

DATE IN 7.12.04	SUSPENSE	ENGINEER Catenach	LOGGED 7.14.04	#PSEM0419631929 RECEIVED
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ABOVE THIS LINE FOR DIVISION USE ONLY

NEW MEXICO OIL CONSERVATION DIVISION
- Engineering Bureau -

JUL 12 2004
**OIL CONSERVATION
DIVISION**

ADMINISTRATIVE APPLICATION COVERSHEET

THIS COVERSHEET IS MANDATORY FOR ALL ADMINISTRATIVE APPLICATIONS FOR EXCEPTIONS TO DIVISION RULES AND REGULATIONS

Application Acronyms:

[NSP-Non-Standard Proration Unit] [NSL-Non-Standard Location]
[DD-Directional Drilling] [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 - Directional Drilling
NSL NSP DD SD

Check One Only for [B] and [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

[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

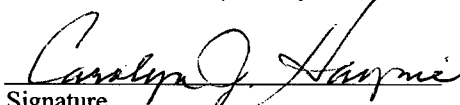
[E] For all of the above, Proof of Notification or Publication is Attached, and/or,

[F] Waivers are Attached

[3] **INFORMATION / DATA SUBMITTED IS COMPLETE** - Statement of Understanding

I hereby certify that I, or personnel under my supervision, have read and complied with all applicable Rules and Regulations of the Oil Conservation Division. Further, I assert that the attached application for administrative approval is accurate and complete to the best of my knowledge and where applicable, verify that all interest (WI, RI, ORRI) is common. I understand that any omission of data, information or notification is cause to have the application package returned with no action taken.

Note: Statement must be completed by an individual with supervisory capacity.

CAROLYN J. HAYNIE		PE TECH. ASSISTANT	7-8-04
Print or Type Name	Signature	Title	Date

Chevron U.S.A. Production Company
Carolyn J. Haynie
New Mexico Waterflood
Technical Assistant
15 Smith Road
Midland, TX 79705

ChevronTexaco

July 7, 2004

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

Re: Pool Lease Surface Commingle
H.T. Orcutt (NCT) E Lease &
Jayhawk # 1 Lease
Section 2, & 35, T19 S & T20S, R37E
Lea County, New Mexico

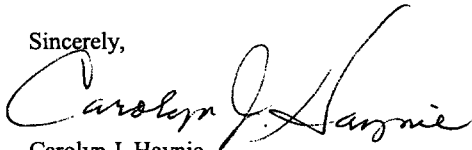
Dear Sirs:

ChevronTexaco Exploration & Production Company, a division of Chevron U.S.A. Inc., is requesting administrative approval from the New Mexico Oil Conservation Division to Surface (pool) commingle the oil, gas, and water production from the Jayhawk # 1, API 30-025-34329; the H.T. Orcutt NCT-E # 2, API 30-025-34182; the H.T. Orcutt NCT-E # 3, API 30-025-34209, and the H.T. Orcutt NCT-E # 4, which will be drilled and producing by October 1, 2004; into the *H.T. ORCUTT NCT-E & JAYHAWK COMMINGLED BATTERY*, located at the H.T. Orcutt NCT-E # 2 well location.

ChevronTexaco is the operator and has 100% ownership of both leases and the Commissioner of Public Lands; State of New Mexico holds the royalty ownership. Commingling will not reduce the actual commercial value of gas or condensate sold from each pool. This commingle approval is being requested because the production is being produced from two different leases.

The wells will be equipped with a metering test separator at each lease, as shown in the attached process flow diagram, and in accordance with applicable provisions of the NMOC's "Manual for the Installation and Operations of Commingling Facilities". In support of this request attachments also include, an oil and gas production table, well test, well location information, a lease plat, and a proposed schematic diagram for the subject facility. If you have any questions concerning this application, or need additional information, please contact me, at (432) 687-7384.

Sincerely,



Carolyn J. Haynie
New Mexico
PE Technical Assistant
Tel 432-687-7384

Attachments

CC: NM Oil & Gas Division Hobbs District Office
Commissioner of Public Lands, State of New Mexico
Mike Howell
Reggie Holzer
Nathan Mouser
Russell Pool
Vicki Duncan
Denise Pinkerton
Central Files

Proposed Surface Commingle
H.T. Orcutt (NCT-E) Well's # 2, 3, & 4
Section 2, T20S, R37E
and
Jayhawk # 1
Section 35, T19S, R37E
Lea County, New Mexico

H.T. Orcutt (NCT-E) Well's # 2, 3, & 4, & Jayhawk # 1

Pool	Well	BOPD	API Gravity	Avg YTD \$/BBL	\$/Day	Remarks
Monument, Tubb	Jayhawk # 1	18	40.1	40.02	720.36	Average Gravity
Monument, Tubb	H.T. Orcutt (NCT) E # 2	15	40.1	40.02	600.3	Average Gravity
Weir, Blinebry	H.T. Orcutt (NCT) E # 3	135	40.4	39.74	5364.9	Average Gravity (Lower Zone) 'Not Drilled - Anticipated Production
Weir, Blinebry	H.T. Orcutt (NCT) E # 4	107	40.4	39.74	4252.18	(Upper Zone) 'Not Drilled - Anticipated Production
Skaggs; Glorieta, Northwest	H.T. Orcutt (NCT) E # 4	107	40.1	36.95	3953.65	Anticipated Production
Totals		382			\$14,891.39	

47090-

63780

97203

H.T. Orcutt (NCT) E Commingled Battery

Pool	Well	BOPD	API Gravity	Avg YTD \$/BBL	\$/Day	Remarks
Monument, Tubb	Jayhawk # 1	18	40.4	39.294	707.292	Average Gravity
Monument, Tubb	H.T. Orcutt (NCT) E # 2	15	40.4	39.294	589.41	Average Gravity
Weir, Blinebry	H.T. Orcutt (NCT) E # 3	135	40.4	39.294	5304.69	Average Gravity (Lower Zone) 'Not Drilled - Anticipated Production
Weir, Blinebry	H.T. Orcutt (NCT) E # 4	107	40.4	39.294	4204.458	(Upper Zone) 'Not Drilled - Anticipated Production
Skaggs; Glorieta, Northwest	H.T. Orcutt (NCT) E # 4	107	40.4	39.294	4204.458	Anticipated Production
Totals		382			\$15,010.31	

WELL TEST REPORT													
Lease: JAYHAWK				Field: FLD-MONUMENT				Reservoir: TUBB					
Well: 1				Field Code: U93				Resv Code: 000009303					
				Unique Code: PU935800				Battery: HT ORCUTT E 2					
				Wellbore: 101880				API No: 300253432900					
Test Date	BOPD	BWPD	MCFPD	Tbg PSI	GOR	% Oil	Comp No.	Status	Remarks	Fluid Level	Fld Lvl Date	BTFPD	
	0	0	0	100			01	PL			6/19/99		
	0	0	0	100			01	PL		6479	2/21/00		
	0	0	0	140			01	PL					
6/27/04	18	1	156	100	8667	94.7	01	PL			2/20/03	19	
5/24/04	14	1	155	100	11071	96.6	01	PL			2/20/03	15	
4/15/04	16	0	155	100	9688	100.0	01	PL			2/20/03	16	
3/4/04	17	1	153	100	9000	94.4	01	PL			2/20/03	18	
2/20/04	17	1	170	100	10000	94.4	01	PL			2/20/03	18	
1/5/04	16	1	212	100	13250	94.1	01	PL			2/20/03	17	
12/23/03	17	1	225	100	13235	94.4	01	PL			2/20/03	18	
11/19/03	16	1	187	100	11688	94.1	01	PL			2/20/03	17	
10/18/03	15	1	198	100	13200	96.8	01	PL			2/20/03	16	
9/23/03	15	1	189	100	12600	93.8	01	PL			2/20/03	16	
8/19/03	18	1	192	100	10667	94.7	01	PL			2/20/03	19	
7/23/03	17	1	190	100	11176	94.4	01	PL			2/20/03	18	
6/16/03	18	1	206	100	11444	94.7	01	PL			2/20/03	19	
5/21/03	18	1	199	100	11056	94.7	01	PL			2/20/03	19	
4/3/03	20	1	204	100	10200	95.2	01	PL			2/20/03	21	
3/27/03	22	1	199	100	9045	95.7	01	PL			2/20/03	23	
3/20/03	22	1	199	100	9045	95.7	01	PL			2/20/03	23	
2/20/03	20	1	211	100	10550	95.2	01	PL		6479	2/20/03	21	
1/10/03	21	1	230	100	10952	95.5	01	PL		6479	12/24/02	22	
12/24/02	21	1	235	100	11190	95.5	01	PL		6479	12/24/02	22	
11/25/02	20	1	240	100	12000	95.2	01	PL		6479	2/20/02	21	
11/25/02	20	1	240	100	12000	95.2	01	PL		6479	2/20/02	21	
10/20/02	21	1	238	100	11329	95.5	01	PL		6479	2/20/02	22	
9/11/02	20	1	244	100	12188	95.2	01	PL		6479	2/20/02	21	
8/21/02	21	1	253	100	12044	95.5	01	PL		6479	2/20/02	22	
7/20/02	22	1	255	100	11586	95.7	01	PL		6479	2/20/02	23	
6/22/02	24	1	265	100	11029	96.0	01	PL		6479	2/20/02	25	
5/20/02	26	1	273	100	10482	96.3	01	PL		6479	2/20/02	27	
4/16/02	24	1	275	100	11438	96.0	01	PL		6479	2/20/02	25	
3/21/02	26	2	273	100	10482	92.9	01	PL		6479	2/20/02	28	
2/20/02	27	2	275	100	10167	93.1	01	PL		6479	2/20/02	29	
1/24/02	23	1	265	100	11509	95.8	01	PL		6479	1/24/02	24	
12/13/01	26	1	266	100	10218	96.3	01	PL		6479	3/20/01	27	
11/22/01	26	1	265	100	10181	96.3	01	PL		6479	3/20/01	27	
10/21/01	30	1	279	100	9313	96.8	01	PL		6479	3/20/01	31	
9/19/01	31	1	302	100	9740	96.9	01	PL		6479	3/20/01	32	
8/19/01	32	1	304	100	9497	97.0	01	PL		6479	3/20/01	33	
7/26/01	33	1	305	100	9239	97.1	01	PL		6479	3/20/01	34	
6/18/01	33	1	304	100	9209	97.1	01	PL		6479	3/20/01	34	
5/18/01	34	1	316	100	9285	97.1	01	PL		6479	3/20/01	35	
4/15/01	35	1	314	100	8963	97.2	01	PL		6479	3/20/01	36	
3/20/01	38	1	314	100	8256	97.4	01	PL		6479	3/20/01	39	
2/19/01	37	0	311	100	8399	100.0	01	PL		6479	12/27/00	37	
1/26/01	43	1	333	100	7752	97.7	01	PL		6479	12/27/00	44	
12/27/00	44	1	333	100	7575	97.8	01	PL		6479	12/27/00	45	
11/17/00	44	1	343	100	7798	97.8	01	PL		6479	11/17/00	45	
10/19/00	45	1	373	100	8279	97.8	01	PL		6479	10/19/00	46	
9/24/00	45	1	373	100	8279	97.8	01	PL		6479	9/24/00	46	

WELL TEST REPORT

Lease: **ORCUTT H T /NCT-E/**

Field: **FLD-MONUMENT**

Reservoir: **TUBB**

Well: **2**

Field Code: **U93**

Resv Code: **0000009303**

Unique Code: **PU935700**

Battery: **HT ORCUTT E 2**

Wellbore: **100859**

API No: **300253418200**

Test Date	BOPD	BWPD	MCFPD	Tbg PSI	GOR	% Oil	Comp No.	Status	Remarks	Fluid Level	Fld Lvl Date	BTFPD
	0	0	0	210			01	PL			2/11/98	
	0	0	0	430			01	PL			2/11/98	
	0	0	0	430			01	PL			2/11/98	
	0	0	0	430			01	PL			2/11/98	
	0	0	0	150			01	PL			2/11/98	
	0	0	0	160			01	PL			2/11/98	
	0	0	0	160			01	PL			2/11/98	
	0	0	0	170			01	PL			2/11/98	
	0	0	0	210			01	PL			2/11/98	
	0	0	0	100			01	PL				
	0	0	0	100			01	PL		6445	2/20/00	
	0	0	0	100			01	PL			6/19/99	
	0	0	0	150			01	PL			2/11/98	
	0	0	0	210			01	PL			2/11/98	
	0	0	0	160			01	PL			2/11/98	
	0	0	0	160			01	PL			2/11/98	
	0	0	0	160			01	PL			2/11/98	
	0	0	0	150			01	PL			2/11/98	
	0	0	0	480			01	PL			2/11/98	
	0	0	0	450			01	PL			2/11/98	
6/26/04	15	1	154	100	10267	93.8	01	PL			2/20/03	16
5/26/04	13	1	150	100	11538	96.3	01	PL			2/20/03	14
4/17/04	13	1	175	100	13462	92.9	01	PL			2/20/03	14
3/9/04	13	1	160	100	12308	92.9	01	PL			2/20/03	14
2/22/04	15	1	185	100	12333	93.8	01	PL			2/20/03	16
1/4/04	15	1	189	100	12600	93.8	01	PL			2/20/03	16
12/12/03	13	1	202	100	15538	92.9	01	PL			2/20/03	14
11/23/03	14	1	206	100	14714	93.3	01	PL			2/20/03	15
10/4/03	10	1	218	100	21800	90.9	01	PL			2/20/03	11
9/21/03	13	1	213	100	16385	92.9	01	PL			2/20/03	14
8/21/03	12	1	220	100	18333	92.3	01	PL			2/20/03	13
7/27/03	11	1	220	100	20000	91.7	01	PL			2/20/03	12
6/19/03	14	1	222	100	15857	93.3	01	PL			2/20/03	15
5/24/03	17	1	226	100	13294	94.4	01	PL			2/20/03	18
4/10/03	15	1	228	100	15200	93.8	01	PL			2/20/03	16
3/4/03	16	1	212	100	13250	94.1	01	PL			2/20/03	17
2/22/03	15	1	241	100	16067	93.8	01	PL		6445	2/20/03	16
1/12/03	15	2	240	100	16000	88.2	01	PL		6445	12/20/02	17
12/20/02	15	1	250	100	16667	93.8	01	PL		6445	12/20/02	16
11/23/02	16	1	258	100	16125	94.1	01	PL		6445	2/15/02	17
11/23/02	16	1	258	100	16125	94.1	01	PL		6445	2/15/02	17
10/22/02	16	1	254	100	15844	94.1	01	PL		6445	2/15/02	17
9/13/02	15	1	259	100	17291	93.8	01	PL		6445	2/15/02	16
8/21/02	17	1	263	100	15486	94.4	01	PL		6445	2/15/02	18
7/21/02	18	1	263	100	14626	94.7	01	PL		6445	2/15/02	19
6/24/02	15	1	258	100	17226	93.8	01	PL		6445	2/15/02	16
5/20/02	16	1	273	100	17063	94.1	01	PL		6445	2/15/02	17
4/17/02	17	1	278	100	16346	94.4	01	PL		6445	2/15/02	18
3/22/02	16	2	281	100	17551	88.9	01	PL		6445	2/15/02	18
2/15/02	17	2	283	100	16633	89.5	01	PL		6445	2/15/02	19
1/23/02	15	1	273	100	18201	93.8	01	PL		6445	1/23/02	16

WELL TEST REPORT

Lease: **ORCUTT H T /NCT-E/**

Field: **FLD-WEIR**

Reservoir: **BLINEBRY**

Well: **3B**

Field Code: **L27**

Resv Code: **0000004532**

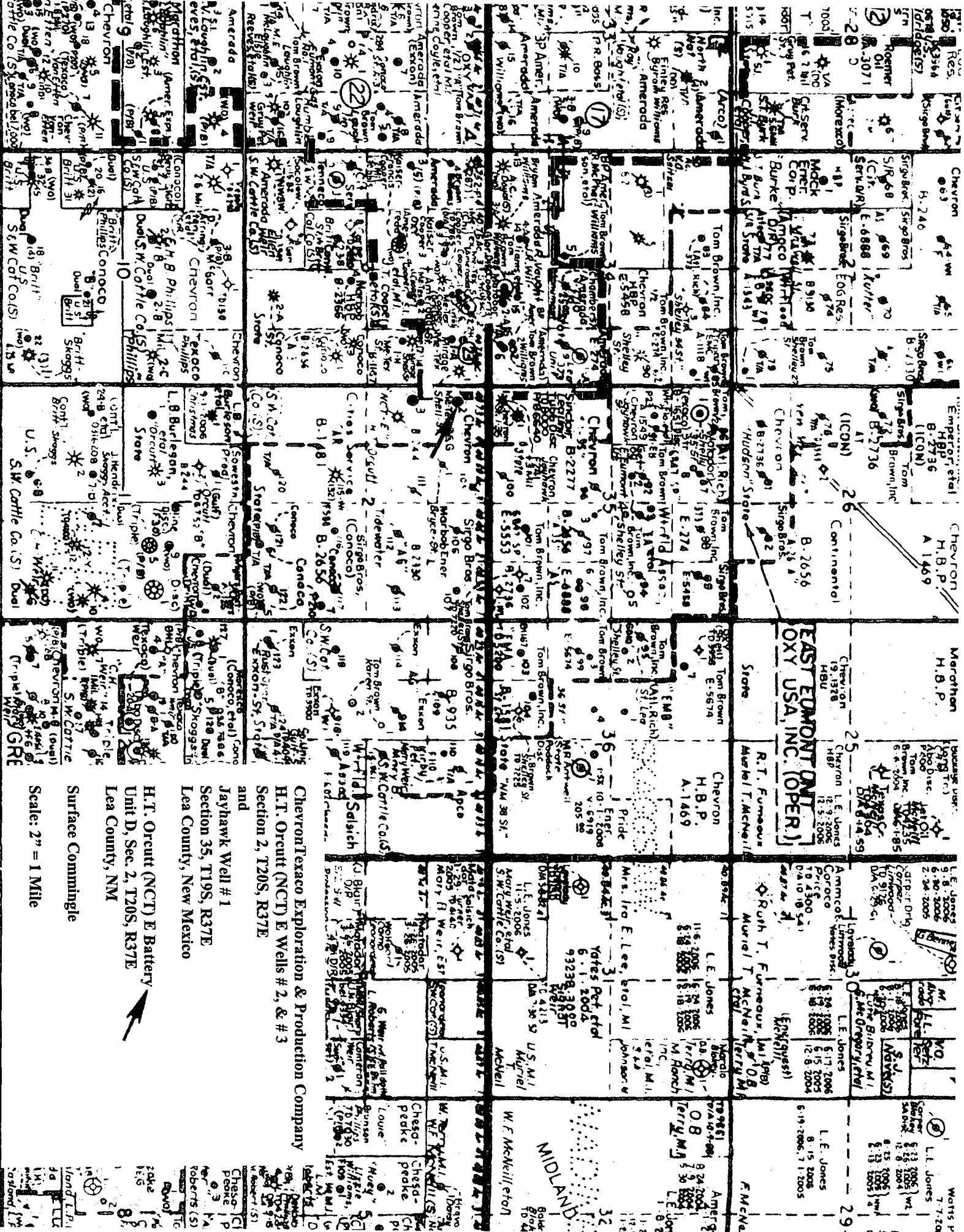
Unique Code: **PL271200**

Battery: **HT ORCUTT E 2**

Wellbore: **101903**

API No: **300253420900**

Test Date	BOPD	BWPD	MCFPD	Tbg PSI	GOR	% Oil	Comp No.	Status	Remarks	Fluid Level	Fld Lvl Date	BTFPD
	0	0	0				02	PR		4583	3/15/04	
	0	0	0				02	PR		4583	3/15/04	
	0	0	0	100			01	FL			6/19/99	
	0	0	0	50			01	FL				
	0	0	0	100			01	FL		6472	2/23/00	
6/17/04	135	80	207		1532	62.8	02	PR		5012	6/17/04	215
5/14/04	154	78	275		1782	66.4	02	PR		4890	4/17/04	232
4/19/04	157	65	284		1811	70.7	02	PR		4890	4/17/04	222
3/26/04	209	90	314		1501	69.9	02	PR		4583	3/15/04	299
3/25/04	209	65	290		1388	76.3	02	PR	WELL RAN 90 PERCENT	4583	3/15/04	274
3/23/04	235	78	294		1252	75.1	02	PR		4583	3/15/04	313
2/12/04	60	20	73		1209	75.0	02	PR				80
2/5/04	214	125	420		1961	63.1	02	PR				339
2/3/04	250	95	431		1725	72.5	02	PR				345
2/2/04	270	110	431		1598	71.1	02	PR				380
2/1/04	224	138	440		1965	61.9	02	PR				362
1/31/04	260	136	441		1697	65.7	02	PR				396
1/30/04	270	138	433		1605	66.2	02	PR				408
1/29/04	259	140	441		1703	64.9	02	PR				399
1/27/04	274	120	347		1267	69.5	02	PR				394
1/26/04	264	126	458		1734	67.7	02	PR				390
1/25/04	331	145	527		1593	69.5	02	PR				476
1/24/04	302	140	336		1113	68.3	02	PR				442
1/22/04	165	65	127		772	71.7	02	PR				230
1/21/04	195	80	332		1704	70.9	02	PR				275
1/20/04	240	134	200		833	64.2	02	PR				374
1/19/04	150	60	50		333	71.4	02	PR				210
1/18/04	203	114	286		1410	64.0	02	PR				317
1/17/04	260	190	125		479	57.8	02	PR				450
1/16/04	28	0	10		350	100.0	02	PR				28
12/16/03	2	1	20	100	10000	80.0	01	FL			2/20/02	3
11/27/03	3	0	18	100	6000	100.0	01	FL			2/20/02	3
10/14/03	3	1	19	100	6333	85.7	01	FL			2/20/02	4
9/20/03	3	1	25	100	8333	75.0	01	FL			2/20/02	4
8/22/03	3	1	30	100	10000	75.0	01	FL			2/20/02	4
7/25/03	2	1	29	100	14500	66.7	01	FL			2/20/02	3
6/21/03	3	1	30	100	10000	75.0	01	FL			2/20/02	4
5/28/03	2	1	39	100	19500	66.7	01	FL			2/20/02	3
4/18/03	2	1	40	100	20000	66.7	01	FL			2/20/02	3
3/13/03	1	1	30	100	30000	50.0	01	FL			2/20/02	2
2/24/03	2	1	35	100	17500	66.7	01	FL		6472	2/20/02	3
1/13/03	2	1	30	100	15000	66.7	01	FL		6472	2/20/02	3
12/29/02	2	1	25	100	12500	66.7	01	FL		6472	2/20/02	3
11/29/02	2	1	26	100	13000	66.7	01	FL		6472	1/26/02	3
11/29/02	2	1	26	100	13000	66.7	01	FL		6472	1/26/02	3
10/23/02	2	1	24	100	12190	66.7	01	FL		6472	1/26/02	3
9/7/02	2	1	27	100	13650	66.7	01	FL		6472	1/26/02	3
8/25/02	1	1	29	100	29250	50.0	01	FL		6472	1/26/02	2
7/24/02	2	1	39	100	19500	66.7	01	FL		6472	1/26/02	3
6/26/02	2	1	37	100	18525	66.7	01	FL		6472	1/26/02	3
5/17/02	2	1	39	100	19500	66.7	01	FL		6472	1/26/02	3



ChevronTexaco Exploration & Production Company

H.T. Orcutt (NCT) E Wells # 2, & # 3

Section 2, T20S, R37E

and

Jayhawk Well # 1

Section 35, T19S, R37E

Lea County, New Mexico

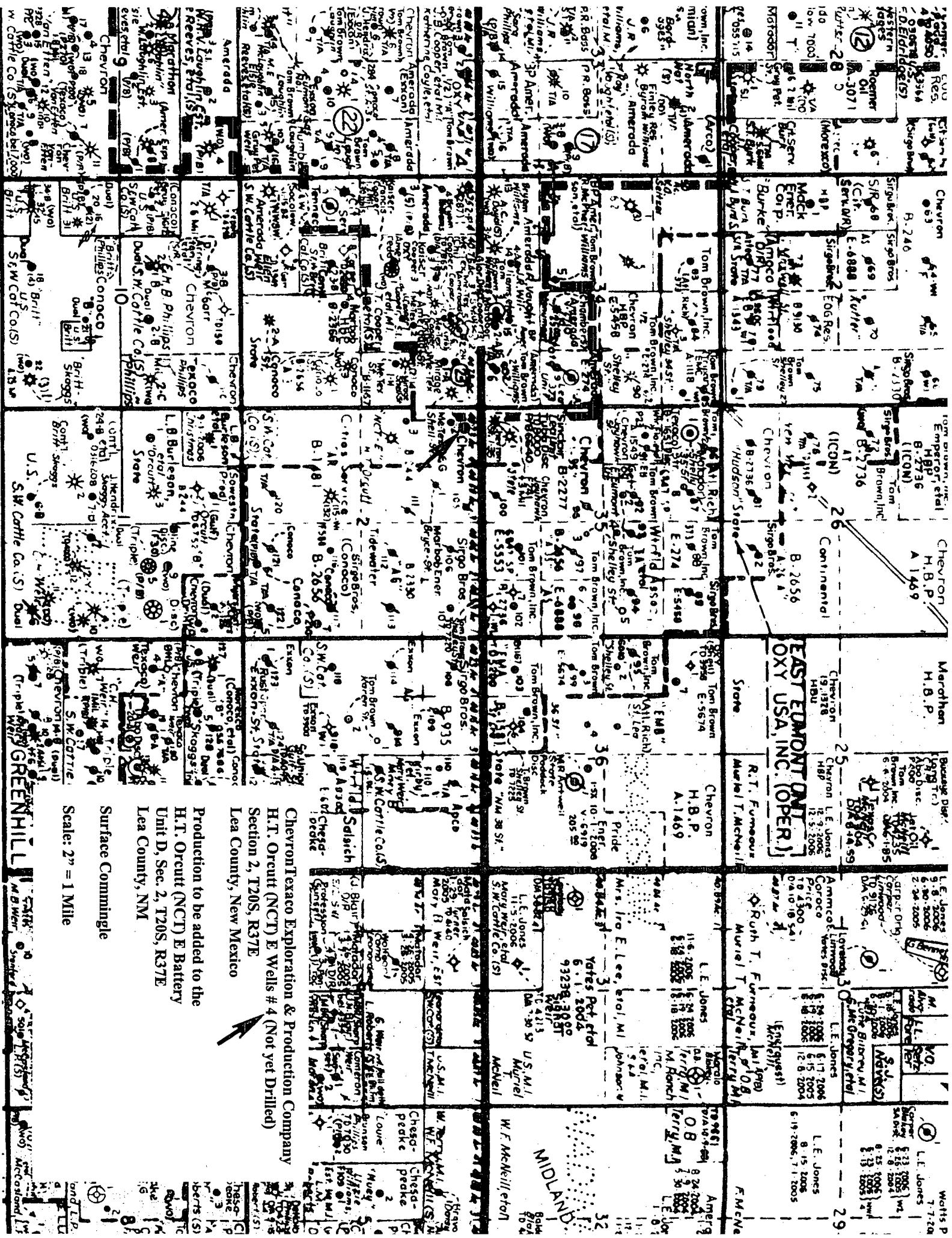
H.T. Orcutt (NCT) E Battery

Unit D, Sec. 2, T20S, R37E

Lea County, NM

Surface Commingle

Scale: 2" = 1 Mile

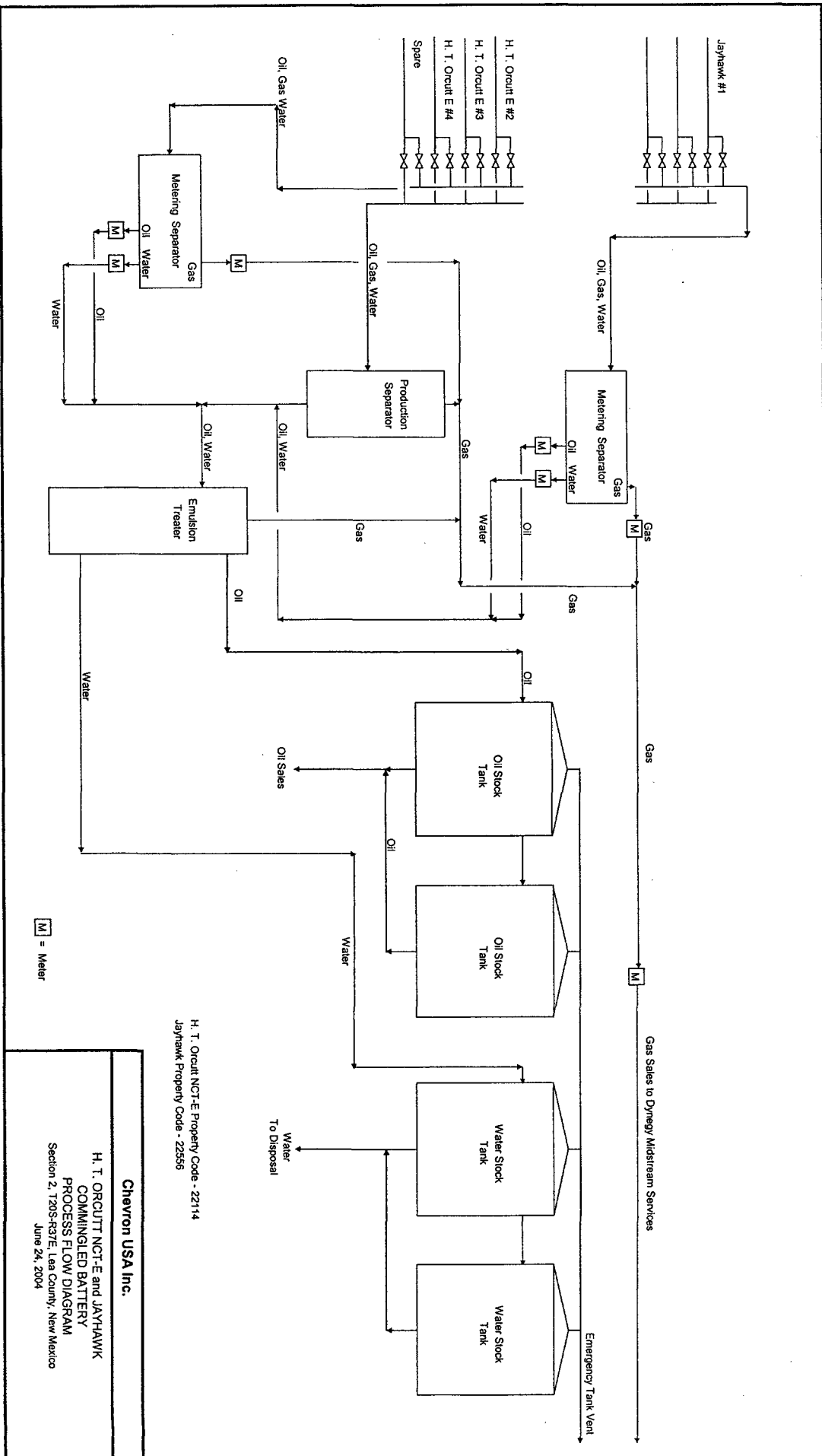


ChevronTexaco Exploration & Production Company
H.T. Orcutt (NCT) E Wells # 4 (Not yet Drilled)

Production to be added to the
H.T. Orcutt (NCT) E Battery
Unit D, Sec. 2, T20S, R37E
Lea County, NM

Surface Comingle

Scale: 2" = 1 Mile



[illegible]

Chevron U.S.A. Production Company
Carolyn J. Haynie
New Mexico Waterflood
Technical Assistant
15 Smith Road
Midland, TX 79705

ChevronTexaco

July 8, 2004

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

Re: Pool Lease Surface Commingle
H.T. Orcutt (NCT) E Lease &
Jayhawk # 1 Lease
Section 2, & 35, T19 S & T20S, R37E
Lea County, New Mexico

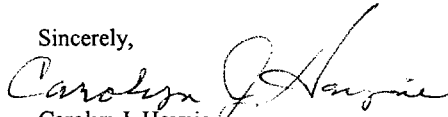
Dear Mr. Martinez,

ChevronTexaco Exploration & Production Company, a division of Chevron U.S.A. Inc., requests approval from the Commissioner of Public Lands, State of New Mexico, to Surface (pool) commingle the oil, gas, and water production from the Jayhawk # 1, API 30-025-34329; the H.T. Orcutt NCT-E # 2, API 30-025-34182; the H.T. Orcutt NCT-E # 3, API 30-025-34209, and the H.T. Orcutt NCT-E # 4, (API Unavailable), which is scheduled to be drilled and on production by October 1, 2004; into the *H.T. ORCUTT NCT-E & JAYHAWK COMMINGLED BATTERY*, located at the H.T. Orcutt NCT-E # 2 well location.

ChevronTexaco is the operator and has 100% ownership of both leases and the Commissioner of Public Lands; State of New Mexico holds the royalty ownership. Commingling will not reduce the actual commercial value of gas or condensate sold from each pool. This commingle approval is being requested because the production is being produced from two different leases.

The wells will be equipped with a metering test separator at each lease, as shown in the attached process flow diagram, and in accordance with applicable provisions of the NMOCD's "Manual for the Installation and Operations of Commingling Facilities". In support of this request attachments also include, an oil and gas production table, well test, well location information, a lease plat, and a proposed schematic diagram for the subject facility. If you have any questions concerning this application, or need additional information, please contact me, at (432) 687-7384.

Sincerely,


Carolyn J. Haynie
New Mexico
PE Technical Assistant

CC: NMOCD Santa Fe, NM
Mike Howell
Reggie Holzer
Russell Pool
Nathan Mouser
Vicki Duncan
Denise Pinkerton
Central Files