOTS		1,3,4;	CARLSBAD FIELD OFFICE	LEA	BUREAU OF LAND MGMT
23	0260S 0330E	018	ALIQ		W2E2,E2W2;	CARLSBAD FIELD OFFICE	LEA	BUREAU OF LAND MGMT
23	0260S 0330E	019	LOTS		1,2,3;	CARLSBAD FIELD OFFICE	LEA	BUREAU OF LAND MGMT
23	0260S 0330E	019	ALIQ		E2,E2W2;	CARLSBAD FIELD OFFICE	LEA	BUREAU OF LAND MGMT
23	0260S 0330E	029	ALIQ		N2,SW;	CARLSBAD FIELD OFFICE	LEA	BUREAU OF LAND MGMT
Reli	nquished/W	ithdr	awn Lan	ds			Serial Numbe	er: NMNM 027506
23	0260S 0330E	720	FF		ALL, ASGN;	PECOS DISTRICT OFFICE	LEA	BUREAU OF LAND MGMT

				Serial Number: NMNM 027506
Act Date	Act Code	Action Txt	Action Remarks	Pending Off
08/31/1948	387	CASE ESTABLISHED		
09/01/1948	496	FUND CODE	05;145003	
09/01/1948	530	RLTY RATE - 12 1/2%		
09/01/1948	868	EFFECTIVE DATE		
11/01/1973	209	CASE CREATED BY SEGR	OUT OF NMLC065880A;	
11/01/1973	648	EXT BY PROD ON ASSOC LSE	NMLC065880A;	
08/12/1983	932	TRF OPER RGTS FILED		
08/13/1983	933	TRF OPER RGTS APPROVED	(1)EFF 12/01/80;	
08/13/1983	933	TRF OPER RGTS APPROVED	(2)EFF 12/01/80;	
08/16/1983	932	TRF OPER RGTS FILED		
07/17/1984	500	GEOGRAPHIC NAME	EL MAR/SALDADO DRAW;	
07/17/1984	510	KMA CLASSIFIED		
08/15/1984	111	RENTAL RECEIVED	\$0;84-85	
08/31/1984	315	RENTAL RATE DET/ADJ	\$2.00;	
02/27/1985	932	TRF OPER RGTS FILED		

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

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				Serial Number: NMNM 027506
Act Date	Act Coo	ie Action Txt	Action Remarks	Pending Off
03/05/2013	899	TRF OF ORR FILED	2	
03/05/2013	899	TRF OF ORR FILED	5	
03/05/2013	899	TRF OF ORR FILED	3	
03/18/2013	643	PRODUCTION DETERMINATION	/1/	
03/18/2013	650	HELD BY PROD - ACTUAL	/1/1H-PORTER BROWN;	
05/08/2013	658	MEMO OF 1ST PROD-ACTUAL	/1/#1H;	
05/24/2013	899	TRF OF ORR FILED	1	
05/24/2013	899	TRF OF ORR FILED	2	
05/24/2013	899	TRF OF ORR FILED	3	
06/18/2013	899	TRF OF ORR FILED	1	
06/27/2013	899	TRF OF ORR FILED	1	
05/07/2014	899	TRF OF ORR FILED	1	
05/07/2014	899	TRF OF ORR FILED	2	
05/09/2014	899	TRF OF ORR FILED	2	
05/09/2014	899	TRF OF ORR FILED	1	
05/09/2014	899	TRF OF ORR FILED	3	
05/29/2014	8 99	TRF OF ORR FILED	2	
05/29/2014	899	TRF OF ORR FILED	1	
03/01/2015	246	LEASE COMMITTED TO CA	NMNM134673;	
03/11/2015	658	MEMO OF 1ST PROD-ACTUAL	/1/NMNM134673;#1H	
06/18/2015	643	PRODUCTION DETERMINATION	/1/	
09/01/2015	246	LEASE COMMITTED TO CA	NMNM135620;	
09/24/2015	658	MEMO OF 1ST PROD-ACTUAL	/2/NMNM135620;#7H	
12/01/2015	246	LEASE COMMITTED TO CA	NMNM135806;	
12/01/2015	246	LEASE COMMITTED TO CA	NMNM135996;	
01/01/2016	246	LEASE COMMITTED TO CA	NMNM136451;	
02/15/2016	658	MEMO OF 1ST PROD-ACTUAL	/4/NMNM135996;#2H	
03/01/2016	643	PRODUCTION DETERMINATION	121	
03/04/2016	658	MEMO OF 1ST PROD-ACTUAL	/5/NMNM136451;#2H	
03/29/2016	658	MEMO OF 1ST PROD-ACTUAL	/3/NMNM135806;#2H	
04/26/2016	643	PRODUCTION DETERMINATION	/3/	
07/07/2016	643	PRODUCTION DETERMINATION	141	
10/28/2016	643	PRODUCTION DETERMINATION	/5/	

Line Number Remark Text

Run Date/Time: 11/28/2018 7:56 AM

Serial Number: NMNM--- 027506

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

Run Date/Time: 11/28/2018 7:57 AM

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

Serial Number: NMNM-- 132070

Total Acres: 120.000

NMNM 132070

Name & Address Int Rel % Interest CHEVRON USA INC 6301 DEAUVILLE TX 797062964 MIDLAND LESSEE 100.000000000 Serial Number: NMNM-- 132070 Mer Twp Rng Sec SType Nr Suff Subdivision **District/ Field Office** County Mgmt Agency

23 0260S 0330E 018 ALIQ SENE,E2SE; CARLSBAD FIELD OFFICE LEA BUREAU OF LAND MGMT

Relinquished/Withdrawn Lands

Serial Number: NMNM-- 132070

Act Date	Act Code	Action Txt	Action Remarks	Serial Number: NMNM- 132070 Pending Off
11/25/2013	387	CASE ESTABLISHED	201402011;	
02/26/2014	143	BONUS BID PAYMENT RECD	\$240.00;	
02/26/2014	191	SALE HELD		
02/26/2014	267	BID RECEIVED	\$1140000.00;	
02/28/2014	143	BONUS BID PAYMENT RECD	\$1139760.00;	
05/15/2014	237	LEASE ISSUED		
05/15/2014	974	AUTOMATED RECORD VERIF	LBO	
06/01/2014	496	FUND CODE	05;145003	
06/01/2014	530	RLTY RATE - 12 1/2%		
06/01/2014	868	EFFECTIVE DATE		
08/14/2014	140	ASGN FILED	FEDERAL A/CHEVRON U;1	
09/08/2014	139	ASGN APPROVED	EFF 09/01/14;	
09/08/2014	974	AUTOMATED RECORD VERIF	EMR	
05/31/2024	763	EXPIRES		

Line Number	Remark Text	Serial Number: NMNM- 132070
0002	STIPULATIONS ATTACHED TO LEASE:	
0003	NM-11-LN SPECIAL CULTURAL RESOURCE	
0004	SENM-S-17 SLOPES OR FRAGILE SOILS	
0005	SENM-S-20 SPRINGS, SEEPS AND TANKS	
	NO WARRANTY IS MADE BY BLM FOR USE OF THE DATA FOR PURPOSES NOT I	TENDED BY BLM

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Shalyce Holmes Land Representative Mid-Continent Business Unit North American Exploration and Production Co., a division of Chevron U.S.A. Inc. 1400 Smith Street Houston, Texas 77002 Tel 713-372-6051 SLHolmes@chevron.com

November 6, 2018

CERTIFIED MAIL - RETURN RECEIPT REQUESTED

Interest Owners

RE: Request for Commingling & Off-Lease Measurement See List of Wells Attached Sec. 18 & 19, T26S-R33E Pool 97838 – Jennings; Upper Bone Spring Shale Pool 98097 – Sanders Tank; Upper Wolfcamp Lea County, New Mexico

Dear Sir/Madam;

This letter is to advise you that Chevron U.S.A. Inc. is filing an application with the New Mexico Oil Conservation Division ("NMOCD") seeking approval to commingle production from the attached list of wells and for Off-Lease Measurement, Sales & Storage at a common Central Tank Battery.

A summary of our application to the Division is attached for reference.

Any objections or requests that a hearing should be held regarding this application must be submitted to the NMOCD Sante Fe office within 20 days from the date of this letter.

Please feel free to contact the undersigned at 713-372-6051 should you have any questions, or require any additional information.

Regard Shalvce Holmes

Land Representative

Name	Address	Interest Type
Chevron U.S.A. Inc.	1400 Smith Street	WI
	Houton, TX 77002	
COG Operating, LLC	600 West Illinois Avenue	wi
	Midland, TX 79701	
RSC Resources, L.P.	Att: Randy S. Cates	WI
	6824 Island Circle	
	Midland, TX 79707	
Bradly S. Bates	101 Blackberry Court	WI
	Midland, TX 79705	
Sagebrush Interests, LLC	2450 Fondren, Suite 112	WI
	Houtson, TX 77063	
Charlotte W. Schuman and	2121 South Yorktown	RI
Karlyn S. Doyle, Co-Trustees of	Apt. 305	
the Charlotte W. Chuman Trust	Tulsa, Oklahoma 74114	
Tilden Capital Minerals, LLC	307 W 7th St #1203	RI
	Fort Worth, Texas 76102	
GGM Exploration, Inc.	420 Thorckmorton St #200	RI
	Fort Worth, Texas 76102	
TD Minerals, LLC	811 Westchester Dr. #900	RI
	Dallas, TX 75225	
HAP Land, LLC	5353 Fannin St, Apt 1401	RI
	Houston, Texas 77004	
AE&J Royalites, LLC	23 Bergen St	RI
	Brooklyn, NY 11201	
Estate of J. Harold Schuman	Matthew Schuman	RI
	789 Horatio Blvd., Buffalo	
	Grove, IL 60089	
	Liessa Schuman Wright, 5777	
	Carell Avenue, Agoura Hills, CA	
	91301	
Commerce First Royalties, LP	14241 Dallas Parkway	RI
	Suite 600	
	Dallas, TX 75254	
The United States of America	620 E Greene St.	RI
Bureau of Land Management	Carlsbad, New Mexico 88220	

List of Interest Owners

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