

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

Oil Cons.  
N.M. DIV-Dist. 2  
1301 W. Grand Avenue  
Artesia, NM 88210

FORM APPROVED  
Budget Bureau No. 1004-0135  
Expires: March 31, 1993

**SUNDRY NOTICES AND REPORTS ON WELLS**

Do not use this form for proposals to drill or deepen or reentry to a different reservoir.  
Use "APPLICATION FOR PERMIT-" for such proposals

**SUBMIT IN TRIPLICATE**

1. Type of well

☒ Oil ☐ Gas ☐ Other

2. Name of Operator

ChevronTexaco Exploration & Production Co.

3. Address and Telephone No.

15 Smith Road; Midland, TX 79705

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

Section 22  
T17S - R31E

**RECEIVED**

**MAR 29 2004**

**OCD-ARTESIA**

5. Lease Designation and Serial No.

LC-029419A

6. If Indian, Allottee or Tribe Name

N/A

7. If Unit or CA, Agreement Designation

NM-71030X

8. Well Name and No.

Skelly Unit # 940, # 941, 944, & 945

9. API Well No.

30-015-32599; 30-015-32600; 30-015-32963; 30-015-32964

10. Field and Pool, or Exploratory Area

Skelly Unit, Paddock Field

11. County or Parish, State

Eddy County, NM

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

| 12 | TYPE OF SUBMISSION                                   | TYPE OF ACTION                                                                  |
|----|------------------------------------------------------|---------------------------------------------------------------------------------|
|    | <input checked="" type="checkbox"/> Notice of Intent | <input type="checkbox"/> Abandonment                                            |
|    | <input type="checkbox"/> Subsequent Report           | <input type="checkbox"/> Recompletion                                           |
|    | <input type="checkbox"/> Final Abandonment Notice    | <input type="checkbox"/> Plugging Back                                          |
|    |                                                      | <input type="checkbox"/> Casing Repair                                          |
|    |                                                      | <input type="checkbox"/> Altering Casing                                        |
|    |                                                      | <input checked="" type="checkbox"/> Commingling, On Lease Storage & Measurement |
|    |                                                      | <input type="checkbox"/> Change of Plans                                        |
|    |                                                      | <input type="checkbox"/> New Construction                                       |
|    |                                                      | <input type="checkbox"/> Non-Routine Fracturing                                 |
|    |                                                      | <input type="checkbox"/> Water Shut-Off                                         |
|    |                                                      | <input type="checkbox"/> Conversion to Injection                                |
|    |                                                      | <input type="checkbox"/> Dispose Water                                          |

13. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimate date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)

ChevronTexaco Exploration & Production Company, has submitted a request to the OCD for approval to Surface Commingle the Paddock production from wells # 940, 941, 944, & 945, in the Skelly Unit # 940 Battery, located in the Fren Paddock Field, at the Skelly Unit # 940 well location, 990' FNL & 330' FWL, Sec. 22, T, 17S, R31E, Eddy County, NM.

Wells to be commingled.

Skelly Unit # 940, Paddock pool # 49210, API 30-015-32599, 990' FNL & 330' FWL, SEC 22, T17S, R31E, Eddy Co., NM  
Skelly Unit # 941, Paddock pool # 49210, API 30-015-32600, 990' FNL & 1650' FWL, SEC 22, T17S, R31E, Eddy Co., NM  
Skelly Unit # 944, Paddock pool # 49210, API 30-015-32963, 330' FNL & 990' FWL, SEC 22, T17S, R31E, Eddy Co., NM  
Skelly Unit # 945, Paddock pool # 49210, API 30-015-32964, 330' FNL & 2310' FWL, SEC 22, T17S, R31E, Eddy Co., NM

ChevronTexaco is the operator of these wells and ChevronTexaco and Mack Energy both have 50% working interest. The reason for this Lease Commingle is that the royalty and overriding royalty owners are different. All of the production will be from the same Paddock Pool # 49210.

A production separator and a metering separator will be dedicated to meter the fluid for the Skelly wells # 940 & # 944, and a Test separator and a production separator for the # 941 & #945, as is illustrated on the attached flow diagram.

For your clarification, the OCD Lease commingle package is included with the Sundry notice of Intent.

**APPROVAL SUBJECT TO  
GENERAL REQUIREMENTS AND  
SPECIAL STIPULATIONS ATTACHED**

14. I hereby certify that the foregoing is true and correct

Signed Alexis C. Swoboda Title Petroleum Engineering Technical Assistant

Date March 23, 2004

(This space for Federal or State office use)

Approved by (ORIG. SGD.) ALEXIS C. SWOBODA

Date MAR 26 2004

Title 18 U.S.C. Section 1001, makes 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.

\*See Instructions on Reverse Side

|         |          |          |           |      |         |
|---------|----------|----------|-----------|------|---------|
| DATE IN | SUSPENSE | ENGINEER | LOGGED IN | TYPE | APP NO. |
|---------|----------|----------|-----------|------|---------|

ABOVE THIS LINE 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 REGULATION 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.

CAROLYN HAYNIE  
 Print or Type Name

Signature

Title

Date

PE Technical Assistant 3-16-04  
 e-mail Address CHAYNIE@CHEVRONTEXACO.COM

Chevron USA Production Company Inc.  
Carolyn J. Haynie  
Waterflood Technical Assistant  
15 Smith Road  
Midland, TX 79705  
Tel 432-687-7384  
Fax 432-687-7557

## ChevronTexaco

March 15, 2004

New Mexico Oil Conservation Division  
1220 South St. Francis Drive  
Santa Fe, NM 87504

RE: Application to Pool (Surface) Commingle Oil, Gas, and Water Production

Attn: Oil & Gas Regulatory Department

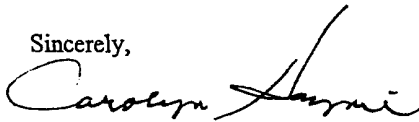
ChevronTexaco Exploration & Production Company, respectfully request administrative approval to Surface Commingle the Paddock production in the Skelly Unit 940 Battery, located in the Fren Paddock Field, at the Skelly Unit # 940 well location, Sec. 22, T17S, R31E, Eddy County, NM.

ChevronTexaco is the operator of the Skelly Unit, of which the # 940, # 941, # 944, # 945, have recently been drilled. ChevronTexaco and Mack Energy both have a 50% Working Interest in these well. The Royalty & Overriding Royalty information for these four wells is included in the attachments. A production separator and a metering separator will be dedicated to meter the fluids for the Skelly wells # 940 & # 944 and the # 941 & # 945, before commingling the production.

In support of this request the attachments include the oil and gas production initial well test, well location information, a lease plat, working interest and royalty information and a proposed schematic diagram for the Skelly Unit facility.

For your convenience, I have enclosed an envelope with my return address, so the decision for this Surface Commingles can be sent directly to me. If you require additional information or have any questions, please contact me at 432-687-7384, at the ChevronTexaco, Claydesta Building; Midland, Texas.

Sincerely,



Carolyn Haynie  
New Mexico Technical Assistant

Cc: NMOCD -- Artesia District 2  
Lease File  
Reggie Holzer  
Chad Stallard  
Danny Lovell  
Kim Moore  
Denise Mohar  
Denise Pinkerton

# SKELLY UNIT 940 BATTERY

| LEASE       | Well No. | Status | Pool    | Pool Number | API #        | Unit<br>Letter | Location             | Section | Township | Range | Elevation | County | % of<br>Ownership |
|-------------|----------|--------|---------|-------------|--------------|----------------|----------------------|---------|----------|-------|-----------|--------|-------------------|
| SKELLY UNIT | 940      | PR     | PADDOCK | 49210       | 30-015-32599 | A              | 990' FNL & 330' FWL  | 22      | 17S      | 31E   | 3833'     | Eddy   | 50                |
| SKELLY UNIT | 941      | PR     | PADDOCK | 49210       | 30-015-32600 | C              | 990' FNL & 1650' FWL | 22      | 17S      | 31E   | 3836'     | Eddy   | 50                |
| SKELLY UNIT | 944      | PR     | PADDOCK | 49210       | 30-015-32963 | A              | 330' FNL & 990' FWL  | 22      | 17S      | 31E   | 3845'     | Eddy   | 50                |
| SKELLY UNIT | 945      | PR     | PADDOCK | 49210       | 30-015-32964 | C              | 330' FNL & 2310' FWL | 22      | 17S      | 31E   | 3853'     | Eddy   | 50                |

[illegible]

|                  |  |  |  |  |  |  |  |  |  |
|------------------|--|--|--|--|--|--|--|--|--|
| WELL TEST REPORT |  |  |  |  |  |  |  |  |  |
|------------------|--|--|--|--|--|--|--|--|--|

Lease: **SKELLY UNIT 941** Field: **FLD - FREN**

Reservoir: Paddock

Field Code: PH6

Resv Code: 0000008451

|              |          |
|--------------|----------|
| Unique Code: | PPH61200 |
|--------------|----------|

|          |                |
|----------|----------------|
| Battery: | SKELLY 940-941 |
|----------|----------------|

Wellbore: 601132

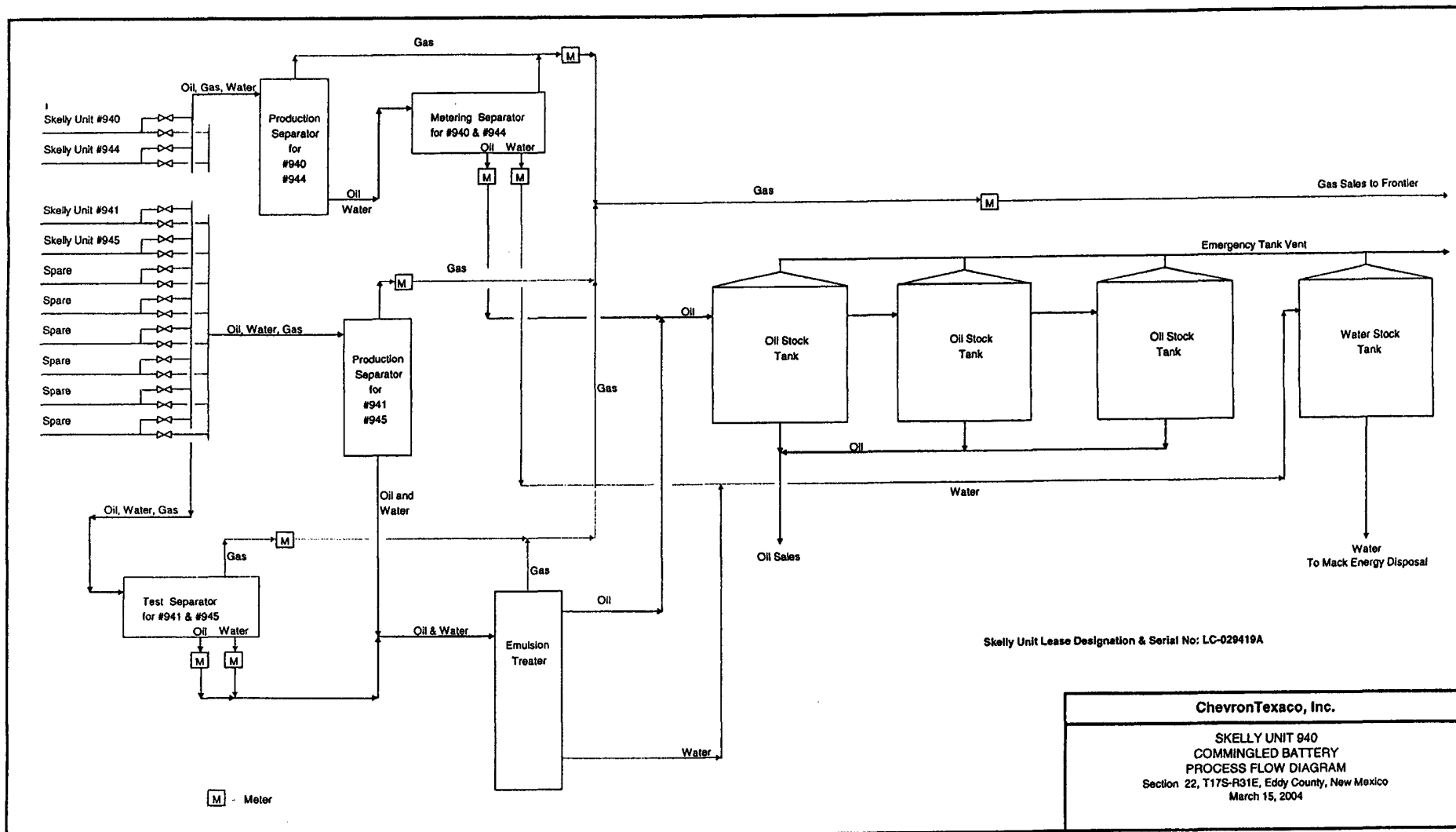
|         |              |
|---------|--------------|
| API No: | 300153260000 |
|---------|--------------|

[illegible]

[illegible]

[illegible]





Chevron U.S.A. Production Company  
Carolyn J. Haynie  
Technical Assistant  
Eunice Waterflood  
15 Smith Road  
Midland, TX 79705  
432-687-7384

March 15, 2004

**ChevronTexaco**

Pool Surface Commingling  
Fren Paddock Field  
Skelly Unit Lease  
Section 22, T17S, R31E  
Eddy County, New Mexico

Re: Notice of Intent to Pool Surface Commingle Production

Working Interest, Royalty & Overriding Royalty Interest Owners:

ChevronTexaco Exploration & Production Company, formerly Texaco Exploration & Production Company, respectfully gives notice of intent, pending regulatory approval, to Surface Commingle the Paddock production in the Skelly Unit 940 Battery, located in the Fren Paddock Field, at the Skelly Unit # 940 well location, Sec. 22, T17S, R31E, Eddy County, NM.

ChevronTexaco is the operator of the Skelly Unit, of which the # 940, # 941, # 944, # 945, have recently been drilled. ChevronTexaco and Mack Energy both have a 50% Working Interest in these well. A production separator and a metering separator will be dedicated to meter the fluids for the Skelly wells # 940 & # 944 and the # 941 & # 945 before commingling the production.

Any objection to this Pool Surface Commingle must be submitted to the New Mexico Oil Conservation Division; 1220 South St. Francis Drive; Santa Fe, NM 87504, within 20 days of receipt of this notification.

If you have any questions or require additional information, please contact me at 432-687-7384, at the ChevronTexaco, Claydesta Building; Midland, Texas.

Sincerely,



Carolyn Haynie  
New Mexico Waterflood  
Petroleum Eng. Technical Assistant

Cc: NMOCD  
Working Interest Owners  
Royalty/Overriding Royalty Interest Owners

Venture: 007639 00021

Venture Name: SKELLY UNIT

County/State: EDDY, NEW MEXICO

Operator: CHEVRON USA INC.

Product: OIL, CONDENSATES - GBSA & ABOVE

| Interest Type | Owner Number | Name & Address                                                                                          | Tax ID      | Decimal Interest | Interest Sequence       | Pay Status | Suspense Reason | Act Ent |
|---------------|--------------|---------------------------------------------------------------------------------------------------------|-------------|------------------|-------------------------|------------|-----------------|---------|
| OR            | 8025858      | JAMES D BROWN JR<br>16105 RED CEDAR TRL<br>DALLAS, TEXAS 75248                                          | 452-52-2554 | 0.005            | 1                       | PAY        |                 | E       |
|               |              |                                                                                                         | Subtotal    | 0.005            | Number of Owners =<br>1 |            |                 |         |
| RI            | 8040594      | MINERALS MANAGEMENT SERVICE<br>ROYALTY MANAGEMENT PROGRAM<br>PO BOX 5810<br>DENVER, COLORADO 80217-0000 |             | 0.125            | 1                       | PAY        |                 | E       |
|               |              |                                                                                                         | Subtotal    | 0.125            | Number of Owners =<br>1 |            |                 |         |
| WI            | 8014078      | CHEVRON USA INC<br>PO Box 4791<br>HOUSTON, TEXAS 77210-4791                                             | 25-0527925  | 0.4375           | 1                       | PAY        |                 | A       |
| WI            | 8029779      | G DIANNE CHASE CROUCH<br>PO BOX 693<br>ARTESIA, NEW MEXICO 88211                                        | 525-11-9265 | 0.0173           | 1                       | PAY        |                 | A       |
| WI            | 8040811      | CHASE OIL CORPORATION<br>PO BOX 1767<br>ARTESIA, NEW MEXICO 88211-1767                                  | 85-0403681  | 0.21625          | 1                       | PAY        |                 | A       |
| WI            | 8041278      | MACK C AND MARILYN Y CHASE TST<br>MACK C CHASE TRSTE<br>PO BOX 693<br>ARTESIA, NEW MEXICO 88211-0693    | 52-5620520  | 0.12975          | 1                       | PAY        |                 | A       |
| WI            | 8041279      | RICHARD L & KARLA CHASE<br>PO Box 359<br>ARTESIA, NEW MEXICO 88211-0359                                 | 585-96-6040 | 0.02595          | 1                       | PAY        |                 | A       |
| WI            | 8041280      | ROBERT C AND DEB E CHASE<br>2306 SIERRA VISTA DR<br>ARTESIA, NEW MEXICO 88210                           | 58-5807468  | 0.04325          | 1                       | PAY        |                 | A       |
|               |              |                                                                                                         | Subtotal    | 0.87             | Number of Owners =<br>6 |            |                 |         |
|               |              |                                                                                                         | Grand Total | 1                | Number of Owners =<br>8 |            |                 |         |

Venture: 005451 00001

Venture Name: SKELLY UNIT

County/State: EDDY, NEW MEXICO

Operator: CHEVRON USA INC.

Product: OIL, CONDENSATES - BELOW GRAYBURG SAN ANDRES

| Interest Type | Owner Number | Name & Address                                                                                                                      | Tax ID      | Decimal Interest | Interest Sequence | Pay Status | Suspense Reason | Act Ent |
|---------------|--------------|-------------------------------------------------------------------------------------------------------------------------------------|-------------|------------------|-------------------|------------|-----------------|---------|
| OR            | 8016298      | JACK W MCCA<br>PO BOX 127<br>ARTESIA, NEW MEXICO 88211-0127                                                                         | 525-24-9048 | 0.0087121        | 1                 | PAY        |                 | E       |
| OR            | 8016298      | JACK W MCCA<br>PO BOX 127<br>ARTESIA, NEW MEXICO 88211-0127                                                                         | 525-24-9048 | 0.0003788        | 2                 | PAY        |                 | E       |
| OR            | 8016298      | JACK W MCCA<br>PO BOX 127<br>ARTESIA, NEW MEXICO 88211-0127                                                                         | 525-24-9048 | 0.0003788        | 3                 | PAY        |                 | E       |
| OR            | 8016299      | THOMAS M MCCA<br>PO BOX 7383<br>PUEBLO WEST, COLORADO 81007-0383                                                                    | 525-74-2036 | 0.0003788        | 1                 | PAY        |                 | E       |
| OR            | 8016300      | JACK HAGIN MCCA<br>8236 PARK RD<br>RYE, COLORADO 81069                                                                              | 525-90-0020 | 0.0003788        | 1                 | PAY        |                 | E       |
| OR            | 8016301      | PEGGY RUTH MCCA<br>801 W QUAY<br>ARTESIA, NEW MEXICO 88210-1947                                                                     | 525-48-2419 | 0.0003788        | 1                 | PAY        |                 | E       |
| OR            | 8016302      | JACQUELINE MCCA<br>11438 LOVINGTON HIGHWAY<br>ARTESIA, NEW MEXICO 88210-9634                                                        | 525-11-7485 | 0.0003788        | 1                 | PAY        |                 | E       |
| OR            | 8016303      | WILLIAM REED MCCA JR<br>4131 DAY DR<br>SAN MARCOS, TEXAS 78666-9540                                                                 | 585-34-0417 | 0.0003788        | 1                 | PAY        |                 | E       |
| OR            | 8016897      | HIGGINS TRUST INC<br>PO BOX 2421<br>WILLIAM P EDWARDS<br>GAINESVILLE, GEORGIA 30503-2421                                            | 85-6009063  | 0.005            | 1                 | PAY        |                 | E       |
| OR            | 8019351      | SABINE ROYALTY TRST<br>BANK OF AMERICA NA SUC ESCROW AGT<br>LBX # 840887<br>C/O NATIONSBANK OF TEXAS NA<br>DALLAS, TEXAS 75284-0887 | 75-6297143  | 0.0033333        | 1                 | PAY        |                 | E       |
| OR            | 8022357      | MCCA FAMILY TRST<br>210 CROSSBOW ROAD<br>ARTESIA, NEW MEXICO 88210                                                                  | 258-38-5957 | 0.0003787        | 1                 | PAY        |                 | E       |

|    |         |                                                                                                                           |             |           |   |         |          |   |
|----|---------|---------------------------------------------------------------------------------------------------------------------------|-------------|-----------|---|---------|----------|---|
| OR | 8022945 | CHRIS D RATH<br>PO BOX 105<br>MCINTOSH, FLORIDA 32664-0105                                                                | 406-20-9781 | 0.0000694 | 1 | PAY     |          | E |
| OR | 8025858 | JAMES D BROWN JR<br>16105 RED CEDAR TRL<br>DALLAS, TEXAS 75248                                                            | 452-52-2554 | 0.005     | 1 | PAY     |          | E |
| OR | 8029599 | LINDA B HAACK<br>1652 W SILVER SPRINGS RD<br>PARK CITY, UTAH 84098                                                        | 520-46-0081 | 0.0002083 | 1 | SUSPEND | IN KNOWN | E |
| OR | 8029716 | DONALD M TAYLOR AND ALICE L TAYLOR<br>2425 RALEIGH ST<br>DENVER, COLORADO 80212-1227                                      | 523-58-5021 | 0.0025    | 1 | SUSPEND | SFERRED  | E |
| OR | 8029737 | ROGER RATH<br>3705 W 68TH 311C<br>WESTMINSTER, COLORADO 80030-6206                                                        | 524-09-7742 | 0.0000694 | 1 | SUSPEND | WITHOUT  | E |
| OR | 8029803 | BILL COLLINS<br>6960 BUCKSKIN DR<br>LITTLETON, COLORADO 80125-9236                                                        | 525-36-3425 | 0.0010417 | 1 | PAY     |          | E |
| OR | 8029823 | ROBERT L COLLINS JR<br>2004 BRENTWOOD DR<br>AUBURNDAL, FLORIDA 33823-2034                                                 | 525-54-0393 | 0.0020833 | 1 | PAY     |          | E |
| OR | 8029837 | WANDA COLLINS<br>606 JOSHUA COURT<br>WALNUT CREEK, CALIFORNIA 94598-1726                                                  | 525-62-6662 | 0.0010417 | 1 | PAY     |          | E |
| OR | 8030052 | RAYMOND COBB JOHNSON<br>1111 S HOLLAND COURT<br>LAKEWOOD, COLORADO 80226                                                  | 537-16-5521 | 0.0000695 | 1 | SUSPEND | IN KNOWN | E |
| OR | 8032490 | LARRY B MCCA W<br>PO BOX 25637<br>SCOTTSDALE, ARIZONA 85255                                                               | 525-80-9725 | 0.0001421 | 1 | PAY     |          | E |
| OR | 8033564 | EDWINA K BRADY<br>100 NORTON AVE #2<br>S EASTON, MASSACHUSETTS 02375                                                      | 525-92-9523 | 0.0001421 | 1 | PAY     |          | E |
| OR | 8033607 | ANNALOU MCCUNE<br>3003A ILLINOIS ST<br>BEDFORD, INDIANA 47421-5452                                                        | 306-30-9802 | 0.0004167 | 1 | PAY     |          | E |
| OR | 8033981 | SELMA ANDREWS PERPETUAL CHARITABLE<br>TRUST<br>NATIONSBANK NA TRUSTEE<br>PO BOX 840738<br>DALLAS, TEXAS 75284-0738        | 75-6327536  | 0.0035803 | 1 | PAY     |          | E |
| OR | 8038727 | SELMA ANDREWS TRUST<br>F/B/O PEGGY BARRETT<br>5188-01 NATIONSBANK NA TRUSTEE<br>PO BOX 840738<br>DALLAS, TEXAS 75284-0738 | 75-6327535  | 0.0017902 | 1 | PAY     |          | E |

|    |         |                                                                                                             |             |            |                          |     |   |
|----|---------|-------------------------------------------------------------------------------------------------------------|-------------|------------|--------------------------|-----|---|
| OR | 8039297 | BRaille INSTITUTE OF AMER AGENCY<br>631 00<br>PO BOX 840738<br>C/O NATIONS BANK<br>DALLAS, TEXAS 75284-0738 | 95-1641426  | 0.0046295  | 1                        | PAY | E |
| OR | 8040927 | MARSHALL & WINSTON INC<br>PO BOX 50880<br>MIDLAND, TEXAS 79710-0880                                         | 95-0976450  | 0.01       | 1                        | PAY | E |
| OR | 8042973 | NOLA I WILSON<br>3627 E DOVER<br>MESA, ARIZONA 85205                                                        | 447-28-2308 | 0.0003788  | 1                        | PAY | E |
| OR | 8043723 | BARBARA ZEDNICK<br>2608 W GRAND<br>ARTESIA, NEW MEXICO 88210                                                | 585-09-7312 | 0.0000946  | 1                        | PAY | E |
| OR | 8050042 | WILLIAM D SCHAUER LIVING TRUST<br>WELLS FARGO OGM C7300-07D TRSTE<br>P O BOX 5383<br>DENVER, COLORADO 80217 | 85-6124095  | 0.01333335 | 1                        | PAY | E |
| OR | 8050043 | DIANA WINGFIELD LIVING TRUST<br>WELLS FARGO OGM C7300-07D TRSTE<br>P O BOX 5383<br>DENVER, COLORADO 80217   | 85-6124094  | 0.01333335 | 1                        | PAY | E |
|    |         |                                                                                                             | Subtotal    | 0.08       | Number of Owners =<br>31 |     |   |
| RI | 8040594 | MINERALS MANAGEMENT SERVICE<br>ROYALTY MANAGEMENT PROGRAM<br>PO BOX 5810<br>DENVER, COLORADO 80217-0000     |             | 0.021      | 1                        | PAY | E |
|    |         |                                                                                                             | Subtotal    | 0.021      | Number of Owners =<br>1  |     |   |
| WI | 8014078 | CHEVRON USA INC<br>PO Box 4791<br>HOUSTON, TEXAS 77210-4791                                                 | 25-0527925  | 0.452      | 1                        | PAY | A |
| WI | 8029779 | G DIANNE CHASE CROUCH<br>PO BOX 693<br>ARTESIA, NEW MEXICO 88211                                            | 525-11-9265 | 0.01788    | 1                        | PAY | A |
| WI | 8040811 | CHASE OIL CORPORATION<br>PO BOX 1767<br>ARTESIA, NEW MEXICO 88211-1767                                      | 85-0403681  | 0.2235     | 1                        | PAY | A |
| WI | 8041278 | MACK C AND MARILYN Y CHASE TST<br>MACK C CHASE TRSTE<br>PO BOX 693<br>ARTESIA, NEW MEXICO 88211-0693        | 52-5620520  | 0.1341     | 1                        | PAY | A |
| WI | 8041279 | RICHARD L & KARLA CHASE<br>PO Box 359<br>ARTESIA, NEW MEXICO 88211-0359                                     | 585-96-6040 | 0.02682    | 1                        | PAY | A |

|    |         |                                                                               |             |        |                          |     |   |
|----|---------|-------------------------------------------------------------------------------|-------------|--------|--------------------------|-----|---|
| WI | 8041280 | ROBERT C AND DEB E CHASE<br>2306 SIERRA VISTA DR<br>ARTESIA, NEW MEXICO 88210 | 58-5807468  | 0.0447 | 1                        | PAY | A |
|    |         |                                                                               | Subtotal    | 0.899  | Number of Owners =<br>6  |     |   |
|    |         |                                                                               | Grand Total | 1      | Number of Owners =<br>38 |     |   |

District I  
1625 N. French Drive, Hobbs, NM 88240  
District II  
1301 W. Grand Ave, 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 June 10, 2003

### 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: ChevronTexaco Exploration & Production Company

OPERATOR ADDRESS: 15 Smith Road; Midland, TX 79705

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<br>Non-Commingled<br>Production | Calculated Gravities /<br>BTU of Commingled<br>Production |  | Calculated Value of<br>Commingled<br>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. PADDOCK - POOL # 49210

(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

(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: Carolyn Haynie TITLE: Petro. Eng. Technical Assistant DATE: 03-22-04

TYPE OR PRINT NAME CAROLYN HAYNIE TELEPHONE NO.: 432-687-7384

E-MAIL ADDRESS: CHAYNIE@CHEVRONTExACO.COM