

ABOVE THIS LINE FOR DIVISION USE ONLY

NEW MEXICO OIL CONSERVATION DIVISION
 - Engineering Bureau -
 1220 South St. Francis Drive, Santa Fe, NM 87505



RECEIVED

SEP 23 2004

OIL CONSERVATION
 DIVISION

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 - *Common (Identical)*
- [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.

Notar Statement must be completed by an individual with managerial and/or supervisory capacity.

David Stewart _____ SR. Reg. Analyst _____ 9/23/04
 Print or Type Name Signature Title Date

 david.stewart@oxy.com
 e-mail Address

District I
1625 N. French Drive, Hobbs, NM 88240

District II
1301 W. Grand Avenue, 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-107A
Revised June 10, 2003

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

APPLICATION TYPE
 Single Well
 Establish Pre-Approved Pools
EXISTING WELLBORE
 Yes No

APPLICATION FOR DOWNHOLE COMMINGLING

Operator OXY USA WTP Limited Partnership Address P.O. Box 50250 Midland, TX 79710-0250
Byers B 7 J - 7 - 20S - 38E Lea
Lease Well No. Unit Letter-Section-Township-Range County
OGRID No. 192463 Property Code 27938 API No. 30-025-36445 Lease Type: Federal State Fee

DATA ELEMENT	UPPER ZONE		INTERMEDIATE ZONE		LOWER ZONE	
	<u>UNDES.</u>		<u>UNDES.</u>	<u>UNDES.</u>	<input checked="" type="checkbox"/>	
Pool Name	Nadine; Paddock-Blinebry, West		Monument Tubb	Nadine; Drinkard West	Skaggs; Abo, East	
Pool Code	47400		47090	47505	56630	
Top and Bottom of Pay Section (Perforated or Open-Hole Interval)	5872-6383'		6551-6557'	6602-6989'	7161-7169'	
Method of Production (Flowing or Artificial Lift)	Artificial Lift		Artificial Lift		Artificial Lift	
Bottomhole Pressure (Note: Pressure data will not be required if the bottom perforation in the lower zone is within 150% of the depth of the top perforation in the upper zone)	-----		-----		-----	
Oil Gravity or Gas BTU (Degree API or Gas BTU)	38.2		38.2		38.2	
Producing, Shut-In or New Zone	Producing		Producing		Producing	
Date and Oil/Gas/Water Rates of Last Production. (Note: For new zones with no production history, applicant shall be required to attach production estimates and supporting data.)	Date: 8/15/04 Rates: 57/321/321		Date: 8/14/04 Rates: 57/321/321		Date: 8/14/04 Rates: 57/321/321	
Fixed Allocation Percentage (Note: If allocation is based upon something other than current or past production, supporting data or explanation will be required.)	Oil	Gas	Oil	Gas	Oil	Gas
	56.5 %	50.4 %	MT 12.8 % ND 25.9 %	28.1 % 19.5 %	4.8 %	2.0 %

ADDITIONAL DATA

Are all working, royalty and overriding royalty interests identical in all commingled zones? Yes No
If not, have all working, royalty and overriding royalty interest owners been notified by certified mail? Yes No
Are all produced fluids from all commingled zones compatible with each other? Yes No
Will commingling decrease the value of production? Yes No
If this well is on, or communitized with, state or federal lands, has either the Commissioner of Public Lands or the United States Bureau of Land Management been notified in writing of this application? Yes No
NMOCD Reference Case No. applicable to this well: DHC-3303

Attachments:

- C-102 for each zone to be commingled showing its spacing unit and acreage dedication.
- Production curve for each zone for at least one year. (If not available, attach explanation.)
- For zones with no production history, estimated production rates and supporting data.
- Data to support allocation method or formula.
- Notification list of working, royalty and overriding royalty interests for uncommon interest cases.
- Any additional statements, data or documents required to support commingling.

PRE-APPROVED POOLS

If application is to establish Pre-Approved Pools, the following additional information will be required:

- List of other orders approving downhole commingling within the proposed Pre-Approved Pools
- List of all operators within the proposed Pre-Approved Pools
- Proof that all operators within the proposed Pre-Approved Pools were provided notice of this application.
- Bottomhole pressure data.

I hereby certify that the information above is true and complete to the best of my knowledge and belief.

SIGNATURE David Stewart TITLE Sr. Regulatory Analyst DATE 9/21/04
TYPE OR PRINT NAME David Stewart TELEPHONE NO. (432-685-5717)
E-MAIL ADDRESS david_stewart@oxy.com

DISTRICT I
P.O. Box 1980, Hobbs, NM 88241-1980

DISTRICT II
P.O. Drawer DD, Artesia, NM 88211-0719

DISTRICT III
1000 Rio Brazos Rd., Artec, NM 87410

DISTRICT IV
P.O. BOX 2088, SANTA FE, N.M. 87504-2088

State of New Mexico
Energy, Minerals and Natural Resources Department

OIL CONSERVATION DIVISION
P.O. Box 2088
Santa Fe, New Mexico 87504-2088

Form C-102
Revised February 10, 1994
Submit to Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies

WELL LOCATION AND ACREAGE DEDICATION PLAT

AMENDED REPORT

API Number 30-025-36445	Pool Code 47400	Pool Name Nadine Paddock-Blinebry, West
Property Code 27938	Property Name BYERS "B"	Well Number 7
OGRID No. 192463	Operator Name Oxy U.S.A. W.T.P., LP	Elevation 3562'

Surface Location

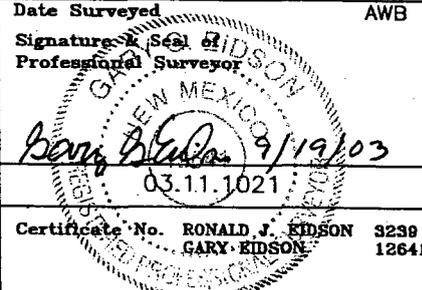
UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
J	7	20-S	38-E		1650'	SOUTH	1980'	EAST	LEA

Bottom Hole Location If Different From Surface

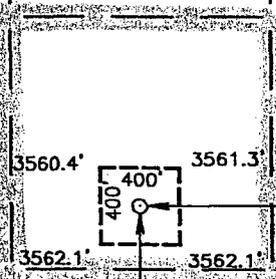
UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County

Dedicated Acres 40	Joint or Infill N	Consolidation Code	Order No.
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NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION

LOT 1						<p>OPERATOR CERTIFICATION</p> <p>I hereby certify the the information contained herein is true and complete to the best of my knowledge and belief.</p> <p> Signature David Stewart Printed Name Sr. Regulatory Analyst Title Date 2/21/04</p> <p>SURVEYOR CERTIFICATION</p> <p>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 belief.</p> <p>September 17, 2003 Date Surveyed AWB Signature & Seal of Professional Surveyor  Certificate No. RONALD J. KIDSON 3239 GARY KIDSON 12641</p>
40.63 AC						
LOT 2						
40.59 AC						
LOT 3						
40.57 AC						
LOT 4						
40.58 AC						

GEOGRAPHIC COORDINATES
NAD 1927 NME
Y = 578364.5 N
X = 853629.8 E
LAT. 32°35'05.22"N
LONG. 103°11'06.93"W



1650'

State of New Mexico

Energy, Minerals and Natural Resources Department

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WELL LOCATION AND ACREAGE DEDICATION PLAT

AMENDED REPORT

API Number 30-025-36445	Pool Code 47505	Pool Name Nadine Drinkard, West
Property Code 27938	Property Name BYERS "B"	Well Number 7
OGRID No. 192463	Operator Name Oxy U.S.A. W.T.P., LP	Elevation 3562'

Surface Location

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
J	7	20-S	38-E		1650'	SOUTH	1980'	EAST	LEA

Bottom Hole Location If Different From Surface

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County

Dedicated Acres 40	Joint or Infill N	Consolidation Code	Order No.
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LOT 1				
40.63 AC				
LOT 2				
40.59 AC				
LOT 3				
40.57 AC				
LOT 4				
40.58 AC				

GEOGRAPHIC COORDINATES
 NAD 1927 NME
 Y = 578364.5 N
 X = 853629.8 E
 LAT. 32°35'05.22"N
 LONG. 103°11'06.93"W

OPERATOR CERTIFICATION

I hereby certify the the information contained herein is true and complete to the best of my knowledge and belief.

David Stewart
 Signature
 David Stewart
 Printed Name
 Sr. Regulatory Analyst
 Title
 9/21/03
 Date

SURVEYOR CERTIFICATION

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 belief.

September 17, 2003
 Date Surveyed AWB

Gary Edson
 Signature & Seal of Professional Surveyor
 NEW MEXICO
 03.11.1021

Certificate No. RONALD J. EDSON 3239
 GARY EDSON 12641

**Byers B-6, B-7, B-8 Calculation of Allocation Factors
Blinebry, Drinkard, and Abo Zones**

Cumulative Production by Zone (P2000)

Well	Blinebry		Tubb		Drinkard		Abo	
	bo	mcf	bo	mcf	bo	mcf	bo	mcf
Byers B-1	28,813	195,198	0	0	0	0	0	0
Byers B-2	0	0	3,908	23,359	33,002	292,257	0	0
Byers B-3	42,023	257,394	0	0	0	0	0	0
Byers B-4	14,410	318,486	0	0	47,447	44,071	0	0
Byers B-5	0	0	39,447	610,281	43,565	145,441	0	0
Herman 3	99,671	272,779	0	0	0	0	0	0
Herman 4	25,745	83,248	18,026	80,812	0	0	0	0
M.J. Raley 2	60,960	152,128	0	0	744	12,333	23,078	50,612
Totals	271,622	1,279,233	61,381	714,452	124,758	494,102	23,078	50,612

Byers B-6 Commingled Blinebry, Tubb, and Drinkard

	Blinebry	Tubb	Drinkard	Total
Oil %:	59.3%	13.4%	27.3%	100.0%
Gas %	51.4%	28.7%	19.9%	100.0%

Byers B-7 Commingled Blinebry, Tubb, Drinkard and Abo zones

	Blinebry	Tubb	Drinkard	Abo	Total
Oil %	56.5%	12.8%	25.9%	4.8%	100.0%
Gas %	50.4%	28.1%	19.5%	2.0%	100.0%

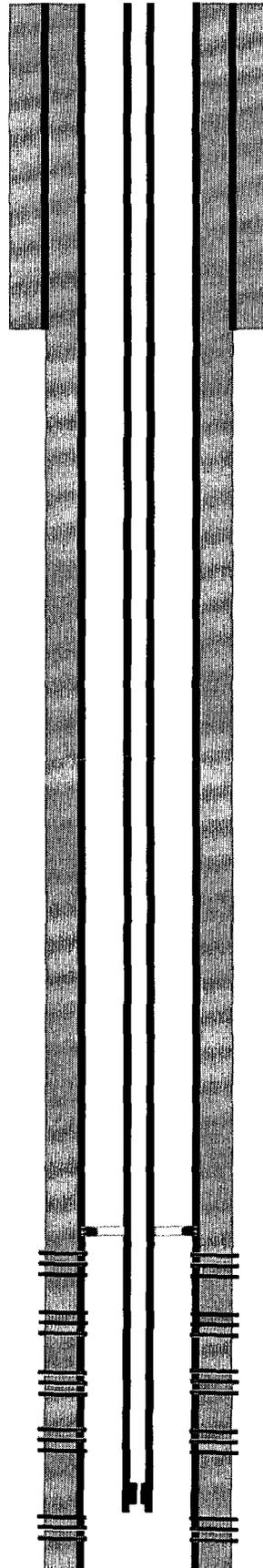
Byers B-8 Commingled Blinebry, Tubb, Drinkard and Abo zones

	Blinebry	Tubb	Drinkard	Abo	Total
Oil %	56.5%	12.8%	25.9%	4.8%	100.0%
Gas %	50.4%	28.1%	19.5%	2.0%	100.0%

Notes: 1) These wells are the only Blinebry, Tubb, Drinkard, or Abo completions directly offsetting the Byers B-6, B-7 and B-8 locations.

OXY USA WTP LP
Byers B #7
API No. 30-025-36445

12-1/4" hole @ 1500'
8-5/8" csg @ 1500'
w/ 735sx-TOC-Surf-Circ



2-7/8" tbg @ 7062', TAC @ 5832'

7-7/8" hole @ 7405'
5-1/2" csg @ 7405'
w/ 1480sx-TOC-Surf-Circ

U Blnbry perfs @ 5872-6111'

L Blnbry perfs @ 6158-6383'

Tubb perfs @ 6551-6557'

Drnkrd perfs @ 6602-6989'

Abo perfs @ 7161-7169'

TD-7405'

Attachment C-107-A
Byers B
Offset Operators

Amerada Hess Corp. - 495
P.O. Box 2040
Houston, TX 77252-2040

Chesapeake Operating, Inc. - 147179
P.O. Box 18496
Oklahoma City, OK 73154-0496

Chevron USA Inc - 4323
P.O. Box 4791
Houston, TX 77210-04791

Texaco E&P Inc - 22351
P.O. Box 3109
Midland, TX 79702

XTO Energy, Inc - 5380
3000 N. Garfield, Ste 175
Midland, TX 79705