

DATE IN 4.5.12	SUSPENSE	ENGINEER RE	LOGGED IN 4.5.12	TYPE PLC	APP NO 1209650992
----------------	----------	-------------	------------------	----------	-------------------

PTGW

ABOVE THIS LINE FOR DIVISION USE ONLY

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



CHEVRON 4323
 RECEIVED OCD

2012 APR -5 A 11:13

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 Havnie		NM Petro Engineering Technical Assistant	4-3-12
Print or Type Name	Signature	Title	Date

PLC-357

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

April 3, 2012

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

Re: Surface Commingling
Oil and Gas Department

Chevron U.S.A. Inc. respectfully request administrative approval for a Surface Commingle for the N, O, Q, BA Commingled Battery. We believe this battery has Commingle Approval, but I was unable to find an official approval from the OCD in our files. I have included in this request an approval from the State of New Mexico, Commissioner of Public Lands, which tells me that we did send in a request. All of the wells in this battery are 100% Chevron wells and the Royalty is the State of New Mexico. Chevron would like to add the Abo production for the New Mexico O State NCT-1 Well # 39, and include a statement for approval to add wells, pools, or leases, with identical ownership to this battery.

An application for a Downhole Commingle was sent to Santa Fe, (January 2012), to combine the Wolfcamp, Abo, and Penn, which will be an amendment to DHC-1831. Documentation is included, for your information.

The Vacuum Abo pool, (61760) is currently approved for the battery in various wells, as can be seen on the detail well list included with the attachments. The following wells are in the N, O, Q, BA Commingled Battery, O-25-17S-34E; Lea County, New Mexico:

New Mexico N State NCT- # 10, API # 30-025-33434,

New Mexico O NCT-1 # 39, API # 30-025-33569, (DHC-1831)

New Mexico Q State # 12, API # 30-025-33850, (DHC-2150)

State BA # 6, API # 30-025-20057, (DHC-116)

State BA # 8, API # 30-025-20986, (DHC-R-4406)

State BA # 14, API # 30-025-33570,

State BA # 15, API # 30-025-34945, (DHC-36)

New Mexico 'Z' NCT-1 # 1, API # 30-025-29988, SWD well, "No Longer Connected"

The royalty owner has been notified of Chevron's intend to amend this commingle and their current value will not be impacted by the proposed action.

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

Sincerely,

A handwritten signature in black ink that reads "Carolyn Haynie". The signature is written in a cursive style with a large, sweeping initial 'C'.

Carolyn Haynie
NM PE Technical Assistant
Enclosure

cc: NMOCD – District 1, Hobbs
Edgar Acero
Nick Moschetti
Denise Pinkerton

ATTACHMENT I

LAND OWNERSHIP STATUS

PREPARED BY Daniel Pequeno, Landman, CPL/ESA

February 29, 2012

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

Chevron's New Mexico N, O, Q, BA State Consolidated Battery
Section 25, T-17-S, R-34E, Unit D
Lea County, New Mexico

NW/4 SECTION 2 – T18S-R34, NMPM – STATE LEASE B-3011:

Lease Owner – 100% 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

Well located on the Lease is the New Mexico "Z" State NCT-1 #1 (San Andres reservoir)

S/2SE/4 & SECTION 25 – T17S-R34, NMPM – STATE LEASE B-1056:

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

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

Prize Energy Resources LP
15 East 5th Street, Suite 1000
Tulsa, OK 74103-4346

Well located on the Lease are the New Mexico "Q" State #12 (Wolfcamp & Upper Penn
Reservoirs).

W/2W/2 SECTION 30 – T17S-R35, NMPM – STATE LEASE B-1722:

Lease Owner – 100% 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

Well located on the Lease are the New Mexico "N" State NCT-1 #10 (Upper Penn Reservoir).

LAND OWNERSHIP STATUS (CONTINUE)

S/2N/2, N/2SE/4 & S/2SE/4 SECTION 36-T17S-R34E NMPM – STATE LEASE B-155:

Lease Owner – 100% WI

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

Royalty Owner – 1/8 Royalty

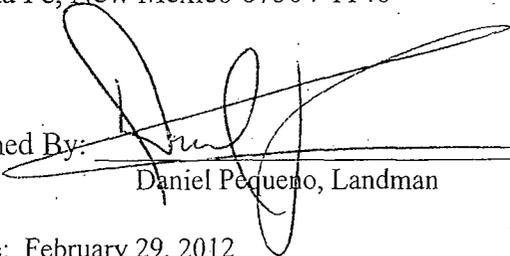
State of New Mexico
Commissioner of Public Lands
P. O. Box 1148

Well located on the Lease are the New Mexico "O" State NCT-1 #11 (Wolfcamp, Upper Penn, Abo Reservoirs); New Mexico "O" State NCT-1 #38 (Wolfcamp & Abo Reservoirs); New Mexico "O" NCT-1 #39 (Wolfcamp, Upper Penn reservoirs and will add the Abo Reservoir); State "BA" 6 (Wolfcamp, Upper Penn & Abo Reservoirs); State "BA" #8 (Wolfcamp, Upper Penn & Abo Reservoirs); State "BA" #14 (Atoka Reservoir) and State "BA" #15 (Wolfcamp, Upper Penn & Abo Reservoirs)

Surface Owner for Section 2, T18S-R34; Sections 25 & 36, T17S-R34E & Section 30, T17S-R35E:

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

Signed By:


Daniel Pequeno, Landman

Date: February 29, 2012



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

April 3, 2012

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

Re: Surface Commingling
N, O, Q, BA Commingled Battery
Section 25, T17S, R34E,
Lea County, New Mexico

Chevron U.S.A. Inc. respectfully gives Notice of Intend to amend the Surface Commingle for the N, O, Q, BA Commingled Battery. All of the wells in this battery are 100% Chevron wells and Chevron would like to add the Abo production for the New Mexico O State NCT-1 Well # 39, and include a statement for approval to add wells, pools, or leases, with identical ownership to this battery.

An application for a Downhole Commingle was sent to Santa Fe, (January 2012), to combine the Wolfcamp, Abo, and Penn, which will be an amendment to DHC-1831. Documentation is included, for your information.

The Vacuum Abo pool, (61760) is currently approved for the battery in various wells, as can be seen on the detail well list included with the attachments. The following wells are in the N, O, Q, BA Commingled Battery, O-25-17S-34E; Lea County, New Mexico:

New Mexico N State NCT- # 10, API # 30-025-33434,

New Mexico O NCT-1 # 39, API # 30-025-33569, (DHC-1831)

New Mexico Q State # 12, API # 30-025-33850, (DHC-2150)

State BA # 6, API # 30-025-20057, (DHC-116)

State BA # 8, API # 30-025-20986, (DHC-R-4406)

State BA # 14, API # 30-025-33570,

State BA # 15, API # 30-025-34945, (DHC-36)

New Mexico 'Z' NCT-1 # 1, API # 30-025-29988, SWD well, "No Longer Connected"

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,

A handwritten signature in cursive script, appearing to read "Carolyn Haynie".

Carolyn Haynie
NM PE Technical Assistant
Enclosure

cc: NMOCD – District 1, Hobbs
Lease File
Edgar Acero
Nick Moschetti
Denise Pinkerton

Oil and Gas Division
 1220 South St. Francis Dr., Santa Fe, NM 87505
 Phone (505) 476-0000 Fax (505) 476-0100
 Oil and Gas Division
 800 N. First St., Santa Fe, NM 87501
 Phone (505) 476-1511 Fax (505) 476-0700
 Oil and Gas Division
 1300 Rio Rancho Plaza, Santa Fe, NM 87505
 Phone (505) 834-0171 Fax (505) 834-0170
 Oil and Gas Division
 1020 S. St. Francis Dr., Santa Fe, NM 87505
 Phone (505) 476-2400 Fax (505) 476-2400

State of New Mexico
 Energy Minerals and Natural Resources
 Oil Conservation Division
 1220 South St. Francis Dr.
 Santa Fe, NM 87505

Form G-101
 Revised August 1, 2011

HOBBS OGD

JAN 27 2012

APPLICATION FOR PERMIT TO DRILL, RE-ENTER, DEEPEN, PLUGBACK, OR ADD A ZONE

Operator Name and Address OIL AND GAS DIVISION 1220 SOUTH ST. FRANCIS DR. SANTA FE, NM 87505		Oil and Gas Division 1220 South St. Francis Dr. Santa Fe, NM 87505
Property Code	Property Name NEW MEXICO "D" STATE NCT-1	Well No 39

Surface Location

UTM Zone	Section	Township	Range	Latitude	Easting	NAD Zone	Footprint	EW Line	County
11	10	17-S	54-E		8034	NAD83	1100	EAST	LEA

Pool Information

ACQUICLUDE CHARACTERIZATION	63762
-----------------------------	-------

Additional Well Information

Well Type RECOMPLETE	Well Type 0	Cable Safety	Lease Type 3	Ground Level Elevation
Multiple NO	Proposed Depth 10,000'	Permittee ABC	Contractor	Spud Date
Depth to Groundwater	Distance from nearest fresh water well		Distance to nearest surface water	

Proposed Casing and Cement Program

Type	Hole Size	Casing Size	Casing Weight	Setting Depth	Sacks of Cement	Estimated YOC
			NO CHANGE			

Casing/Cement Program: Additional Comments

SEE ATTACHED INTENDED PROCEDURE, C-102, C-144C1E2, WELLBORE DIAGRAMS, C-107A TO DHC ABC, WOLF CAMP, PENN

Proposed Blowout Prevention Program

Type Permit Expires 2 Years From Approval Date Unless Drilling Underway	Oil Conservation Division Conditions of approval: Approval for drilling/workover ONLY.. CANNOT produce Downhole Commingled until OHC is approved by Santa Fe
I hereby certify that the information given above is true and complete to the best of my knowledge and belief I further certify that the drilling pit will be constructed according to NMOCB guidelines <input checked="" type="checkbox"/> a general permit <input type="checkbox"/> , or as indicated alternative OGD-approved plan <input type="checkbox"/>	Oil Conservation Division
Printed name: DENISE PERKINSON	Approved By:
Title: REGULATORY SPECIALIST	Title:
E-mail Address: denise.perkinson@state.nm.gov	Approved Date: JAN 31 2012
Date: 01-26-2012	Expiration Date:
Phone: 476-687-7114	Conditions of Approval Attached

JAN 31 2012

Texaco Exploration & Production Inc.
March 6, 1996
Page 2

We understand that production from the New Mexico Q State Well #4 lease will be metered separately from the other commingled production.

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 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.

Since the above-mentioned wells are utilizing the tank battery on Lease B-1056-2, a right-of-way easement may be required. Please contact Ms. Debra Padilla of our Right-of-Way Section for further information regarding this easement. Ms. Padilla's telephone number is 827-5729.

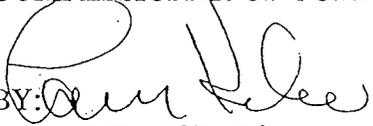
Our approval is contingent upon Texaco's obtaining any required rights-of-way.

Please submit a \$30.00 filing fee.

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

RP/LK/cpm

Enclosure

cc: Reader File
B-1056-2
OCD--Attention: David Catanach and Ben Stone
Debra Padilla

Well List for N, O, Q, BA Commingled Battery

Section 25, T17S, R4E, Lea County, NM

Lease	API	Status	Well #	Pool	Pool #	Unit Ltr	Sec	Location	T	R	Co	TD	Comments
New Mexico N State NCT-1 # 10	30-025-33434	SI	10	Upper Penn	62320	M	30	800' FSL & 510' FWL	T17S	R35E	Lea	11,536'	
*New Mexico O State NCT-1 # 39 (DHC-1831)	30-025-33569	SI	39	Wolfcamp, Upper Penn, Abo	62340, 62320, 61760	G	36	2075' FNL & 2110' FEL	T17S	R34E	Lea	10,300'	*Will add the Abo production. Well is connected to the Battery
New Mexico Q State # 12 (DHC # 2150)	30-025-33850	PR	12	Wolfcamp, Upper Penn	62340, 62320	O	25	400' FSL & 1900' FEL	T17S	R34E	Lea	10,350'	
State BA # 6 (DHC-116)	30-025-20057	PR	6	Wolfcamp, Upper Penn, Abo	62340, 62320, 61760	D	36	660' FNL & 860' FWL	T17S	R34E	Lea	12,110	
State BA # 8 (DHC-R-4406)	30-025-20986	PR	8	Wolfcamp, Upper Penn, Abo	62340, 62320, 61760	B	36	766' FNL & 2086' FEL	T17S	R34E	Lea	10,494'	
State BA # 14	30-025-33570	FL-Gas	14	Atoka	96454	A	36	990' FNL & 330' FEL	T17S	R34E	Lea	11,500'	
State BA # 15 (DHC-36)	30-025-34945	PR	15	Wolfcamp, Upper Penn, Abo	62340, 62320, 61760	C	36	612' FNL & 2135' FWL	T17S	R34E	Lea	10,592'	Horizontal - TVD @ 9,257'
Wells, No longer going to the battery:													
New Mexico O State NCT-1 38 (DHC #2162)	30-025-33148	TA'd	38	Wolfcamp, Abo	62340, 61760	I	36	2085' FSL & 710' FEL	T17S	R34E	Lea	11,500'	Not connected to the battery and no sting in hole. This well will be part of the TZROZ project as a CVU well.
New Mexico "Z" State NCT- 1 # 1- is a Salt Water Disposal Well	30-025-29988	SDW-#776	1	San Andres	96121	C	2	660' FNL & 2200' FWL	T18S	R34E	Lea	12,200'	SWD, effective May 30, 2000
New Mexico O State NCT-1 # 11 (DHC-604)	30-025-20382	P&A'd	11	Wolfcamp, Upper Penn, Abo	62340, 62320, 61760	F	36	1980' FNL & 1780' FWL	T17S	R34E	Lea	12,155	P&A'd 3/30/10



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

April 3, 2012

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

Re: Surface Commingling
Oil and Gas Department

Chevron U.S.A. Inc. respectfully request administrative approval for a Surface Commingle for the N, O, Q, BA Commingled Battery. We believe this battery has Commingle Approval, but I was unable to find an official approval from the OCD in our files. I have included in this request an approval from the State of New Mexico, Commissioner of Public Lands, which tells me that we did send in a request. All of the wells in this battery are 100% Chevron wells and the Royalty is the State of New Mexico. Chevron would like to add the Abo production for the New Mexico O State NCT-1 Well # 39, and include a statement for approval to add wells, pools, or leases, with identical ownership to this battery.

An application for a Downhole Commingle was sent to Santa Fe, (January 2012), to combine the Wolfcamp, Abo, and Penn, which will be an amendment to DHC-1831. Documentation is included, for your information.

The Vacuum Abo pool, (61760) is currently approved for the battery in various wells, as can be seen on the detail well list included with the attachments. The following wells are in the N, O, Q, BA Commingled Battery, O-25-17S-34E; Lea County, New Mexico:

New Mexico N State NCT- # 10, API # 30-025-33434,

New Mexico O NCT-1 # 39, API # 30-025-33569, (DHC-1831)

New Mexico Q State # 12, API # 30-025-33850, (DHC-2150)

State BA # 6, API # 30-025-20057, (DHC-116)

State BA # 8, API # 30-025-20986, (DHC-R-4406)

State BA # 14, API # 30-025-33570,

State BA # 15, API # 30-025-34945, (DHC-36)

New Mexico 'Z' NCT-1 # 1, API # 30-025-29988, SWD well, "No Longer Connected"

The royalty owner has been notified of Chevron's intend to amend this commingle and their current value will not be impacted by the proposed action.

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

Sincerely,

A handwritten signature in cursive script that reads "Carolyn Haynie". The signature is written in black ink and is positioned above the printed name.

Carolyn Haynie
NM PE Technical Assistant
Enclosure

cc: NMOCD – District 1, Hobbs
Edgar Acero
Nick Moschetti
Denise Pinkerton

ATTACHMENT I

LAND OWNERSHIP STATUS

PREPARED BY Daniel Pequeno, Landman, CPL/ESA

February 29, 2012

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

Chevron's New Mexico N, O, Q, BA State Consolidated Battery
Section 25, T-17-S, R-34E, Unit D
Lea County, New Mexico

NW/4 SECTION 2 –T18S-R34, NMPM – STATE LEASE B-3011:

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 New Mexico “Z” State NCT-1 #1 (San Andrés reservoir)

S/2SE/4 & SECTION 25 –T17S-R34, NMPM – STATE LEASE B-1056:

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

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

Prize Energy Resources LP
15 East 5th Street, Suite 1000
Tulsa, OK 74103-4346

Well located on the Lease are the New Mexico “Q” State #12 (Wolfcamp & Upper Penn
Reservoirs).

W/2W/2 SECTION 30 –T17S-R35, NMPM – STATE LEASE B-1722:

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 are the New Mexico “N” State NCT-1 #10 (Upper Penn Reservoir).

LAND OWNERSHIP STATUS (CONTINUE)

S/2N/2, N/2SE/4 & S/2SE/4 SECTION 36-T17S-R34E NMPM – STATE LEASE B-155:

Lease Owner – 100% WI

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

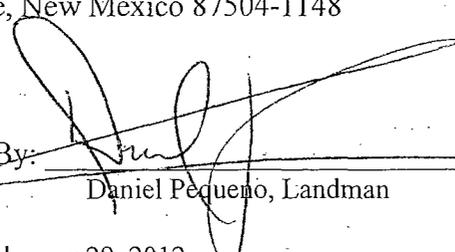
Royalty Owner – 1/8 Royalty

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

Well located on the Lease are the New Mexico "O" State NCT-1 #11 (Wolfcamp, Upper Penn, Abo Reservoirs); New Mexico "O" State NCT-1 #38 (Wolfcamp & Abo Reservoirs); New Mexico "O" NCT-1 #39 (Wolfcamp, Upper Penn reservoirs and will add the Abo Reservoir); State "BA" 6 (Wolfcamp, Upper Penn & Abo Reservoirs); State "BA" #8 (Wolfcamp, Upper Penn & Abo Reservoirs); State "BA" #14 (Atoka Reservoir) and State "BA" #15 (Wolfcamp, Upper Penn & Abo Reservoirs)

Surface Owner for Section 2, T18S-R34; Sections 25 & 36, T17S-R34E & Section 30, T17S-R35E:

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

Signed By: 

Daniel Pequeno, Landman

Date: February 29, 2012



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

April 3, 2012

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

Re: Surface Commingling
N, O, Q, BA Commingled Battery
Section 25, T17S, R34E,
Lea County, New Mexico

Chevron U.S.A. Inc. respectfully gives Notice of Intend to amend the Surface Commingle for the N, O, Q, BA Commingled Battery. All of the wells in this battery are 100% Chevron wells and Chevron would like to add the Abo production for the New Mexico O State NCT-1 Well # 39, and include a statement for approval to add wells, pools, or leases, with identical ownership to this battery.

An application for a Downhole Commingle was sent to Santa Fe, (January 2012), to combine the Wolfcamp, Abo, and Penn, which will be an amendment to DHC-1831. Documentation is included, for your information.

The Vacuum Abo pool, (61760) is currently approved for the battery in various wells, as can be seen on the detail well list included with the attachments. The following wells are in the N, O, Q, BA Commingled Battery, O-25-17S-34E; Lea County, New Mexico:

New Mexico N State NCT- # 10, API # 30-025-33434,

New Mexico O NCT-1 # 39, API # 30-025-33569, (DHC-1831)

New Mexico Q State # 12, API # 30-025-33850, (DHC-2150)

State BA # 6, API # 30-025-20057, (DHC-116)

State BA # 8, API # 30-025-20986, (DHC-R-4406)

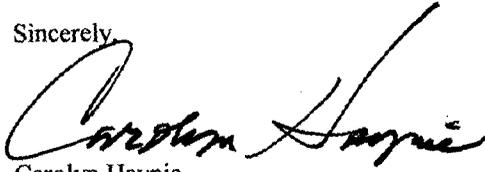
State BA # 14, API # 30-025-33570,

State BA # 15, API # 30-025-34945, (DHC-36)

New Mexico 'Z' NCT-1 # 1, API # 30-025-29988, SWD well, "No Longer Connected"

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

A handwritten signature in black ink, appearing to read "Carolyn Haynie". The signature is fluid and cursive, with a large initial 'C'.

Carolyn Haynie

NM PE Technical Assistant

Enclosure

cc: NMOCD – District 1, Hobbs

Lease File

Edgar Acero

Nick Moschetti

Denise Pinkerton

OFFICE
 1645 W. Broadway, 10000, N.M. 87102
 Phone (505) 778-5111 Fax (505) 778-5120
 OFFICE
 600 S. Third St., Santa Fe, N.M. 87501
 Phone (505) 748-1211 Fax (505) 748-1220
 OFFICE
 1200 Rio Grande Blvd., 87102, N.M. 87102
 Phone (505) 234-0111 Fax (505) 234-0112
 OFFICE
 3320 S. El Camino Dr., Santa Fe, N.M. 87505
 Phone (505) 412-3450 Fax (505) 412-3452

State of New Mexico
 Energy Minerals and Natural Resources
 Oil Conservation Division
 1220 South St. Francis Dr.
 Santa Fe, NM 87505

Form C-103
 Revised August 1, 2011

HOBBS OGD

JAN 27 2012

RECEIVED

APPLICATION FOR PERMIT TO DRILL, RE-ENTER, DEEPEN, PLUGBACK, OR ADD A ZONE

Operator Name and Address Oil Conservation Division 1220 South St. Francis Dr. Santa Fe, NM 87505		Well Name NEW MEXICO STATE NCT-1	Well No. 39
Property Code	Property Name NEW MEXICO STATE NCT-1	Well No. 39	

Surface Location

UT - 100	Section	Township	Range	Locality	Section	NM Zone	Section	EW Line	County
11	16	17-S	34-E		2034	800710	2110	EAST	LUNA

Pool Information

ACQUEDUCT NAME	63760
----------------	-------

Additional Well Information

Work Type RECOMPLETE	Well Type O	Completion S	Lease Type S	Ground Level Movement
Multiple NO	Proposed Depth 11,500'	Production 2000	Contractor	Spud Date
Depth to Groundwater	Distance from nearest fresh water well	Distance to nearest surface water		

Proposed Casing and Cement Program

Type	Hole Size	Casing Size	Casing Weight/lb	Casing Depth	Sacks of Cement	Estimated TOC
NO CHANGE						

Casing/Cement Program: Additional Comments

SEE ATTACHED INTENDED PROCEDURE, C-102, C-1410, EZ, WELLBORE DIAGRAMS, C-107A TO DHC ABC, WOLF CAMP, PENN

Proposed Blowout Prevention Program

Type Permit Expires 2 Years From Approval Date Unless Drilling Underway	Blowout Prevention
---	--------------------

Oil Conservation Division
 Conditions of approval: Approval for drilling/workover
 ONLY.. CANNOT produce Downhole Commingled
 until DHC is approved by Santa Fe

OIL CONSERVATION DIVISION

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

I further certify that the drilling pit will be constructed according to NMOCU guidelines a general permit or as attached alternative OGD-approved plan .

Printed name: DENISE PINKERTON

Title: REGULATORY SPECIALIST

E-mail Address: denise@ocd.state.nm.gov

Date: 01-30-2012

Phone: 412-687-7115

Approved By: 

Title: **REGULATORY SPECIALIST**

Approved Date: **JAN 31 2012**

Expiration Date:

Conditions of Approval Attached

JAN 31 2012



State of New Mexico
Commissioner of Public Lands

310 OLD SANTA FE TRAIL P.O. BOX 1148

SANTA FE, NEW MEXICO 87504-1148

March 6, 1996

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

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

FYI

Texaco Exploration & Production Inc.
Post Office Box 730
Hobbs, New Mexico 88240

Attn: Mr. Monty C. Duncan

Re: Application for Off Lease Storage and Surface Commingling
New Mexico L, N, O, Q, & BA Battery
(Formerly New Mexico N, O, BA Battery)
Vacuum Abo North, Vacuum Upper Penn, Vacuum Wolfcamp Pools
Vacuum Drinkard, Wildcat Atoka
Unit Letter O, Section 25-17S-34E (Battery Location)
Lea County, New Mexico

4-1
03/15
Lest-
3/11/96

Dear Mr. Duncan:

We have received your application requesting approval to commingle and store off-lease, the production from the following wells:

- New Mexico "O" State NCT-1 #11, F, Section 36-17S-34E, B-155-1, Vacuum Abo North, Vacuum Upper Penn and Vacuum Wolfcamp;
- New Mexico "O" State NCT-1 #14, J, Section 36-17S-34E, B-155-1, Vacuum Abo North and Vacuum Wolfcamp;
- State BA #6, D, Section 36-17S-34E, B-1565, Vacuum Abo North, Vacuum Upper Penn and Vacuum Wolfcamp;
- State BA #8, B, Section 36-17S-34E, B-1565, Vacuum Abo North, Vacuum Upper Penn and Vacuum Wolfcamp;
- New Mexico Q State #4, P, Section 25-17S-34E, B-1056-2, Vacuum Abo North, Vacuum Upper Penn and Vacuum Wolfcamp;
- New Mexico O State NCT-1 #38, I, Section 36-17S-34E, B-155, Wildcat Atoka;
- New Mexico L State #18, A, Section 1-18S-34E, B-1733, Wildcat Atoka;
- New Mexico N State #10, M, Section 30-17S-35E, B-1722, Wildcat Atoka;

The production from the subject leases will be commingled in a common storage facility located in Unit Letter O, Section 25, Township 17S, Range 34E, Lea County, New Mexico, at the New Mexico L, N, O, Q and BA lease battery.

Texaco Exploration & Production Inc.
March 6, 1996
Page 2

We understand that production from the New Mexico Q State Well #4 lease will be metered separately from the other commingled production.

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 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.

Since the above-mentioned wells are utilizing the tank battery on Lease B-1056-2, a right-of-way easement may be required. Please contact Ms. Debra Padilla of our Right-of-Way Section for further information regarding this easement. Ms. Padilla's telephone number is 827-5729.

Our approval is contingent upon Texaco's obtaining any required rights-of-way.

Please submit a \$30.00 filing fee.

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

Very truly yours,

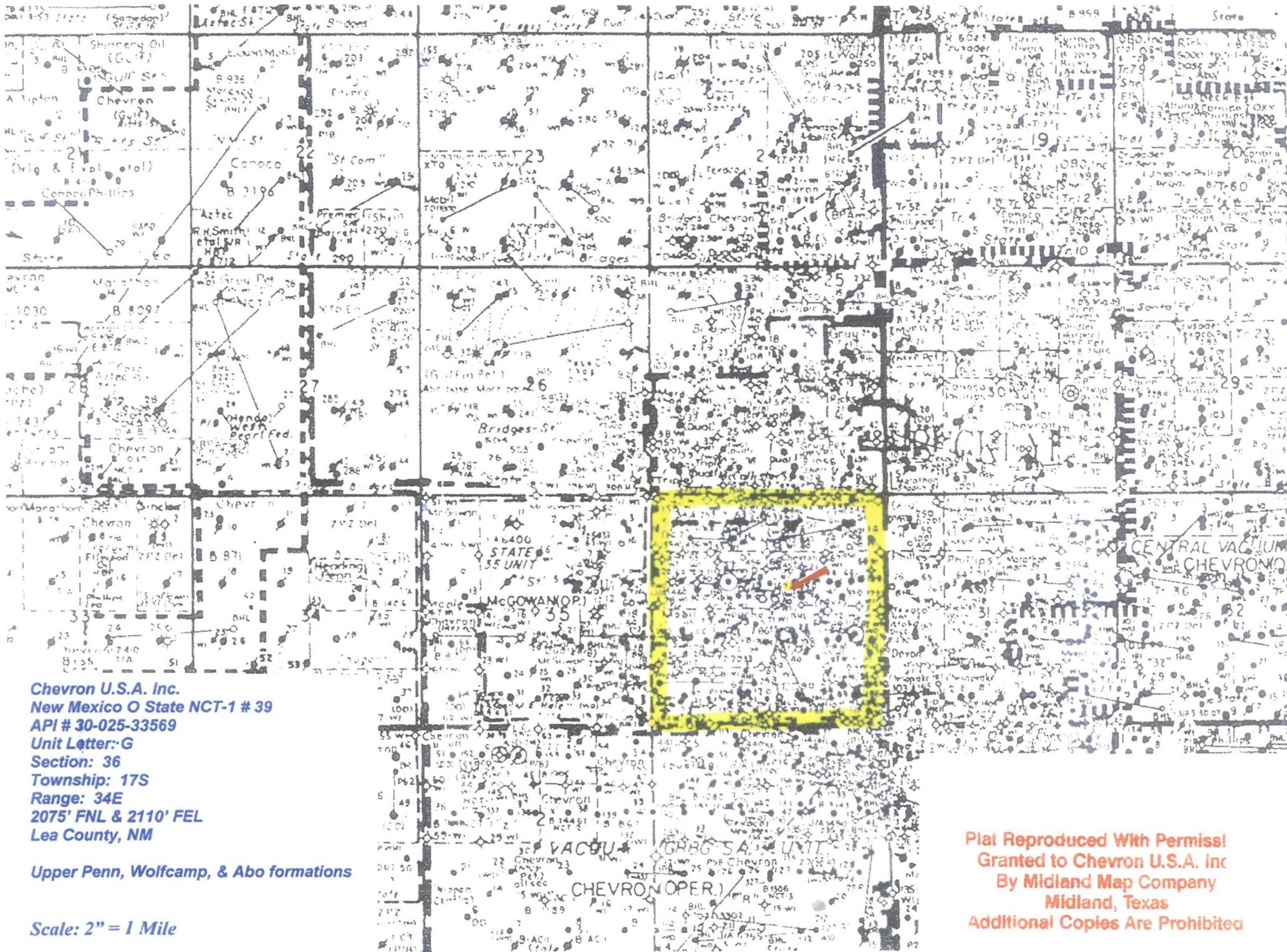
RAY POWELL, M.S., D.V.M.
COMMISSIONER OF PUBLIC LANDS

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

RP/LK/cpm

Enclosure

cc: Reader File
B-1056-2
OCD--Attention: David Catanach and Ben Stone
Debra Padilla



Chevron U.S.A. Inc.
New Mexico O State NCT-1 # 39
API # 30-025-33569
Unit Letter: G
Section: 36
Township: 17S
Range: 34E
2075' FNL & 2110' FEL
Lea County, NM

Upper Penn, Wolfcamp, & Abo formations

Scale: 2" = 1 Mile

Plat Reproduced With Permissi
Granted to Chevron U.S.A. Inc
By Midland Map Company
Midland, Texas
Additional Copies Are Prohibited

Well List for N, O, Q, BA Commingled Battery

Section 25, T17S, R4E, Lea County, NM

Lease	API	Status	Well #	Pool	Pool #	Unit Ltr	Sec	Location	T	R	Co	TD	Comments
New Mexico N State NCT-1 # 10	30-025-33434	SI	10	Upper Penn	62320	M	30	800' FSL & 510' FWL	T17S	R35E	Lea	11,536'	
*New Mexico O State NCT-1 # 39 (DHC-1831)	30-025-33569	SI	39	Wolfcamp, Upper Penn, Abo	62340, 62320, 61760	G	36	2075' FNL & 2110' FEL	T17S	R34E	Lea	10,300'	*Will add the Abo production. Well is connected to the Battery
New Mexico Q State # 12 (DHC # 2150)	30-025-33850	PR	12	Wolfcamp, Upper Penn	62340, 62320	O	25	400' FSL & 1900' FEL	T17S	R34E	Lea	10,350'	
State BA # 6 (DHC-116)	30-025-20057	PR	6	Wolfcamp, Upper Penn, Abo	62340, 62320, 61760	D	36	660' FNL & 860' FWL	T17S	R34E	Lea	12,110'	
State BA # 8 (DHC-R-4406)	30-025-20986	PR	8	Wolfcamp, Upper Penn, Abo	62340, 62320, 61760	B	36	766' FNL & 2086' FEL	T17S	R34E	Lea	10,494'	
State BA # 14	30-025-33570	FL-Gas	14	Atoka	96454	A	36	990' FNL & 330' FEL	T17S	R34E	Lea	11,500'	
State BA # 15 (DHC-36)	30-025-34945	PR	15	Wolfcamp, Upper Penn, Abo	62340, 62320, 61760	C	36	612' FNL & 2135' FWL	T17S	R34E	Lea	10,592'	Horizontal - TVD @ 9,257'
Wells, No longer going to the battery:													
New Mexico O State NCT-1 38 (DHC #2162)	30-025-33148	TA'd	38	Wolfcamp, Abo	62340, 61760	I	36	2085' FSL & 710' FEL	T17S	R34E	Lea	11,500'	Not connected to the battery and no sting in hole. This well will be part of the TZROZ project as a CVU well.
New Mexico "Z" State NCT- 1 # 1- is a Salt Water Disposal Well	30-025-29988	SDW-#776	1	San Andres	96121	C	2	660' FNL & 2200' FWL	T18S	R34E	Lea	12,200'	SWD, effective May 30, 2000
New Mexico O State NCT-1 # 11 (DHC-604)	30-025-20382	P&A'd	11	Wolfcamp, Upper Penn, Abo	62340, 62320, 61760	F	36	1980' FNL & 1780' FWL	T17S	R34E	Lea	12,155'	P&A'd 3/30/10

