

DATE IN 11/9/11	SUSPENSE	ENGINEER RE	LOGGED IN 11/9/11	TYPE PLC	APP NO. 1131347993
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ABOVE THIS LINE FOR DIVISION USE ONLY

NEW MEXICO OIL CONSERVATION DIVISION

- Engineering Bureau -

1220 South St. Francis Drive, Santa Fe, NM 87505



CE/Engineering USA
4323
2011 NOV -8
NM BZ ST 102650
30-025-33168

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.

Carolyn Haynie
Print or Type Name

Signature

NM Petro Engineering Technical Assistant

Title

Date

chay@chevron.com
e-mail Address



Carolyn Haynie
Production Engineering
Technical Assistant

MidContinent/Alaska SBU
Chevron North America
Exploration and Production
Company
15 Smith Road
Midland, TX 79705
Tel 432-687-7261
Fax 432-687-7558
chay@chevron.com

November 2, 2011

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

Re: Commingling Order PLC-54-A Amendment
Oil and Gas Department

Chevron U.S.A. Inc. respectfully request administrative approval for an amendment to Commingle Order PLC-54-A, to allow the addition of the Justis Glorieta interval to the battery. The PLC-54-A is authorized to commingle the production from the Justis Blinbry (34200), Justis Tubb-Drinkard (35280), and Langlie Mattix-Seven Rivers Queen Grayburg (37240) Pool production from the following leases:

Lease: State 'BB' Lease (B-1556)
Description: NW/4 NW/4, and;

Lease: State 'L' Lease (B-1328)
Description: S/2 NW/4, and;

Lease: NM 'BZ' State (NCT-10) Lease (B-1583)
Description: SW/4

The recompletion of the NM 'BZ' State (NCT-10) well # 6 from the Justis Tubb-Drk to the Justis Glorieta (Pro Gas-79360) interval will be metered separately.

Chevron has 100% working interest in all the wells in the battery, except for the NM 'BZ' State (NCT-10) # 7 in which Chevron owns 75% and the Mildred Baker Trust Corporation holds 25%. The royalty owner is the State of New Mexico, Commissioner of Public Lands. The WIO and RIO have been notified of Chevron's intend to amend this commingle and their current value will not be impacted by the proposed action. The attached table shows the current active wells included in the NM State BB & L / BZ (NCT-10) Consolidated Battery.

If you require additional information, please contact me at 432-687-7261, or by email at: chay@chevron.com.

Sincerely,

Carolyn Haynie
NM PE Technical Assistant
Enclosure

cc: NMOCD – District 1, Hobbs

Lease File

Jamie Castagno

Phillip Minchew

Mike Archer

Denise Pinkerton



NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

BILL RICHARDSON

Governor

Joanna Prukop
Cabinet Secretary

Lori Wrotenbery

Director

Oil Conservation Division

AMENDED COMMINGLING ORDER PLC-54-A

Texaco Exploration & Production, Inc.

P.O. Box 730

Hobbs, New Mexico 88241-0730

Attention: Ms. Carolyn J. Haynie

The above-named company is hereby authorized to commingle Justis Blinbry (34200), Justis Tubb-Drinkard (35280), and Langlie Mattix-Seven Rivers Queen Grayburg (37240) Pool production from the following leases:

Lease: State 'BB' Lease (B-1556)

Description: NW/4 NW/4, and;

Lease: State 'L' Lease (B-1328)

Description: S/2 NW/4, and;

Lease: NM 'BZ' State NCT-10 Lease (B-1583)

Description: SW/4;

all in Section 2, Township 25 South, Range 37 East, Lea County, New Mexico.

It is our understanding that the NM "BZ" State NCT-10 Well No. 7 Seven Rivers Queen Grayburg production ownership is different from all other wells in this commingle. Gas and oil from this well shall flow continuously through calibrated allocation meters prior to being combined with production from the remainder of the wells in this commingle and prior to sales. Similarly, production from any other wells with differing ownership shall be continuously measured separately prior to commingling for sales. In addition, production records shall be kept separate for each lease and for each pool.

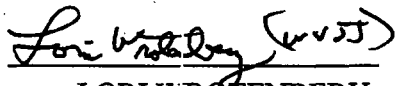
The measurement and sales point for commingled liquids and gas may occur off lease. The producer is responsible for notifying the transporter of this commingling authority.

FURTHER: The operator shall notify the Hobbs District Office of the Division upon implementation of the commingling process. It is the responsibility of the producer to notify the transporter of this commingling authority.

Amended Administrative Order PLC-54-A
ChevronTexaco, Inc.
September 23, 2003
Page 2 of 2

NOTE: This commingle approval from the New Mexico Oil Conservation Division is dependant upon like approval from the New Mexico State Land Office.

DONE at Santa Fe, New Mexico, on this 23rd day of September 2003.


LORI WROTENBERY,
Division Director

LW/wvjj

cc: Oil Conservation Division - Hobbs
State Land Office – Minerals Management Division
File PLC-54



WELL NAME: NM BZ ST 10-06

API #: 30-025-33168

OPERATOR: CHEVRON USA INC.

Location: 480 FSL & 1650 FWL Township/Range/Section: N-02-25S-37E

Spud Date: 2/15/96

The purpose of this project is to recompleate the New Mexico BZ State 10-06 from the Justis Tubb-Drinkard to the Justis Glorieta Gas interval. The job plan includes isolating the Tubb-Drinkard interval, perforating the Glorieta, acid washing, clean out, and a scale squeeze. This procedure is meant to be a guide only. It is up to the ALCR, WSM, Production Engineer and Remedial Engineer to make the decisions necessary to do SAFELY what is best for the well.

Contacts: Jamie Castagno - PE - 432-687-7688
Darrell Carriger - TTL - 432-687-7445
Phillip Minchew - ALCR - 432-532-1905
Mike Archer - OS - 432-269-5541
Aaron Dobbs - PS - 575-631-9071

Jordan Haug - RE - 432-894-7908
Heath Lynch - DS - 281-685-6188

Wellbore Information:

Surface Casing - 8-5/8" 24# K-55 set @ 1,015' w/ 525 sx cmt circulated'

Production Casing - 5-1/2" 15.5# WC-50 & L-80 set @ 6,500' w/ 1535 sx cmt circulated in 2 stages

Open hole horizontal - Window @ 5898' - 5904'; Total MD - 7,926', TVD - 6,154'

Current PBTD - 6,319'

Current tubing assembly (run in 2001)

Current Rod assembly (run in 2001)

****Note: rod & tubing detail is from 2001 and might not be correct: please tally tubing when POOH**

1 JT 2-7/8" J-55 TBG

S/N @ 6202'

IPC joint

12 JTS 2-7/8" J-55 TBG

5-1/2" TAC @ 5510'

184 JTS 2-7/8" J-55 TBG

Final hanging depth = 6,231'

2" X 1-1/4" X 25' RBHC Pump

10 X 1-1/2" K-Bars

93 X 3/4" KD Rods

79 X 7/8" KD Rods

63 X 1" KD Rods

1" X 8' Pony Rod

1-1/2" X 26' Polished Rod

Current Perforations:

Blinebry - 5170-5263 - SQUEEZED IN 2000

Blinebry - 5364-5763 - SQUEEZED IN 2000

Drinkard Horizontal MD = 7926', TVD = 6154'

Tubb - 5923-6039

Drinkard - 6112-6216

Proposed Perforations:

Glorieta 4,812' - 4,925'

Proposed CIBP Placement: 5150' w/ 35' cmt on top



WELL NAME: NM BZ ST 10-06

API #: 30-025-33168

OPERATOR: CHEVRON USA INC.

Location: 480 FSL & 1650 FWL Township/Range/Section: N-02-25S-37E

Spud Date: 2/15/96

Job Procedure:

****Note: Any slip type wellhead should be replaced with B1 Flange**

- 1) MIRU. Record SICP, SITP. Kill well or bleed down as necessary.
- 2) POOH and LD rods. ND WH. Release TAC. NU BOP. Test BOP w/ 5 1/2" PKR 250/1500 psi. Verify elevator size/rating. PU tubing to perf interval and spot 10% acetic acid across the perf interval (4812' - 4925'). POOH w/ tubing, tallying and scanning tbg and LD bad tbg.
- 3) RU Wireline company. RIH and set CIBP @ 5850'. Dump bail 35' cmt on top. POOH w/ wireline and PU new CIBP. RIH sat set CIBP @ 5150'. Dump bail 35' cmt on top and test to 500 psi.
- 4) RU Perforating Company. Test lubricator to 1000 psi. RIH w/ 3-3/8" perforating guns. Perforate the Glorieta w/ 4 SPF, 120 degree phasing, Ultrajet 3406, 22.7 gram charges, 0.42", 31.4" entry.
4812' - 4818'
4828' - 4841'
4874' - 4908'
4915' - 4925'
- 5) POOH w/ perforating guns. **If well has pressure, flow well back and report results to Midland office.**
- 6) PU and RIH w/ 5-1/2" treating PKR on 2-7/8" workstring. Set PKR @ +/- 4800'. RU Petroplex and acidize Glorieta perms from 4812-4925' w/ 8000 gals 15% HCL, pumping in 300 7/8" diameter ball sealers evenly throughout the job after the first 1000 gals acid has been pumped. Pump at max rate allowable without exceeding 3000# surface pressure. Let spend for 1 hour. Swab or flow back the load through a choke.
- 7) Release PKR and POOH. LD PKR.
- 8) Re-run 2-7/8" tubing and BHA, hydrotesting production tubing. RD hydrotesters. ND BOP and set TAC. NUWH. PU and RIH w/ rods as prescribed by ALCR design. (set pump below perforations)
- 9) Return to production and notify Field Specialist and ALCR. Produce well into tester at State BB, L & BZ battery for testing & record daily production.

WELL NAME: New Mexico BZ State 10-06

API #: 30-025-33168

OPERATOR: CHEVRON USA INC.

Surface Location: 480 FSL & 1650 FWL BH Location: 2278 FSL & 2264 FWL

Township/Range/Section: 25S 37E 2N Pool Code: 35280 Property Code: 11022

Current Well Construction

8 5/8" 24# K-55 CSG in 11" Hole
set @ 1015' w/ 525 sx cmt
TOC = surface by circulation

DV Tool @ 3980

Blinbry perms - 5170-5263

(2 spf 120 phase 0.5 hole size, 50 net, 93 gross)

acid w/ 2500 gals 15% HCL NEFE, 170 balls, Frac w/ 25500 gel, 69000 Sand (sanded out)

Blinbry perms - 5364-5763

(2 spf 120 phase 0.5 hole size, 59 net, 399 gross)

acid w/ 7500 gals 15% HCL NEFE, 180 balls

TOW @ 5898', BOW @ 5904'

Tubb perms - 5923-6039

(2 spf 120 phase 0.5 hole size, 59 net, 116 gross)

acid w/ 3000 gals 15% HCL NEFE, 180 balls, Frac w/ 59900 gal of gel, 202000 Sand

Drinkard Horizontal TMD = 7926', TVD = 6154'

Drinkard perms - 6112-6216

(2 spf 120 phase 0.5 hole size, 43 net, 104 gross)

acidized w/ 550 gals 15% HCL NEFE, 130 balls, did not ball out

5.5" 17# L-80 & 15.5# LTC in 7 7/8" Hole
set @ 6500' w/ 1535sx cmt (2 stages)
TOC = surface by circulation

TD = 6500' PBTD = 6231'

Spud Date: 2/15/96

Proposed Well Construction

8 5/8" 24# K-55 CSG in 11" Hole
set @ 1015' w/ 525 sx cmt
TOC = surface by circulation

5.5" 15.5# WC-50 & 17# L-80 in 7 7/8" Hole
set @ 6500' w/ 1535 sx cmt (2 stages)
TOC = surface by circulation

Proposed Perfs from 4812' - 4818' Glorieta
Proposed Perfs from 4828' - 4841' Glorieta
Proposed Perfs from 4874' - 4908' Glorieta
Proposed Perfs from 4915' - 4925' Glorieta

<-- Proposed CIBP @ 5150' w/ 35' cmt on top - PBTD = 5115'

Blinebry perfs - 5170-5263 - SQUEEZED IN 2000

Blinebry perfs - 5364-5763 - SQUEEZED IN 2000

<-- Proposed CIBP @ 5850' w/ 35' cmt on top

Drinkard Horizontal Kick Off @ 5898'; MD = 7926', TVD = 6154'

Tubb perfs - 5923-6039 - BELOW CIBP

Drinkard perfs - 6112-6216 - BELOW CIBP

TD = 6530' PBTD= 5115'

State 'BB Lease; State 'L' Lease, NM BZ State NCT-10 Lease					Amend Commingle Order PLC-54-A								
Lease	Well No.	API No.	Status	Pool Code Langlie Mattix- 7Rvrs/Queen/Grayburg	Well Information		Section	Location	TWN	SHIP	RANGE	County	TD
					Pool #	Unit Letter							
NEW MEXICO -BZ- STATE NCT-10	7	30-025-33952	PR		37240	L	2	1700' FSL & 330' FWL	T25S		R37E	Lea	6650
NMX -BZ- STATE NCT-10	5	30-025-33089	PR	Justis-Blinebry-Tubb-Drk	34220	K	2	1650' FSL & 1650' FWL	T25S		R37E	Lea	7515
NMX -BZ- STATE NCT-10	6H	30-025-33168	PR	Justis-Tubb/Drk	35280	N	2	480' FSL & 1650' FWL	T25S		R37E	Lea	7926'
STATE -BB-	3	30-025-33169	PR	Justis-Blinebry-Tubb-Drk	34220	D	2	990' FNL & 330' FWL	T25S		R37E	Lea	6650
STATE -L-	3	30-025-11417	PR	Justis-Blinebry-Tubb-Drk	34220	F	2	1656' FNL & 2310' FWL	T25S		R37E	Lea	6700
STATE -L-	4	30-025-11419	PR	Justis-Blinebry-Tubb-Drk	34220	E	2	1655' FNL & 990' FWL	T25S		R37E	Lea	6300
STATE -L-	5	30-025-32911	PR	Justis-Blinebry-Tubb-Drk	34220	F	2	2260' FNL & 1800' FWL	T25S		R37E	Lea	7240
STATE -L-	6	30-025-33725	PR	Justis-Blinebry-Tubb-Drk	34220	E	2	2310' FNL & 450' FWL	T25S		R37E	Lea	6650

State 'BB Lease; State 'L' Lease, NM BZ State NCT-10 Lease										TEST			Amend Commingle Order PLC-54-A	
Lease	Well No.	API No.	Status	Pool Code	Pool #	Oil	Wtr	Gas	Test Date	Comments	County			
NEW MEXICO -BZ- STATE NCT-10	7	30-025-33952	PR	Langlie Mattix- 7Rvrs/Queen/Grayburg	37240	7	108	1	10/10/2011	Chevron has 75% WI	Lea			
NMX -BZ- STATE NCT-10	5	30-025-33089	PR	(Justis-Tubb/Drk & Blinebry) 34220	34220	7	27	29	10/4/2011	Blinebry test is 55% & Tubb/DRK is 45%- June 1996	Lea			
NMX -BZ- STATE NCT-10	6H	30-025-33168	PR	Justis-Tubb/Drk	35280	2	1	0	10/7/2011	Single Completion	Lea			
STATE -BB-	3	30-025-33169	PR	(Justis-Tubb/Drk & Blinebry) 34220	34220	6	8	2	10/12/2011	Blinebry test is 77.2% & Tubb/DRK is 22.8%- June 1996	Lea			
STATE -L-	3	30-025-11417	PR	DHC-171 (Justis-Tubb/Drk & Blinebry) 34220	34220	7	2	48	10/17/2011	MC-1252; 7/28/75; Blinebry oil 77%/Gas 56%; Tubb/Drk oil 23%/Gas 44%	Lea			
STATE -L-	4	30-025-11419	PR	DHC-172 (Justis-Tubb/Drk & Blinebry) 34220	34220	8	1	57	10/18/2011	MC-1262; 7/28/75; Blinebry oil 68%/Gas 50%; Tubb/Drk oil 32%/Gas 50%	Lea			
STATE -L-	5	30-025-32911	PR	(Justis-Tubb/Drk & Blinebry) 34220	34220	8	3	78	10/4/2011	Case 11278-5124185 DHC-R-10371; Blinebry 54.3%; Tubb/Drk, 45.7%	Lea			
STATE -L-	6	30-025-33725	PR	(Justis-Tubb/Drk & Blinebry) 34220	34220	7	6	40	10/21/2011	56%, 99% MCF; Tubb/Drk, oil 61%, Wtr 44%, MCF 1%	Lea			

Will be left to Record (Justis) only

(Pro Gas)

allow DHC JUSTIS TUBB DRK

of Gas 2

5/2 NW/4

5/2 NW/4

5/2 NW/4

JUSTIS BLINEBRY

Well Selection Criteria Quick Print

(opno = 4323 and WH_SEC = 2 and WH_TWPN = 25 and WH_TWPD Like 'S' and WH_RNGN = 37 and WH_RNGD Like 'E' and WL_STATUS Like 'A')

API Well #	Well Name and No.	Operator Name	Typ	Stat	County	Surf	UL	Sec	Twp	Rng	Ft N/S	Ft E/W	UICPrmt	Lst Insp Dt
30-025-33169-00-00	STATE BB	003	CHEVRON U S A INC	O	A	Lea	S	D	2	25 S	37 E	990 N	330 W	10/6/2011
30-025-33169-00-00	STATE BB	003	CHEVRON U S A INC	O	A	Lea	S	D	2	25 S	37 E	990 N	330 W	10/6/2011
30-025-33725-00-00	STATE L	006	CHEVRON U S A INC	O	A	Lea	S	E	2	25 S	37 E	2310 N	450 W	10/6/2011
30-025-33725-00-00	STATE L	006	CHEVRON U S A INC	O	A	Lea	S	E	2	25 S	37 E	2310 N	450 W	10/6/2011
30-025-11419-00-00	STATE L	004	CHEVRON U S A INC	O	A	Lea	S	E	2	25 S	37 E	1655 N	990 W DHC-172	10/6/2011
30-025-11419-00-00	STATE L	004	CHEVRON U S A INC	O	A	Lea	S	E	2	25 S	37 E	1655 N	990 W DHC-172	10/6/2011
30-025-11417-00-00	STATE L	003	CHEVRON U S A INC	O	A	Lea	S	F	2	25 S	37 E	1656 N	2310 W DHC-171	1/8/2003
30-025-11417-00-00	STATE L	003	CHEVRON U S A INC	O	A	Lea	S	F	2	25 S	37 E	1656 N	2310 W DHC-171	1/8/2003
30-025-32911-00-00	STATE L	005	CHEVRON U S A INC	O	A	Lea	S	F	2	25 S	37 E	2260 N	1800 W	10/6/2011
30-025-11417-00-00	STATE L	003	CHEVRON U S A INC	O	A	Lea	S	F	2	25 S	37 E	1656 N	2310 W DHC-171	1/8/2003
30-025-32911-00-00	STATE L	005	CHEVRON U S A INC	O	A	Lea	S	F	2	25 S	37 E	2260 N	1800 W	10/6/2011
30-025-33089-00-00	NEW MEXICO BZ STATE NCT-	005	CHEVRON U S A INC	O	A	Lea	S	K	2	25 S	37 E	1650 S	1650 W	8/29/2011
30-025-33089-00-00	NEW MEXICO BZ STATE NCT-	005	CHEVRON U S A INC	O	A	Lea	S	K	2	25 S	37 E	1650 S	1650 W	8/29/2011
30-025-33952-00-00	NEW MEXICO BZ STATE NCT-	007	CHEVRON U S A INC	O	A	Lea	S	L	2	25 S	37 E	1700 S	330 W PLC-54	8/29/2011
30-025-33952-00-00	NEW MEXICO BZ STATE NCT-	007	CHEVRON U S A INC	O	A	Lea	S	L	2	25 S	37 E	1700 S	330 W PLC-54	8/29/2011
30-025-33952-00-00	NEW MEXICO BZ STATE NCT-	007	CHEVRON U S A INC	O	A	Lea	S	L	2	25 S	37 E	1700 S	330 W PLC-54	8/29/2011
30-025-33168-00-00	NEW MEXICO BZ STATE NCT-	006	CHEVRON U S A INC	O	A	Lea	S	N	2	25 S	37 E	480 S	1650 W	8/29/2011
30-025-33168-00-00	NEW MEXICO BZ STATE NCT-	006	CHEVRON U S A INC	O	A	Lea	S	N	2	25 S	37 E	480 S	1650 W	8/29/2011

ATTACHMENT I

LAND OWNERSHIP STATUS

PREPARED BY Daniel Pequeno, Landman, CPL/ESA

November 1, 2011

Application of Chevron U.S.A. Inc. for Administrative Approval to amend existing Surface Pool
Commingle to add Glorieta Pool :

Chevron's State BB & L/BZ
NCT-10 Consolidated Tank Battery
Unit E, Section 2, T-25-S, R-37E
Lea County, New Mexico

**NW/4NW/4 SECTION 2 -T25S-R37E, N.M.P.M. - STATE LEASE B-1566 TO ALL
DEPTHS LESS & EXCEPT THE QUEEN FORMATION (3,104' - 3,518"):**

Lease Owner - 100% WI

Royalty Owner - 1/8 Royalty

Chevron U.S.A. Inc.
15 Smith Road
Midland, Texas 79705

State of New Mexico
Commissioner of Public Lands
P. O. Box 1148

Well located on the Lease is the State "BB" Well #3 (Justis-Blinbry/Tubb'Drinkard Reservoir)

**S/2NW/4 SECTION 2-T25S-R37E, N.M.P.M. - STATE LEASE B-1328 TO ALL DEPTHS
LESS & EXCEPT THE QUEEN FORMATION (3,104' - 3,518"):**

Lease Owner - 100% WI

Royalty Owner - 1/8 Royalty

Chevron U.S.A. Inc.
15 Smith Road
Midland, Texas 79705

State of New Mexico
Commissioner of Public Lands
P. O. Box 1148

Wells located on the Lease are the State "L" Well #'s 3, 4, 5 & 6 (Justis - Blinbry/Tubb/Drinkard Reservoir)

**SW/4 SECTION 2-T25S-R37E, N.M.P.M. - STATE LEASE B-158 TO ALL DEPTHS
LESS & EXCEPT FROM SURFACE TO 3,750' :**

Lease Owner - 100% WI

Royalty Owner - 1/8 Royalty

Chevron U.S.A. Inc.
15 Smith Road
Midland, Texas 79705

State of New Mexico
Commissioner of Public Lands
P. O. Box 1148

LAND OWNERSHIP STATUS (CONTINUE)

Wells located on the Lease are the New Mexico "BZ" State NCT-10 #5 (Justis – Blinbry/Tubb/Drinkard Reservoir) and New Mexico "BZ" State NCT-10 #6H to be re-completed in the Glorieta Reservoir).

SW/4 SECTION 2-T25S-R37E, N.M.P.M. – STATE LEASE B-158 AS TO DEPTHS FROM SURFACE TO 3,104' AND FROM 3,518' TO 3,750' ONLY:

Lease Owner – 75% WI

Chevron U.S.A. Inc.
15 Smith Road
Midland, Texas 79705

Royalty Owner – 1/8 Royalty

State of New Mexico
Commissioner of Public Lands
P. O. Box 1148

Lease Owner – 25% WI

Mildred Baker Trust Corporation
P. O. Box 22577
Hialeah, FL 33002

Well located on the Lease is the New Mexico "BZ" State NCT-10 #7 (Langlie-Mattix 7 Rivers/Queen/Grayburg Reservoir)

SURFACE OWNER FOR ALL OF SECTION 2, T25S-R37E, N.M.P.M.:

State of New Mexico
Commissioner of Public Lands
P. O. Box 1148
Santa Fe, New Mexico 87504-1148

Signed By: _____
Daniel Pequeno, Landman

Date: November 1, 2011



Carolyn Haynie
Petroleum Engineering
Technical Assistant

MidContinent/Alaska SBU
Chevron North America
Exploration and Production
Company
15 Smith Road
Midland, TX 79705
Tel 432-687-7261
Fax 432-687-7558
chay@chevron.com

November 2, 2011

Re: Pool Lease Commingle Amendment
NM 'BZ' State, State 'BB' & State 'L'
Consolidated Tank Battery
Unit E, Sec. 2, T25S, R37E,
Lea County, New Mexico

Dear Ms. Rangel,

Chevron U.S.A. Inc. respectfully gives notice to the Mildred Baker Trust Corporation, of the intent to amend Commingle Order PLC-54-A, to allow the addition of the Justis Glorieta Gas interval to the battery. The PLC-54-A is authorized to commingle the production from the Justis Blinbry (34200), Justis Tubb-Drinkard (35280, and Langlie Mattix-Seven Rivers Queen Grayburg (37240) Pool production from the following leases:

Lease: State 'BB' Lease (B-1556)
Description: NW/4 NW/4, and;

Lease: State 'L' Lease (B-1328)
Description: S/2 NW/4, and;

Lease: NM 'BZ' State (NCT-10) Lease (B-1583)
Description: SW/4

The recompletion of the NM 'BZ' State (NCT-10) well # 6 from the Justis Tubb-Drk to the Justis Glorieta (Pro Gas-79360) interval will be metered separately and the value of the produced production from the NM 'BZ' State (NCT-10) # 7, in which you have 25% interest, will not be impacted by the proposed action.

Any objections to this commingle must be sent 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 require additional information, please contact me at 432-687-7261, or by email at: chay@chevron.com.

Sincerely,

Carolyn Haynie

NM PE Technical Assistant

Enclosure cc: NMOCD - District 1; Hobbs



Carolyn Haynie
Petroleum Engineering
Technical Assistant

MidContinent/Alaska SBU
Chevron North America
Exploration and Production
Company
15 Smith Road
Midland, TX 79705
Tel 432-687-7261
Fax 432-687-7558
chay@chevron.com

November 2, 2011

**Re: Pool Lease Commingle Amendment
NM 'BZ' State, State 'BB' & State 'L'
Consolidated Tank Battery
Unit E, Sec. 2, T25S, R37E,
Lea County, New Mexico**

**State Of New Mexico
Commissioner of Public Lands
Royalty Interest Owner,**

Chevron U.S.A. Inc. respectfully gives notice on intent to amend Commingle Order PLC-54-A, to allow the addition of the Justis Glorieta interval to the battery. The PLC-54-A is authorized to commingle the production from the Justis Blinebry (34200), Justis Tubb-Drinkard (35280, and Langlie Mattix-Seven Rivers Queen Grayburg (37240) Pool production in Section 2, T25S, R37E, Lea County, New Mexico, from the following leases:

Lease: State 'BB' Lease (B-1556)
Description: NW/4 NW/4, and;

Lease: State 'L' Lease (B-1328)
Description: S/2 NW/4, and;

Lease: NM 'BZ' State (NCT-10) Lease (B-1583)
Description: SW/4

The recompletion of the NM 'BZ' State (NCT-10) well # 6 from the Justis Tubb-Drk to the Justis Glorieta (Pro Gas-79360) interval will be metered separately before being added to the Consolidated Tank Battery.

Any objections to this commingle must be sent 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 require additional information, please contact me at 432-687-7261, or by email at: chay@chevron.com.

Sincerely,

Carolyn Haynie

NM PE Technical Assistant

Enclosure cc: NMOCD – District 1; Hobbs

✕ = P&A

✕ = P&A

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26-

FRISTOE B NCT-2

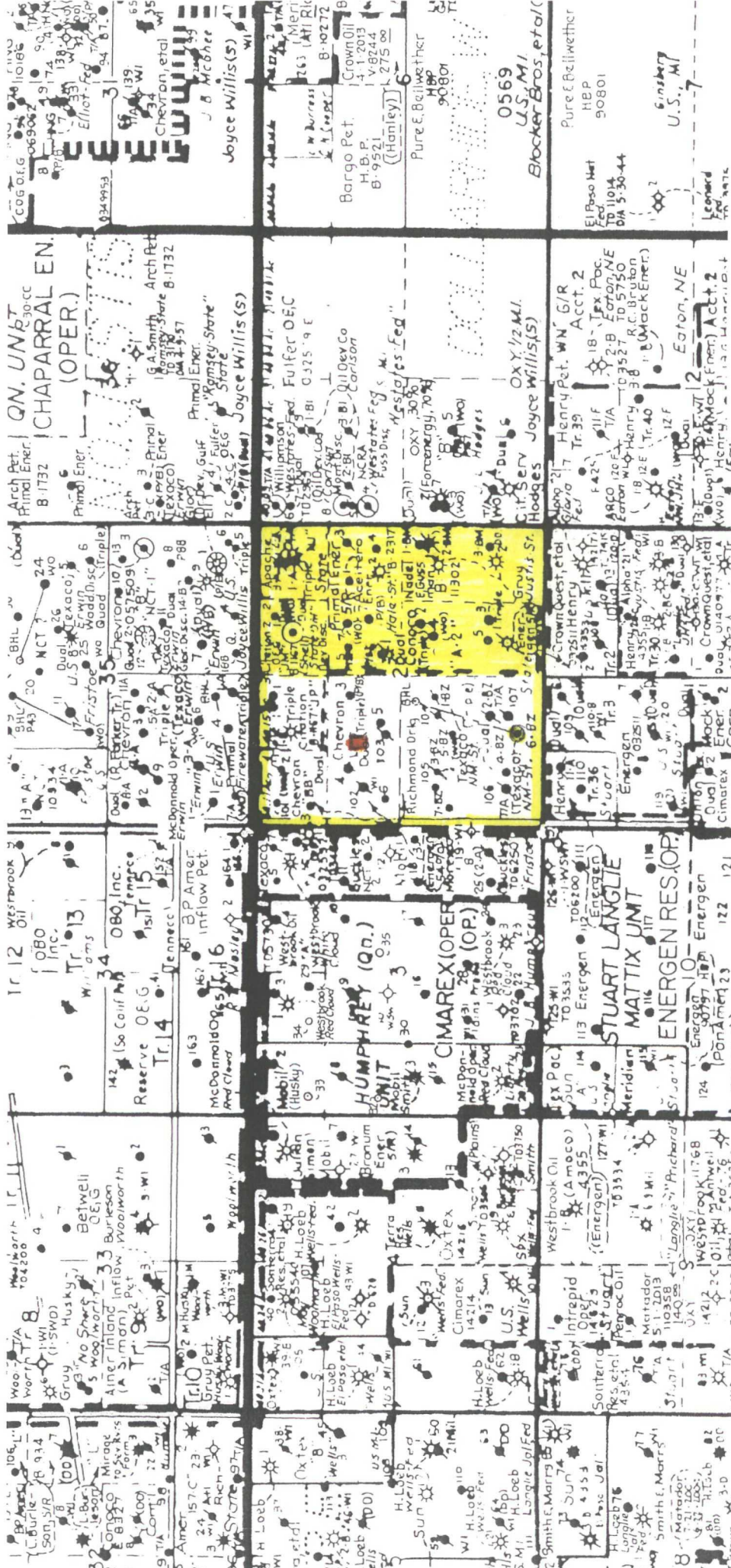
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ERWIN B NCT-2

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Chevron U.S.A. Inc.

● New Mexico BZ State NCT-10 # 6
API # 30-025-33168
Unit Letter: N
Section: 2
Township: 25S
Range: 37E
Lea County, NM

■ State BB, State L, & State BZ
NCT-10 Consolidated Tank Battery
Unit E, Sec. 2 T25S, R37E
Lea County, NM
B-1328

Scale: 2" = 1 Mile

State BB, L, Z Battery
JTP: 6/24/2010
WDK: 10/10/2011

BPV:
red = kimray
orange = invalco

All LCV's:
2" invalco
203-415

