



State of New Mexico
Commissioner of Public Lands

310 OLD SANTA FE TRAIL P.O. BOX 1148

SANTA FE, NEW MEXICO 87504-1148

September 12, 1996

(505) 827-5760
FAX (505) 827-5766

RAY POWELL, M.S., D.V.M.
COMMISSIONER

Chevron USA Production Company
P.O. Box 1150
Midland, Texas 79702

BEFORE THE
OIL CONSERVATION DIVISION
Santa Fe, New Mexico

Case No. 12102 Exhibit No. 8

Attn: Mr. James E. Baca

Submitted by: Chevron U.S.A. Inc.

Re: Request for Surface Commingling
Monument 12 State #3
Unit K, NE/4SW/4, Section 12-19S-36E
Monument 14 State #2
Unit J, NE/4SW/4, Section 14-19S-36E
Monument; Abo, North Field
Lea County, New Mexico

Hearing Date: December 17, 1998

Dear Mr. Baca:

We received your application letter of August 27, 1996, requesting approval to surface commingle the production from the above-referenced wells.

We understand that production from the above-referenced wells will be metered prior to being commingled. The Abo production for the subject wells will be commingled at the Monument 12 State #3 and Monument 14 State #12 Battery located in the NE/4 of Section 14-19S-36E.

Since it appears that there will be no loss of revenue to the State of New Mexico as a result of your proposed operation, your request for surface commingling of the production from the above-mentioned wells is hereby approved. Any deviation from the substance of your request will be sufficient grounds for rescinding our approval. Our approval is subject to like approval by the New Mexico Oil Conservation Division.

Please notify Ms. Debbie Padilla of our Right-of-Way Division and Mr. Nick Mace of our Commercial Resources Division regarding this application.

Your \$30.00 filing fee has been received.

Please submit a copy of the approved Oil Conservation Division Order to this office.

Chevron USA Production Company
Page 2
September 12, 1996

If you have any questions, or if we may be of further help, please contact Pete Martinez at (505) 827-5791.

Very truly yours,

RAY POWELL, M.S., D.V.M.
COMMISSIONER OF PUBLIC LANDS



LARRY KEHOE, Director
Oil, Gas and Minerals Division
(505) 827-5744

RP/LK/cpm

Enclosure

cc: Reader File

OCD--Attention: David Catanach and Ben Stone

Commissioner's File

Debbie Padilla

Nick Mace



COMMERCIAL RESOURCES
(505)-827-5724

SURFACE RESOURCES
(505)-827-5793

MINERAL RESOURCES
(505)-827-5744

ROYALTY
(505)-827-5772

State of New Mexico
Commissioner of Public Lands

Ray Powell, M.S., D.V.M.
310 Old Santa Fe Trall, P. O. Box 1148
Santa Fe, New Mexico 87504-1148
Phone (505)-827-5760, Fax (505)-827-5766

PUBLIC AFFAIRS
(505)-827-5765

ADMINISTRATIVE MGMT.
(505)-827-5700

LEGAL
(505)-827-5713

PLANNING
(505)-827-5732

May 12, 1997

Chevron USA Production Company
P.O. Box 1150
Midland, Texas 79702

Attn: Ms. J. K. Ripley

Re: Surface Commingling Application
Monument '12' State Well No. 3, Unit Letter K
Monument '12' State Well No. 4, Unit Letter L
Section 12-19S-36E, Lease B-10233
Monument '13' State Well No. 7, Unit Letter D
Section 13-19S-36E, Lease E-7355-1
North Monument Field
Lea County, New Mexico

Dear Ms. Ripley:

We have received your letter of April 28, 1997, wherein you requested our approval for surface commingling of production from the above wells.

We understand that production from the subject wells will be commingled at the Monument '12' State Well No. 3 tank battery located in the SW/4 of Section 12-19S-36E. Oil from each of the wells will be measured by metering equipment prior to surface commingling. Gas from the wells will also be metered separately.

Since it appears that there will be no loss of revenue to the State of New Mexico's beneficiaries as a result of your proposed operation, your request is hereby approved. Our approval is given with the understanding that the Commissioner of Public Lands reserves the right to amend or withdraw his approval, should this operation prove to be unprofitable to the state at any time in the future. Also, our approval is subject to like approval by the New Mexico Oil Conservation Division. Please submit a copy of the New Mexico Oil Conservation Division's approval.

Your \$30.00 filing fee has been received.

Chevron USA Production Company

May 12, 1997

Page 2

Please notify Ms. Debbie Padilla of our Right-of-Way Section at 827-5729 regarding a right-of-way from Section 13-19S-36E through the SW/4 of Section 12-19S-36E.

If you have any questions or if we may be of further help, please contact Pete Martinez at (505) 827-5791.

Very truly yours,

RAY POWELL , M.S., D.V.M.
COMMISSIONER OF PUBLIC LANDS

BY: 

JAMI BAILEY, Director
Oil, Gas and Minerals Division
(505) 827-5744

RP/JB/cpm

Enclosure

cc: Reader File

OCD--Mr. David Catanach, Mr. Ben Stone
BLM



COMMERCIAL RESOURCES
(505)-827-5724

SURFACE RESOURCES
(505)-827-5795

MINERAL RESOURCES
(505)-827-5744

ROYALTY
(505)-827-5772

June 9, 1997

State of New Mexico
Commissioner of Public Lands

Ray Powell, M.S., D.V.M.
310 Old Santa Fe Trail, P. O. Box 1148
Santa Fe, New Mexico 87504-1148
Phone (505)-827-5760, Fax (505)-827-5766

PUBLIC AFFAIRS
(505)-827-5765

ADMINISTRATIVE MGMT.
(505)-827-5700

LEGAL
(505)-827-5715

PLANNING
(505)-827-5752

Chevron USA Production Company
P.O. Box 1150
Midland, Texas 79702

Attn: Ms. J. K. Ripley

Re: Surface Commingling Application
Monument '14' State Well No. 2, Unit Letter J
Section 14-19S-36E, Lease B-10268
Monument '23' State Well No. 5, Unit Letter B
Section 23-19S-36E, Lease B-230
Monument '23' State Well No. 6, Unit Letter A
Section 23-19S-36E, Lease B-230
North Monument Field
Lea County, New Mexico

Dear Ms. Ripley:

We have received your letter of May 14, 1997, wherein you requested our approval for surface commingling of production from the above wells.

We understand that production from the subject wells will be commingled at the Monument '14' State Well No. tank battery located in the NE/4 of Section 14-19S-36E. Production from each of the wells will be allocated based upon monthly well tests.

Since it appears that there will be no loss of revenue to the State of New Mexico's beneficiaries as a result of your proposed operation, your request is hereby approved. Our approval is given with the understanding that the Commissioner of Public Lands reserves the right to amend or withdraw his approval, should this operation prove to be unprofitable to the state at any time in the future. Also, our approval is subject to like approval by the New Mexico Oil Conservation Division. Please submit a copy of the New Mexico Oil Conservation Division's approval.

Your \$30.00 filing fee has been received.

Chevron USA Production Company

June 9, 1997

Page 2

Please notify Ms. Debbie Padilla of our Right-of-Way Section at 827-5729 regarding a right-of-way through the E/2 of Section 14-19S-36E.

Our approval will be contingent upon Chevron acquiring all appropriate rights-of-ways.

Also, please submit the Oil Conservation approval number.

If you have any questions or if we may be of further help, please contact Pete Martinez at (505) 827-5791.

Very truly yours,

RAY POWELL, M.S., D.V.M.
COMMISSIONER OF PUBLIC LANDS

BY:



JAMI BAILEY, Director
Oil, Gas and Minerals Division
(505) 827-5744

RP/JB/cpm

Enclosure

cc: Reader File

OCD--Mr. David Catanach, Mr. Ben Stone

BLM

Debbie Padilla



Chevron

May 14, 1997

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

Administrative Application for Surface Commingling
North Monument Field
Monument "14" State No. 2
2227' FSL & 2006' FEL, Unit J, Sec. 14, T19S, R36E
Monument "23" State #5
472' FNL & 2310' FEL, Unit B, Sec. 23, T19S, R36E
Monument "23" State #6
469' FNL & 958' FEL, Unit A, Sec. 23, T19S, R36E
Lea County, New Mexico

State of New Mexico
Energy, Minerals & Natural Resources Department
Oil Conservation Division
2040 South Pacheco
Santa Fe, New Mexico 87505

Attention: Mr. William J. LeMay - Director

Dear Mr. LeMay:

Chevron U.S.A., Inc. respectfully requests administrative approval for surface commingling of the production from the three above described wells.

Monument "14" State #2 is completed in North Monument Abo. The IP was 36 bopd, 143 bwpd, and 16 mcfpd. The API gravity is 40.4° at 60° F. The Monument "23" State #5 is completed in North Monument Abo. The IP was 32 bopd, 28 bwpd, and 20 mcfpd. The API gravity is 41.5° at 60° F. The Monument "23" State #6 is completed in North Monument Abo. The IP was 78 bopd, 32 bwpd, and 80 mcfpd. The API gravity is 41.9° at 60° F.

The commingling of these three wells will allow the producing of the wells with one battery at a savings of approximately \$50,000. The oils are from the same zone and will be compatible. The value of the commingled oil will be the same as the individual oils. The working interest owners and royalty owners are the same on the two leases. Attached is a schematic diagram of the production facility.

If you have any questions, or if you require further information, please contact Lloyd Trautman at (915) 687-7152.

Sincerely,

J. K. Ripley

J. K. Ripley

Attachments

- cc: NMOCD - Hobbs, NM
- NM State Land Office - Santa Fe, NM
- N. V. Mouser
- L. V. Trautman

Approved JUN 9 1997
Ray Powell/ame
COMMISSIONER OF PUBLIC LANDS