

DATE IN 8/29	SUSPENSE —	ENGINEER WJS	LOGGED IN 8/30	TYPE IPI 424	APP NO. PWVS 1224340403
-----------------	---------------	-----------------	-------------------	--------------------	----------------------------

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.

Denise Pinkerton *Denise Pinkerton* Regulatory Specialist 08-29-2012
 Print or Type Name: Signature: Title: Date:
 Lea Keid@Chevron.com
 e-mail Address:



New Mexico Energy, Minerals, & Natural Resources Department
1220 South St. Francis Drive
Santa Fe, New Mexico 87505

Attn: Mr. William Jones

Mr. Jones,
Chevron Midcontinent, L.P. has performed a step rate test on the Pardue Farms 27 #8 SWD well located in Eddy County, New Mexico, Section 27, T-23S, R-28E, API# 30-015-26122. We would like to request our maximum injector pressure limit be raised based on the data included in this letter.

Please find attached, the results of the step rate test and the wellbore diagram.

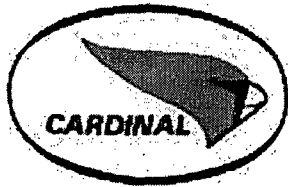
Any questions should be directed to Mr. Jonathan Wells, Production Engineer, Chevron, at 432-687-7674.

Thank you for your consideration in this matter.

A handwritten signature in cursive script that reads "Denise Pinkerton".

Denise Pinkerton
Regulatory Specialist
Chevron U.S.A. Inc.
Midland, Texas 79705
leakejd@chevron.com

Step Rate Test



Cardinal Surveys Company

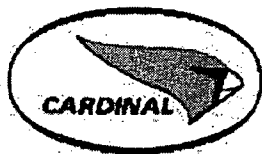
August 10, 2012

Chevron USA
Pardue Farms 27 # 8
Field:
Eddy County, New Mexico
SC-60091
File # 20920

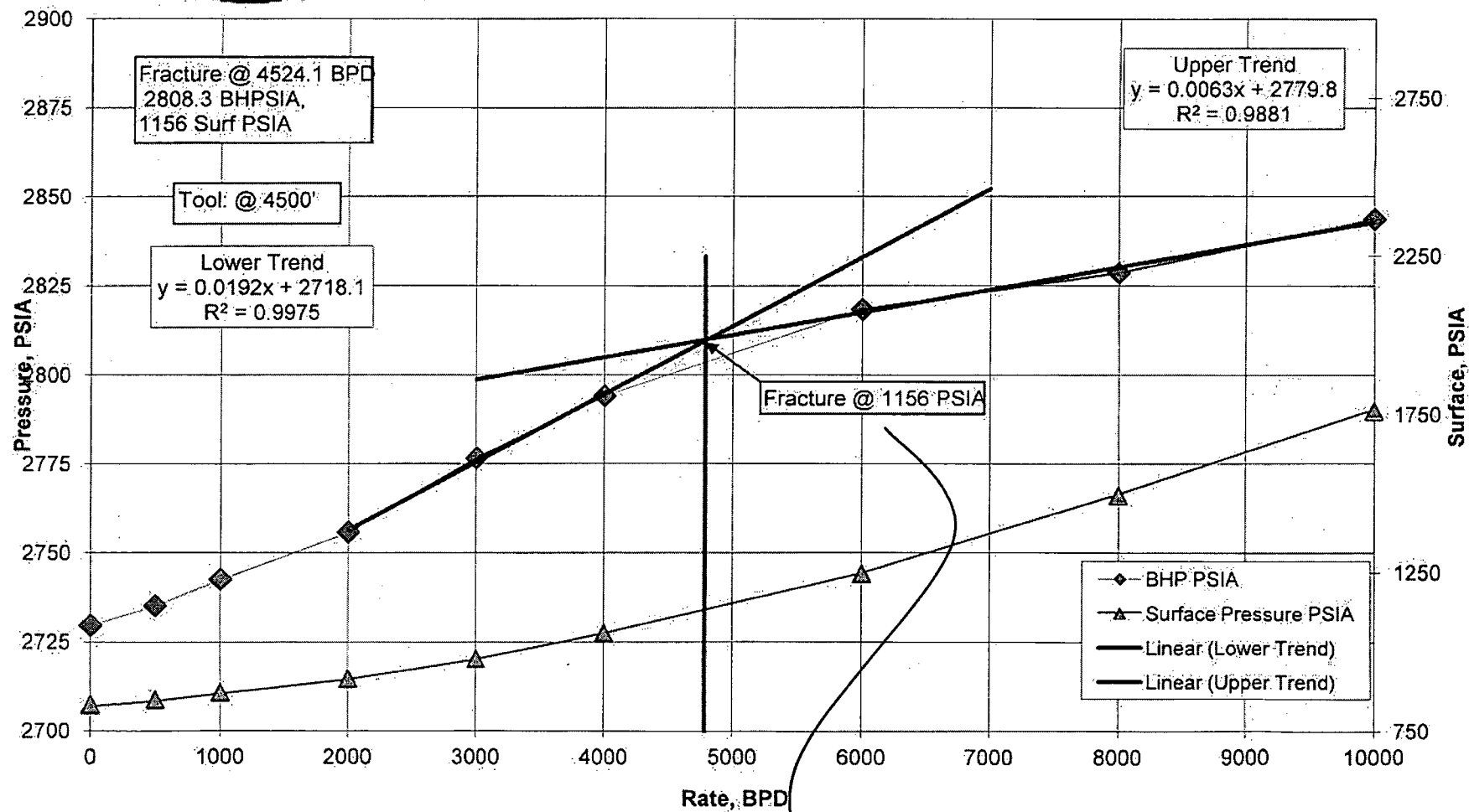
Fracture @ 4524.1 BPD
2808.3 BHPSIA,
1156 Surf PSIA

Downhole PSI Tool Ser. No.
Surface PSI Gauge Ser. No.
Tool @ 4500

	Start Time	End Time	Rate BPD	Comments
1	3:00 PM	3:30 PM		0 On Bottom
2	3:30 PM	4:00 PM	500	
3	4:00 PM	4:30 PM	1000	
4	4:30 PM	5:00 PM	2000	
5	5:00 PM	5:30 PM	3000	
6	5:30 PM	6:00 PM	4000	
7	6:00 PM	6:30 PM	6000	
8	6:30 PM	7:00 PM	8000	
9	7:00 PM	7:30 PM	10000	
10	7:30 PM	7:45 PM		0 Fall Off



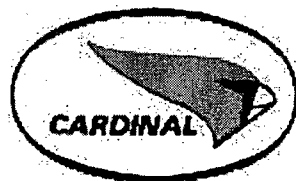
Chevron U. S. A. Pardue Farms 27 # 8
Step Rate Test 08-10-2012



MINUS 50 PSI SAFETY = 1100 PSI

Step Rate Test

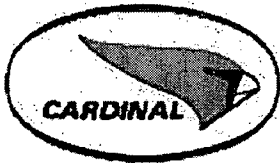
Chevron U. S. A.
Pardue Farms 27 # 8
Field:
Eddy County, New Mexico



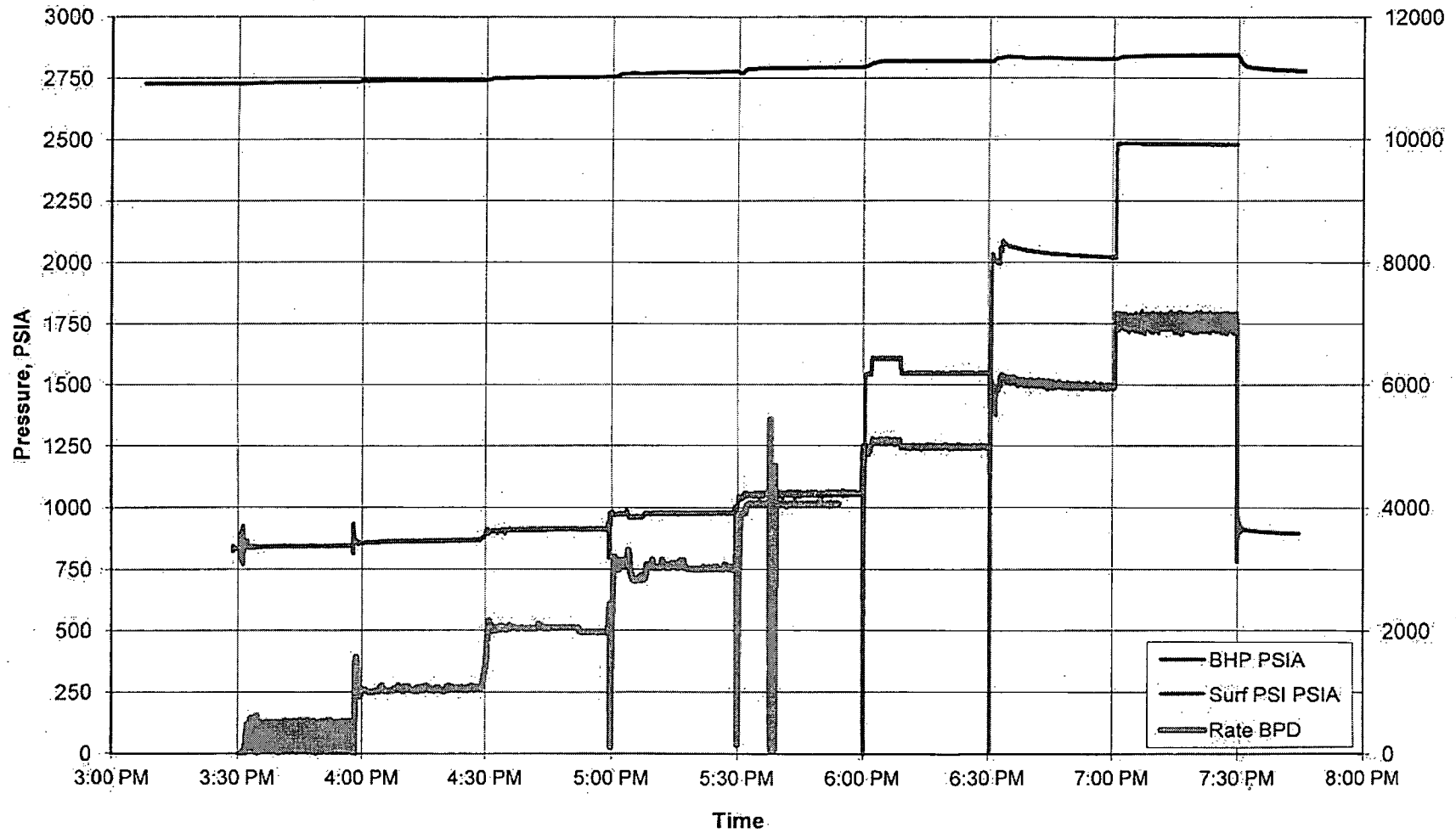
	S Time	E Time	D Time	Last Rate	Step	B. H. Pressure	Surf	Cum	Delta	Avg	Lower	Upper
			Min	BPD	BPD	PSIA	PSIA	BBL	BBL	BPD	Trend	Trend
1	3:00 PM	3:30 PM	30	0	0	2729.7	834	0	0.00	0		
2	3:30 PM	4:00 PM	30	500	500	2735.2	850	8.5	8.50	408		
3	4:00 PM	4:30 PM	30	1000	500	2742.6	873	31.2	22.70	1090		
4	4:30 PM	5:00 PM	30	2000	1000	2755.8	916	72.9	41.70	2002	2755.8	
5	5:00 PM	5:30 PM	30	3000	1000	2776.6	979	135.5	62.60	1003	2776.6	
6	5:30 PM	6:00 PM	30	4000	1000	2794.1	1060	221.1	85.60	1104	2794.1	
7	6:00 PM	6:30 PM	30	6000	2000	2818.4	1248	345.7	124.60	5981		2818.4
8	6:30 PM	7:00 PM	30	8000	2000	2828.6	1494	513	167.30	8030		2828.6
9	7:00 PM	7:30 PM	30	10000	2000	2843.6	1761	712.6	199.60	9581		2843.6
10	7:30 PM	7:45 PM	15	0	-10000	2778	890	712.6	0.00	0		

0.0192 2718.1
0.0063 2779.8

int point: 4782.9457 BPD
2809.9326 Psia



Chevron U. S. A. Pardue Farms 27 # 8
Step Rate Test 08-10-2012



Pardue Farms 27 #8 SWD Wellbore Diagram

Created: 06/20/07 By: C. A. Irie
 Updated: By:
 Lease: Pardue Farms 27
 Field: Loving East
 Surf. Loc.: 2,069' FNL & 632' FEL
 Bot. Loc.:
 County: Eddy St.: NM
 Status: Salt Water Disposal Well

Well #: 8 Fd./St. #: Fee
 API 30-015-26122
 Surface Tshp/Rng: S-23 & E-28
 Unit Ltr.: H Section: 27
 Bottom hole Tshp/Rng:
 Unit Ltr.: Section:
 Cost Code:
 Chevno: IX1910

Surface Casing

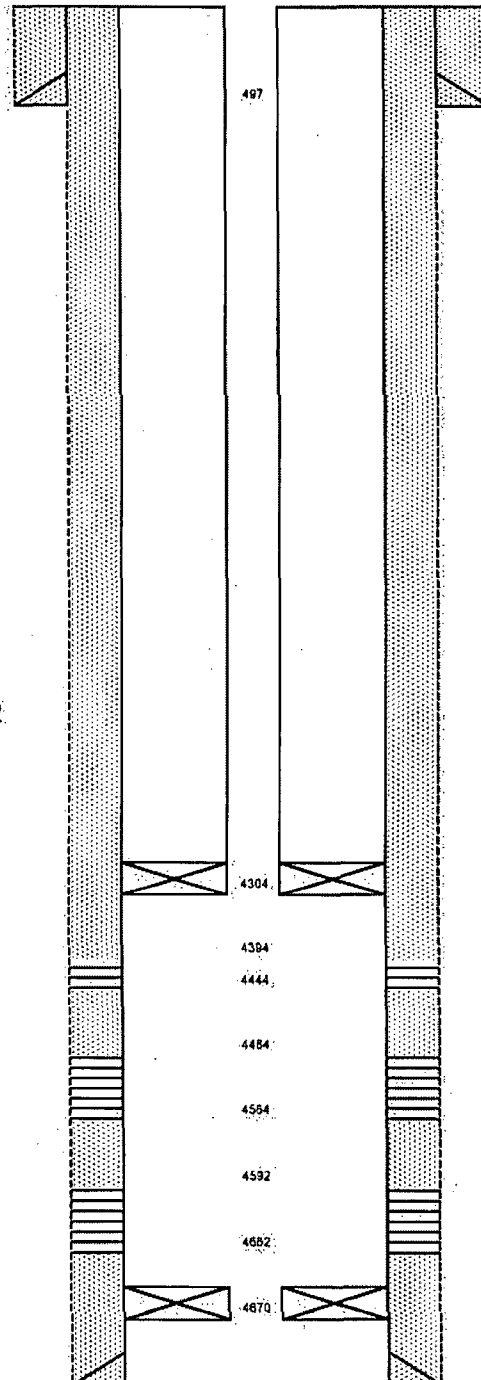
Size: 13 3/8 *
 Wt., Grd.: K-55 *
 Depth: 497
 Sxs Cmt: 525
 Circulate: Yes, 2
 TOC: Surface
 Hole Size: 17 1/2
 *61# & 82# 13 5/8

Production Casing

Size: 7"
 Wt., Grd.: 29&32# S-95
 Depth: 4,850
 Sxs Cmt: 2,300
 Circulate: Yes, 160
 TOC: Surface
 Hole Size: 9 7/9
 DV Tool: No

Perforations

4394-4444, 4484-4564, 4592-4662



KB:
 DF:
 GL: 3,033
 Ini. Spud: 05/24/89
 Ini. Comp.: 06/09/89

History

6/9/89 Ini Comp: Perf Cherry Canyon 2 spf
 4394-4444, 4484-4524, 4524-64, 4592-
 4612, 4612-62, pkr 4670, rel O/O, spot acid
 4300-4662, 2nd pkr 4298, acid 5000 gls
 15% NEFE 800 BS.
 11/16/90 Tbg Leak
 8/17/95 MIT Test: Passed
 7/13/00 MIT Test: Passed
 2/12/04 Tbg Leak: Replace all tbg, pkr 4304.

Tubing Detail - FROM 2/27/2004!

2 7/8" J-55 IPC Tubing
 AD-1 Tension Packer 4,304
 w/20 Points Tension

PBTD: 4,812
 TD: 4,850