OIL CONSERVATION DIVISION 2040 South Pacheco Street Santa Fe, New Mexico 87585 (505) 827-7131

COMMINGLING ORDER CTB-437

Chevron U.S.A. Production Company P.O. Box 1150 Midland, Texas 79702-1150

Attention: Mr. Lloyd V. Trautman

The above named company is hereby authorized to commingle Monument Abo Pool (46970) production from the following leases:

Lease:

Monument '12' State Well No.3

Description:

NE/4 SW/4, Section 12, and;

Lease:

Monument '14' State Well No.2

Description:

NW/4 SE/4, Section 14;

both located Township 19 South, Range 36 East, NMPM, Lea County, New Mexico.

Production shall be allocated to each lease by well tests. (If this method is to be authorized, all commingled production must be of identical ownership including working interest, royalty interest, and overriding royalty interest.)

NOTE: This installation shall be installed and operated in accordance with the applicable provisions of Rule 303 of the Division Rules and Regulations and the Division "Manual for the Installation and Operation of Commingling Facilities." It is the responsibility of the producer to notify the transporter of this commingling authority.

REMARKS: The commingled production shall be stored in the Monument Abo Commingled tank battery facility located in Section 14, Township 19 South, Range 36 East, NMPM, Lea County, New Mexico.

FURTHER: The operator shall notify the Hobbs district office of the Division prior to implementation of the commingling process.

DONE at Santa Fe, New Mexico, on this 11th day of October, 1996.

ILLIAM J. LEMAY, Division Director

WJL/BES

cc:

Oil Conservation Division - Hobbs State Land Office - Oil & Gas Division

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DONNA,

SINCE WE HAVE APPROVAL FOR COMMINGLING OF THESE TWO LEASES (ABO), WILL ANY NEW WELLS DRILLED ON THESE LEASES BE COVERED UNDER COMMINGLING ORDER CTB-437?

THANKS JANICE