

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 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.

Print or Type Name	Signature	Title	Date

e-mail Address			

ChevronTexaco

September 23, 2004

State of New Mexico
Energy and Minerals Dept.
Oil Conservation Division
1220 South St. Francis Drive
Santa Fe, New Mexico 87505

Attention: Mr. David Catanach, Engineering Bureau

**RE: Injection Pressure Increase
Vacuum Grayburg 14
1500' FSL & 1500' FWL
Section 2, Township 18-S, Range 34-E, Unit Letter "K"
Lea County, New Mexico**

Dear Mr. Catanach,

ChevronTexaco is requesting permission to increase the surface injection pressure on **Vacuum Grayburg San Andres Unit #14 (API No. 30-025-24359)** from 1420 psig to 1800 psig. This request is based upon step rate tests conducted September 20th of 2004 by Precision Pressure Data, INC. The results of the step rates are attached to this letter. The well location is shown on the attached surface map.

On November 17, 1998 the New Mexico Oil Conservation Division granted approval to increase the surface injection pressure to 1420 psig on this vertical injection well, based on step rate tests conducted between September 29th and October 12th, 1998. The NMOCD approval letter is attached for your information.

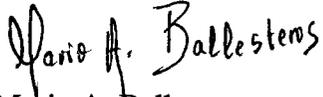
According to the results from this step rate, a parting pressure of 3840 psi was attained. This pressure corresponds to a surface pressure of 1836psi.

ChevronTexaco currently has three different wells in the vicinity of this well with higher allowable pressures than the one from VGSAU #14. The pressures are as follows:

Well and Location	Maximum Surface Pressure
VGSAU 015 20 acre location East of VGSAU 14	2500 psi
VGSAU 030 ~30 Acre Location North East of VGSAU 14	2000 psi
VGSAU 029 20 Acre Location North of VGSAU 34	2500 psi

Your prompt consideration and approval of this application will be greatly appreciated.
If additional information is required, please contact me at (432) 687-7218.

Sincerely,

Handwritten signature of Mario A. Ballesteros in black ink.

Mario A. Ballesteros
Petroleum Engineer
ChevronTexaco
15 Smith Road, Room #2235
Midland, TX 79705
Telephone: (432) 687-7218
Fax: (432) 687-7871

NEW MEXICO OIL CONSERVATION COMMISSION
WELL LOCATION AND ACREAGE DEDICATION PLAT

Form O-102
Supersedes C-128
Effective 1-1-65

All distances must be from the outer boundaries of the Section.

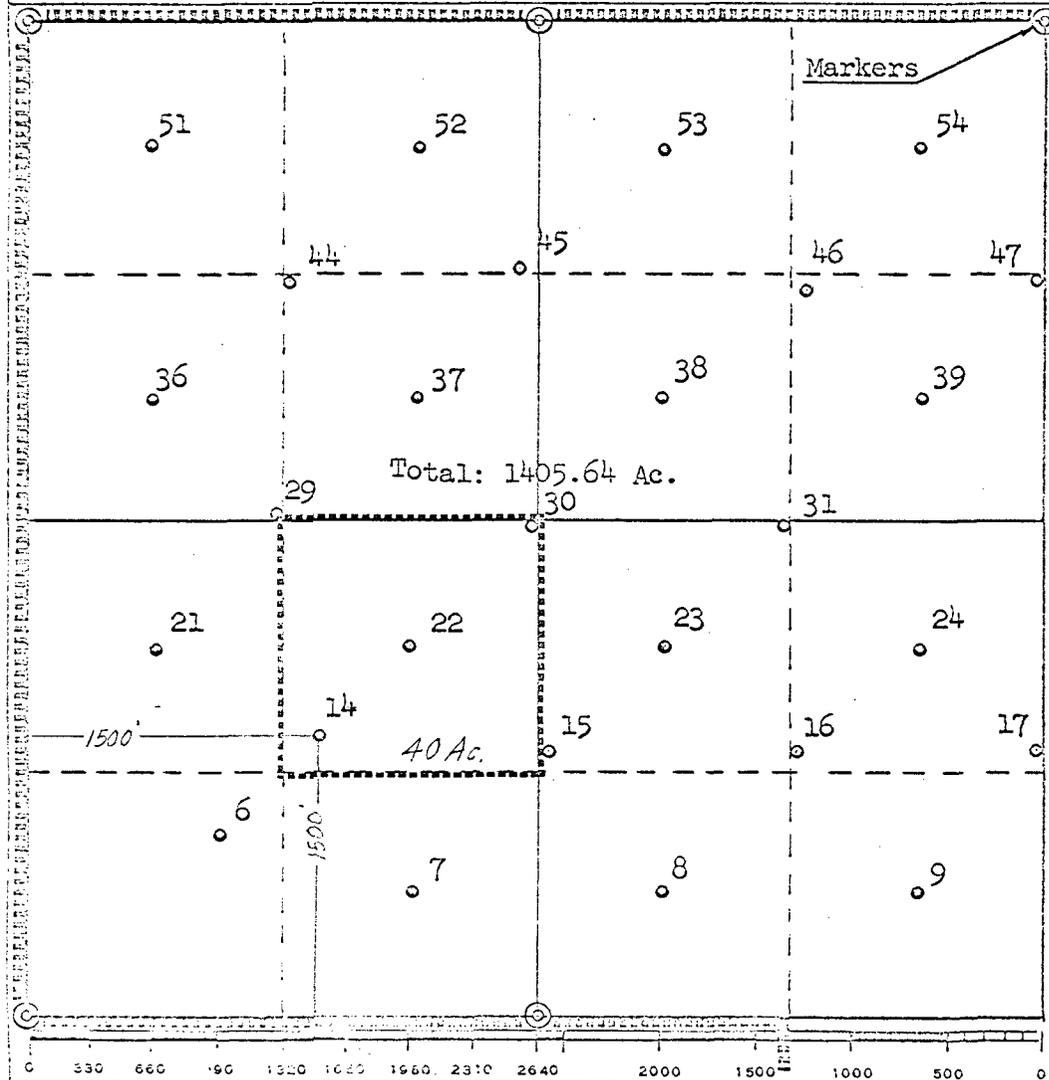
Operator TEXACO Inc.		Lease Vacuum Grayburg San Andres Unit		Well No. 14
Unit Letter K	Section 2	Township 18 - South	Range 34 - East	County Lea
Actual Well Location of Well: 1500 feet from the South line and 1500 feet from the West line Sec. 2				
Ground Level Elev. 4014	Producing Formation Grayburg - San Andres	Pool Vacuum Grayburg San Andres	Dedicated Acreage: 40 Acres	

1. Outline the acreage dedicated to the subject well by colored pencil or hachure marks on the plat below.
2. If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).
3. If more than one lease of different ownership is dedicated to the well, have the interests of all owners been consolidated by communitization, unitization, force-pooling, etc?

Yes No If answer is "yes," type of consolidation Unitization

If answer is "no," list the owners and tract descriptions which have actually been consolidated. (Use reverse side of this form if necessary.) _____

No allowable will be assigned to the well until all interests have been consolidated (by communitization, unitization, forced-pooling, or otherwise) or until a non-standard unit, eliminating such interests, has been approved by the Commission.



CERTIFICATION	
I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.	
Name	<i>J. J. Velten</i> J. J. Velten
Position	Division Civil Engineer
Company	TEXACO Inc.
Date	1/31/73
I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my knowledge and belief.	
Date Surveyed	1/30/73
Registered Professional Engineer and/or Land Surveyor	<i>J. J. Velten</i> J. J. Velten
Certificate No.	8174



NEW MEXICO ENERGY, MINERALS
& NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION
2040 South Pacheco Street
Santa Fe, New Mexico 87505
(505) 827-7131

November 17, 1998

Texaco Exploration & Production, Inc.
205 East Bender Blvd.
Hobbs, New Mexico 88240

Attn: Mr. Siamak Safargar

**RE: Injection Pressure Increase,
Vacuum Grayburg San Andres Unit Waterflood Project,
Lea County, New Mexico**

Dear Mr. Safargar:

Reference is made to your request dated October 20, 1998 to increase the surface injection pressure on 6 wells in the above referenced waterflood project. This request is based on step rate tests conducted between September 29 and October 12, 1998. The results of the tests have been reviewed by my staff and we feel an increase in injection pressure on these wells is justified at this time.

You are therefore authorized to increase the surface injection pressure on the following wells:

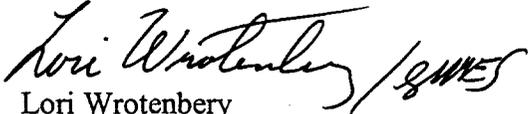
<i>Well and Location</i>	<i>Maximum Surface Injection Pressure</i>
Vacuum Grayburg San Andres Unit Well No.4, Unit Letter M, Section 1	2150 PSIG
Vacuum Grayburg San Andres Unit Well No.14, Unit Letter K, Section 2	1420 PSIG
Vacuum Grayburg San Andres Unit Well No.20, Unit Letter J, Section 1	1680 PSIG
Vacuum Grayburg San Andres Unit Well No.30, Unit Letter K, Section 2	1670 PSIG

Injection Pressure Increase
Texaco Exploration & Production, Inc.
November 16, 1998
Page 2

<i>Well and Location</i>	<i>Maximum Surface Injection Pressure</i>
Vacuum Grayburg San Andres Unit Well No.48, Unit Letter F, Section 1	2210 PSIG
Vacuum Grayburg San Andres Unit Well No.148, Unit Letter D, Section 1	2300 PSIG
All wells located in Township 18 South, Range 34 East, Lea County, New Mexico.	

The Division Director may rescind this injection pressure increase if it becomes apparent that the injected water is not being confined to the injection zone or is endangering any fresh water aquifers.

Sincerely,


Lori Wrottenbery
Director

LW/BES/kv

cc: Oil Conservation Division - Hobbs
Files: Case File No.4852 (R-4442); PSI-X 2nd QTR 99

CHEVRON TEXACO

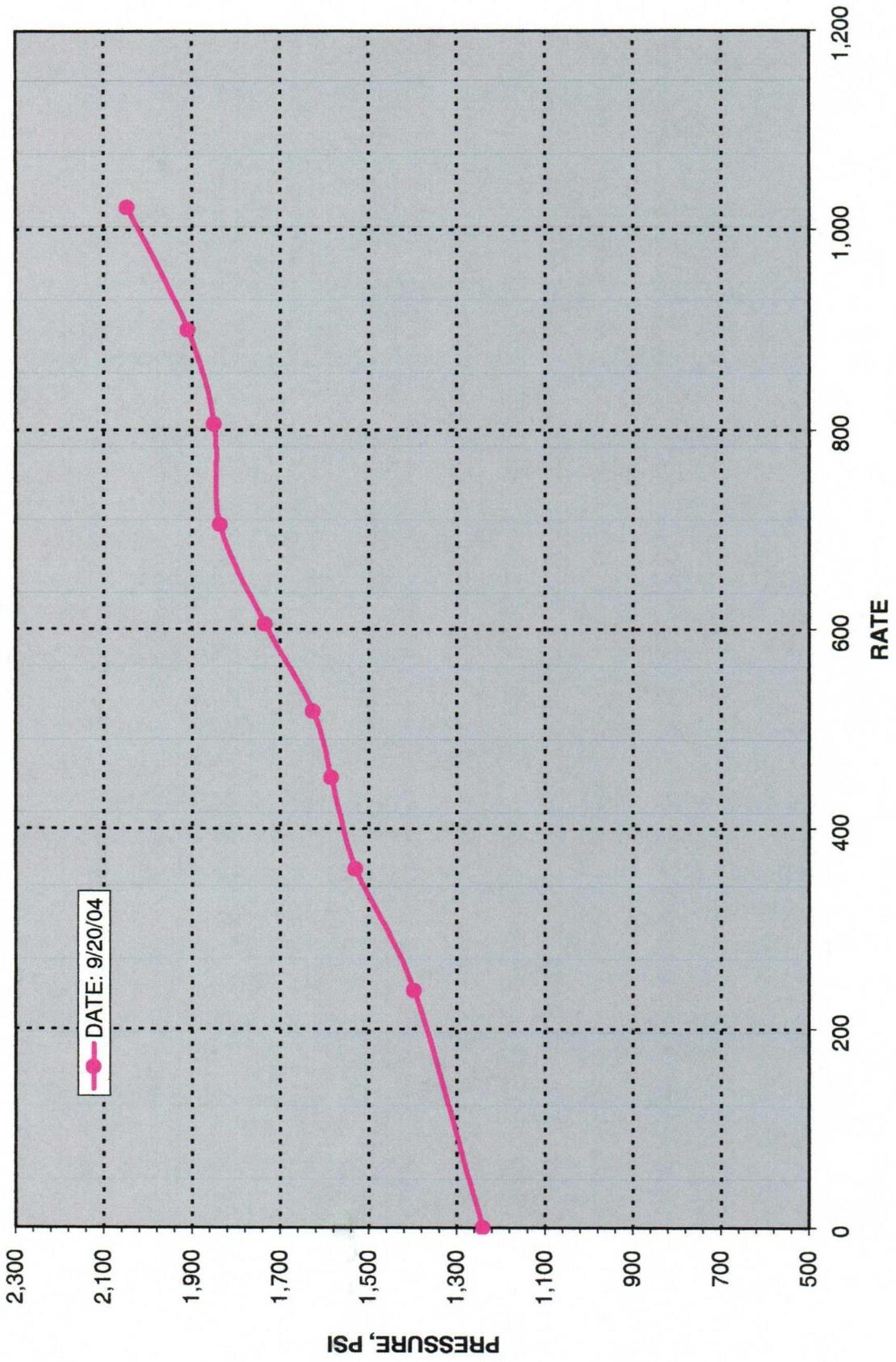
VGSAU #14

Test Date
9/20/2004

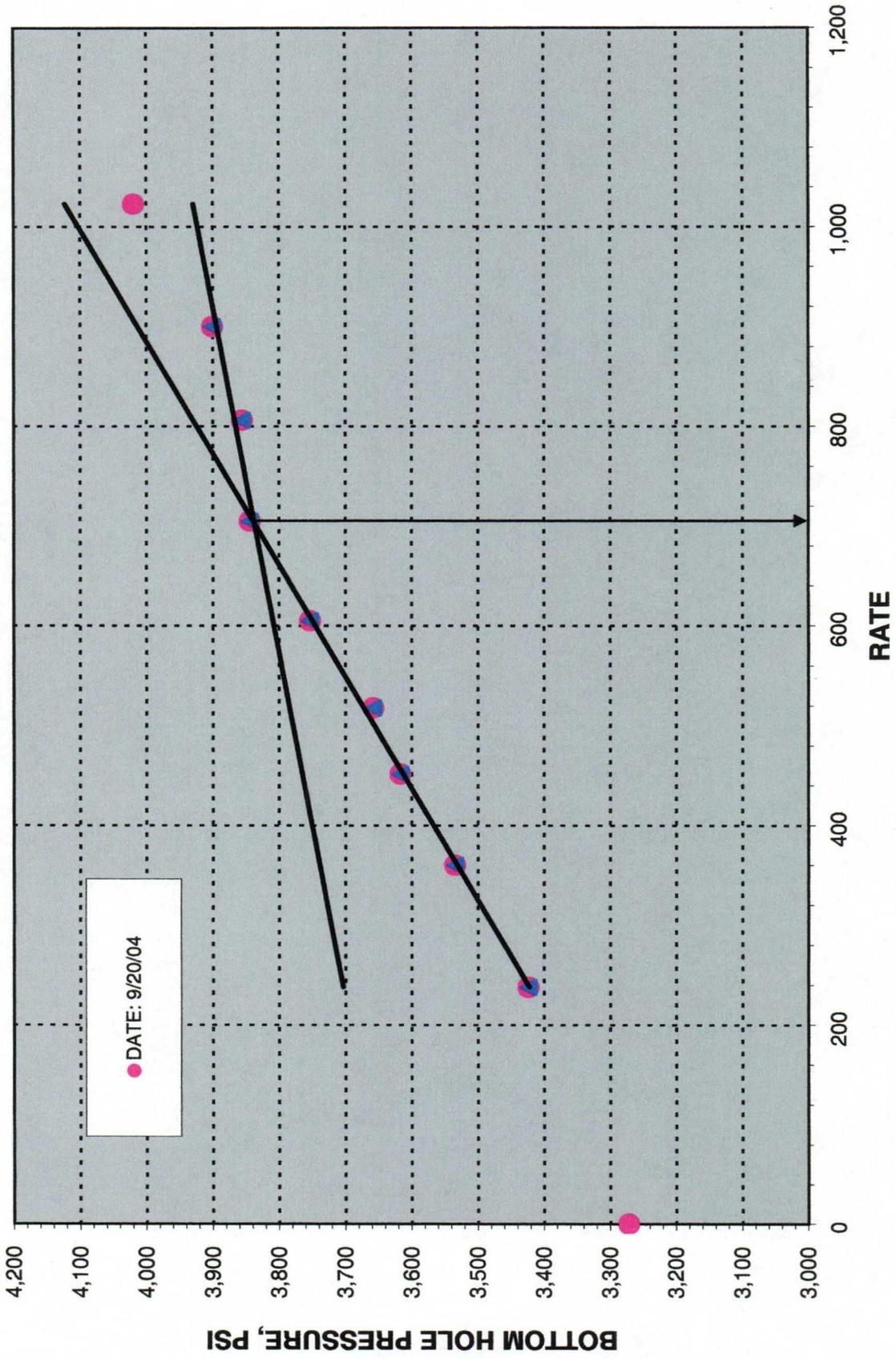
Step Rate Test

Ran step rate test with electric surface readout unit, 1 electronic pressure instrument @ run depth of 4430' and surface pressure transducer.

SURFACE PRESSURE VGSAU 14



BOTTOM HOLE PRESSURE



BOTTOM HOLE PRESSURE & SURFACE PRESSURE

