

PNRMO817130684

C-103 Received 6-16-2008  
DHC No. Assigned 6-18-2008

<b>Order Number</b> HOB-0251		<b>API Number</b> 30-025-38967		<b>Operator</b> Chevron USA Inc.		<b>County</b> Lea	
<b>Order Date</b> 		<b>Well Name</b> C.H. Weir B		<b>Number</b> 015		<b>Location</b>	
						<b>I</b> UL	<b>II</b> Sec
						<b>205</b> T (+Dir)	<b>37E</b> R (+Dir)
<b>Pool 1</b>	63800	Weir Blinebry, East		Oil % 55%	Gas % 16%		
<b>Pool 2</b>	47090	Monument Tubb		25%	67%		
<b>Pool 3</b>	57000	Skaggs Drinkard		20%	17%		
<b>Pool 4</b>							
<b>Comments:</b> Work completed effective _____ Work cancelled effective _____							

Posted to  
RBDMA  
6-19-2008

30-025-38967  
HOB-0251

DOWNHOLE COMMINGLE CALCULATIONS:

OPERATOR: Chevron USA Inc.

PROPERTY NAME: C.H. Weir B

WNULSTR: 15-I, 11-20-37

SECTION I:

POOL NO. 1 Weir Blinebry, East

ALLOWABLE AMOUNT

107 1070 MCF 10000

POOL NO. 2 Monument Tubb

222 2220 MCF 10000

POOL NO. 3 Skaggs Drinkard

142 1420 MCF 10000

POOL NO. 4 \_\_\_\_\_

MCF

POOL TOTALS 471 4710

SECTION II:

POOL NO. 1 Weir Blinebry, East

Oil

$55\% \times 471 = 259.05$

Gas

16%

POOL NO. 2 Monument Tubb

25%

67%

POOL NO. 3 Skaggs Drinkard

20%

17%

POOL NO. 4 \_\_\_\_\_

OIL

GAS

SECTION III:

$107 \div 55\% = 194.545 (195)$

SECTION IV:

$195 \times 55\% = 107.25 (107)$

$195 \times 25\% = 48.75 (49)$

$195 \times 20\% = 39 (39)$

Submit 3 Copies To Appropriate District Office  
District I  
1625 N. French Dr., Hobbs, NM 88240  
District II  
1301 W. Grand Ave., Artesia, NM 88210  
District III  
1000 Rio Brazos Rd., Aztec, NM 87410  
District IV  
220 S. St. Francis Dr., Santa Fe, NM 87505

**RECEIVED**  
JUN 16 2008  
**HOBBS OCD**

State of New Mexico  
Energy, Minerals and Natural Resources  
OIL CONSERVATION DIVISION  
220 South St. Francis Dr.  
Santa Fe, NM 87505

Form C-103  
May 27, 2004

WELL API NO. <b>30-025-38967</b>
5. Indicate Type of Lease STATE <input type="checkbox"/> FEE <input checked="" type="checkbox"/>
6. State Oil & Gas Lease No.
7. Lease Name or Unit Agreement Name <b>C.H. Weir B</b>
8. Well Number <b>15</b>
9. OGRID Number <b>4323</b>
10. Pool name or Wildcat Weir; Blinebry, East / Monument; Tubb / Skaggs; Drinkard

**SUNDRY NOTICES AND REPORTS ON WELLS**  
(DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH PROPOSALS.)

1. Type of Well:  Oil Well  Gas Well  Other

2. Name of Operator  
**Chevron U.S.A. Inc.**

3. Address of Operator  
**15 Smith Road Midland, TX 79705**

4. Well Location  
Unit Letter **I** : **1333'** feet from the **South** line and **1308'** feet from the **East** line  
Section **11** Township **20S** Range **37E** NMPM County **LEA**

11. Elevation (Show whether DR, RKB, RT, GR, etc.)  
**3574' GR**

Pit or Below-grade Tank Application  or Closure

Pit type \_\_\_\_\_ Depth to Groundwater \_\_\_\_\_ Distance from nearest fresh water well \_\_\_\_\_ Distance from nearest surface water \_\_\_\_\_

Pit Liner Thickness: \_\_\_\_\_ mil Below-Grade Tank: Volume \_\_\_\_\_ bbls; Construction Material \_\_\_\_\_

12. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data

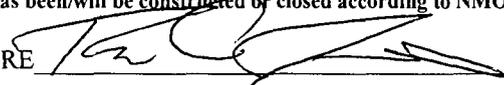
<b>NOTICE OF INTENTION TO:</b> PERFORM REMEDIAL WORK <input type="checkbox"/> PLUG AND ABANDON <input type="checkbox"/> TEMPORARILY ABANDON <input type="checkbox"/> CHANGE PLANS <input type="checkbox"/> PULL OR ALTER CASING <input type="checkbox"/> MULTIPLE COMPL <input type="checkbox"/> OTHER: <b>DHC Blinebry, Tubb and Drinkard</b> <input checked="" type="checkbox"/>	<b>SUBSEQUENT REPORT OF:</b> REMEDIAL WORK <input type="checkbox"/> ALTERING CASING <input type="checkbox"/> COMMENCE DRILLING OPNS. <input type="checkbox"/> P AND A <input type="checkbox"/> CASING/CEMENT JOB <input type="checkbox"/> OTHER: <input type="checkbox"/>
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13. Describe proposed or completed operations. (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work). SEE RULE 1103. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

UNDER THE PROVISIONS OF RULE 303C (5), IT IS PROPOSED TO DOWNHOLE COMMINGLE PRE-APPROVED POOLS, WEIR; BLINEBRY, EAST, (Pool # 63800) PERFS 5690'-6290', MONUMENT; TUBB, (Pool # 47090) PERFS 6290'-6630', AND SKAGGS, DRINKARD (Pool # 47090) PERFS 6630'-6934', IN THE C.H. WEIR B WELL #15. THE #15 WILL BE A 2008 NEW DRILL. PRODUCTION WILL BE ALLOCATED BACK TO THE THREE POOLS BASED ON THE PERCENTAGES SHOWN IN THE ATTACHED SUPPORT DATA.

DHC Order No. HOB-0251

I hereby certify that the information above is true and complete to the best of my knowledge and belief. I further certify that any pit or below-grade tank has been/will be constructed or closed according to NMOCD guidelines , a general permit  or an (attached) alternative OCD-approved plan .

SIGNATURE  TITLE PETR. ENGINEER DATE 6/12/2008

Type or print name Richard A. Jenkins E-mail address: RJDG@Chevron.com Telephone No. 432-687-7120

State Use Only

APPROVED BY:  TITLE PETROLEUM ENGINEER DATE JUN 19 2008

Conditions of Approval (if any):

**REQUEST FOR EXEMPTION TO RULE 303-A**  
**FOR WELLS LOCATED IN PRE-APPROVED POOLS OR AREAS**

**Operator**  
 Chevron U.S.A., Inc.  
 15 Smith Road  
 Midland, TX 79705

**Lease Name and Well Number**  
 C.H. Weir B #15  
 API: 30-025-38967  
 1333' FSL & 1308' FEL, Unit Letter I  
 Section 11, T20S, R37E  
 Lea County, New Mexico

**Division Order**  
 Pre-approved pools or areas established by Division Order No. R-11363.

**Pools To Be Commingled In C.H. Weir B #15**  
 (63800) Weir; Blinebry, East  
 (47090) Monument; Tubb  
 (57000) Skaggs; Drinkard

**Perforated Intervals**  
 Weir; Blinebry, East (5690'-6290')  
 Monument; Tubb (6290'-6630')  
 Skaggs; Drinkard (6630'-6934')

**Location Plat**  
 Attached

**Well Test Report & Production Plots**  
 Attached.

**Product Characteristics And Value**  
 Previous commingling of these zones by Chevron and other operators in the area have shown that the produced fluids are compatible and commingling will not cause formation damage or producing problems. Also, the price received by Chevron for products from these zones is very similar, so value will not be adversely affected.

**Production Allocation**

<u>Pool</u>	<u>BOPD</u>	<u>BWPD</u>	<u>MCFPD</u>	<u>Remarks</u>
Blinebry	86	311	93	Calculated using well test and offset cum allocations
Tubb	40	138	375	Calculated using well test and offset cum allocations
Drinkard	32	242	94	Calculated using well test and offset cum allocations
<b>Totals</b>	<b>158</b>	<b>690</b>	<b>562</b>	<b>L.R. Kershaw #16 - Well Test Report 12/3/2007</b>

<u>Allocated %</u>	<u>Oil %</u>	<u>Water %</u>	<u>Gas %</u>	<u>Remarks</u>
Blinebry	<del>54.455</del>	45.00	16.46	Calculated using offset cum's
Tubb	25.18	20.00	<del>66.7567</del>	Calculated using offset cum's
Drinkard	20.37	35.00	<del>46.7717</del>	Calculated using offset cum's
<b>Totals</b>	<b>100.00</b>	<b>100.00</b>	<b>100.00</b>	

**Ownership**  
 Ownership of all zones is identical so correlative rights will not be compromised.

**State / Federal Land Notification**  
 The well is on a Fee lease

District I  
1625 N French Drive Hobbs NM 88240

State of New Mexico  
Energy, Minerals and Natural Resources Department

Form C-107A  
Revised June 10, 2003

District II  
1301 W Grand Avenue, Artesia NM 88210

**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

District III  
1000 Rio Brazos Road, Aztec NM 87410

District IV  
1220 S St Francis Dr Santa Fe NM 87505

**APPLICATION FOR DOWNHOLE COMMINGLING**

CHEVRON U.S.A INC. 15 SMITH ROAD, MIDLAND, TX 79705  
Operator Address

C.H. Weir B #15 I-11-20S-37E LEA  
Lease Well No Unit Letter-Section-Township-Range County

OGRID No. 4323 Property Code 29920 API No. 30-025-38967 Lease Type:  Federal  State  Fee

DATA ELEMENT	UPPER ZONE	INTERMEDIATE ZONE	LOWER ZONE
Pool Name	WEIR, BLINEBRY, EAST	MONUMENT; TUBB	SKAGGS, DRINKARD
Pool Code	63800	47090	57000
Top and Bottom of Pay Section (Perforated or Open-Hole Interval)	690'-6290' PERFORATED	6290'-6630' PERFORATED	6630'-6934 PERFORATED
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)	36	36	36
Producing, Shut-In or New Zone	NEW ZONE	NEW ZONE	NEW ZONE
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 )	L.R. KERSHAW #16 - Offset Date: 12/3/2007 Rates: Oil Gas 86 BOPD 93 MCFPD	L.R. KERSHAW #16 - Offset Date: 12/3/2007 Rates: Oil Gas 40 BOPD 375 MCFPD	L.R. KERSHAW #16 - Offset Date: 12/3/2007 Rates: Oil Gas 32 BOPD 94 MCFPD
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 54.44% 16.48% 55%	Oil Gas 25.19% 66.75% 67%	Oil Gas 20.37% 16.77% 17%

**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: \_\_\_\_\_

- 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 Richard A. Jenkins TITLE Petroleum Engineer DATE 6/12/2008

TYPE OR PRINT NAME Richard A. Jenkins TELEPHONE NO. (432)687-7120

E-MAIL ADDRESS rjdg@chevron.com

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

District II  
811 South First, Artesia, NM 88210

District III  
1000 Rio Brazos Rd., Aztec, NM 87410

District IV  
2040 South Pacheco, Santa Fe, NM 87505

State of New Mexico  
Energy, Minerals & Natural Resources Department

Form C-102  
Revised March 17, 1999

OIL CONSERVATION DIVISION

2040 South Pacheco  
Santa Fe, NM 87505

Submit to Appropriate District Office  
State Lease - 4 Copies  
Fee Lease - 3 Copies

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

<sup>1</sup> API Number 30-025-38967		<sup>2</sup> Pool Code 63800		<sup>3</sup> Pool Name Weir, Blinebry, East	
<sup>4</sup> Property Code 29920		<sup>5</sup> Property Name C.H. Weir B			<sup>6</sup> Well Number 15
<sup>7</sup> OGRID No 4323		<sup>8</sup> Operator Name Chevron U.S.A., Inc.			<sup>9</sup> Elevation 3574'

<sup>10</sup> Surface Location

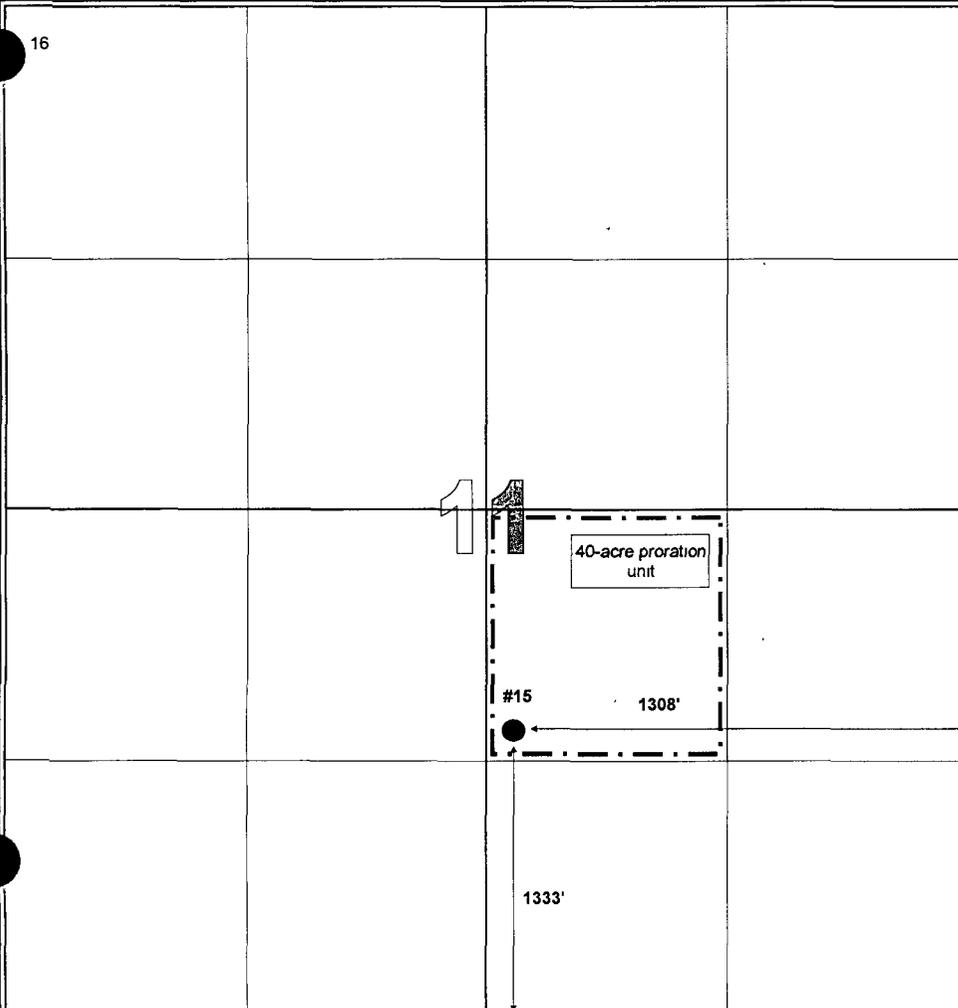
UL or Lot No	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
I	11	20S	37E		1333'	South	1308'	East	Lea

<sup>11</sup> 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

<sup>12</sup> Dedicated Acres 40	<sup>13</sup> Joint or Infill	<sup>14</sup> Consolidation Code	<sup>15</sup> 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

<div data-bbox="105 1039 138 1060" data-label="Text"><p>16</p></div> 	<div data-bbox="1055 1029 1494 1081" data-label="Section-Header"><p><sup>1</sup> OPERATOR CERTIFICATION</p></div> <div data-bbox="1055 1113 1494 1186" data-label="Text"><p>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief</p></div> <div data-bbox="1055 1228 1494 1354" data-label="Text"></div> <div data-bbox="1055 1333 1494 1375" data-label="Text"><p>Signature Richard A. Jenkins</p></div> <div data-bbox="1055 1396 1494 1449" data-label="Text"><p>Printed Name NM Petroleum Engineer</p></div> <div data-bbox="1055 1449 1494 1501" data-label="Text"><p>Date 6/12/08</p></div>
	<div data-bbox="1055 1533 1494 1585" data-label="Section-Header"><p><sup>1</sup> SURVEYOR CERTIFICATION</p></div> <div data-bbox="1055 1617 1494 1711" data-label="Text"><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></div> <div data-bbox="1055 1732 1494 1764" data-label="Text"><p>Signature and Seal of Professional Surveyor</p></div> <div data-bbox="1201 1984 1364 2016" data-label="Text"><p>Certificate Number</p></div>

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

State of New Mexico  
Energy, Minerals & Natural Resources Department

Form C-102  
Revised March 17, 1999

District II  
811 South First, Artesia, NM 88210

**OIL CONSERVATION DIVISION** Submit to Appropriate District Office  
State Lease - 4 Copies  
Fee Lease - 3 Copies

District III  
1000 Rio Brazos Rd., Aztec, NM 87410

2040 South Pacheco  
Santa Fe, NM 87505

District IV  
2040 South Pacheco, Santa Fe, NM 87505

AMENDED REPORT

### WELL LOCATION AND ACREAGE DEDICATION PLAT

<sup>1</sup> API Number 30-025-38967		<sup>2</sup> Pool Code 40790		<sup>3</sup> Pool Name Monument; Tubb	
<sup>4</sup> Property Code 29920		<sup>5</sup> Property Name C.H. Weir B			<sup>6</sup> Well Number 15
<sup>7</sup> OGRID No 4323		<sup>8</sup> Operator Name Chevron U.S.A., Inc.			<sup>9</sup> Elevation 3574'

#### <sup>10</sup> Surface Location

UL or Lot No	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
I	11	20S	37E		1333'	South	1308'	East	Lea

#### <sup>11</sup> 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

<sup>12</sup> Dedicated Acres: 80    <sup>13</sup> Joint or Infill:    <sup>14</sup> Consolidation Code:    <sup>15</sup> Order No.:

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

<div data-bbox="94 1059 116 1081" data-label="Text"><p>16</p></div>	<div data-bbox="1047 1046 1502 1106" data-label="Section-Header"><h4>1 OPERATOR CERTIFICATION</h4></div> <p><i>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief</i></p> <div data-bbox="1047 1266 1469 1372" data-label="Text"></div> <p>Signature <b>Richard A. Jenkins</b></p> <p>Printed Name <b>NM Petroleum Engineer</b></p> <p>Date <b>6/12/08</b></p>
	<div data-bbox="1047 1564 1502 1617" data-label="Section-Header"><h4>1 SURVEYOR CERTIFICATION</h4></div> <p><i>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</i></p> <p>Signature and Seal of Professional Surveyor</p> <p style="text-align: right;">Certificate Number</p>

District I  
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State of New Mexico  
Energy, Minerals & Natural Resources Department

Form C-102  
Revised March 17, 1999

**OIL CONSERVATION DIVISION**

Submit to Appropriate District Office  
State Lease - 4 Copies  
Fee Lease - 3 Copies

2040 South Pacheco  
Santa Fe, NM 87505

AMENDED REPORT

**WELL LOCATION AND ACREAGE DEDICATION PLAT**

<sup>1</sup> API Number 30-025-38967		<sup>2</sup> Pool Code 57000		<sup>3</sup> Pool Name Skaggs; Drinkard	
<sup>4</sup> Property Code 29920		<sup>5</sup> Property Name C.H. Weir B			<sup>6</sup> Well Number 15
<sup>7</sup> OGRID No 4323		<sup>8</sup> Operator Name Chevron U.S.A., Inc.			<sup>9</sup> Elevation 3574'

<sup>10</sup> Surface Location

UL or Lot No	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
I	11	20S	37E		1333'	South	1308'	East	Lea

<sup>11</sup> 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

<sup>12</sup> Dedicated Acres 40	<sup>13</sup> Joint or Infill	<sup>14</sup> Consolidation Code	<sup>15</sup> 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**

<div style="position: relative; height: 300px;"> <span style="position: absolute; top: 10%; left: 10%; font-size: 2em;">16</span> <div style="position: absolute; top: 50%; left: 30%; border: 1px dashed black; padding: 5px;">                     40-acre proration unit                 </div> <div style="position: absolute; top: 70%; left: 30%;">                     #15                 </div> <div style="position: absolute; top: 80%; left: 30%;">                     1308'                 </div> <div style="position: absolute; top: 90%; left: 30%;">                     1333'                 </div> </div>	<p><b>1 OPERATOR CERTIFICATION</b></p> <p><i>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief</i></p> <div style="border-bottom: 1px solid black; margin-bottom: 5px;"> </div> <p>Signature <b>Richard A. Jenkins</b></p> <p>Printed Name <b>NM Petroleum Engineer</b></p> <p>Date <b>6/12/08</b></p>
	<p><b>1 SURVEYOR CERTIFICATION</b></p> <p><i>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</i></p> <p>Signature and Seal of Professional Surveyor</p> <p style="text-align: right;">Certificate Number</p>

**C.H. Weir B #15**

**Location:**

1333' FSL & 1308' FEL; T20S R37E Section 11  
**Unit Letter:** I  
**Field:** Weir East/Monument/Skaggs  
**County:** Lea  
**State:** NM

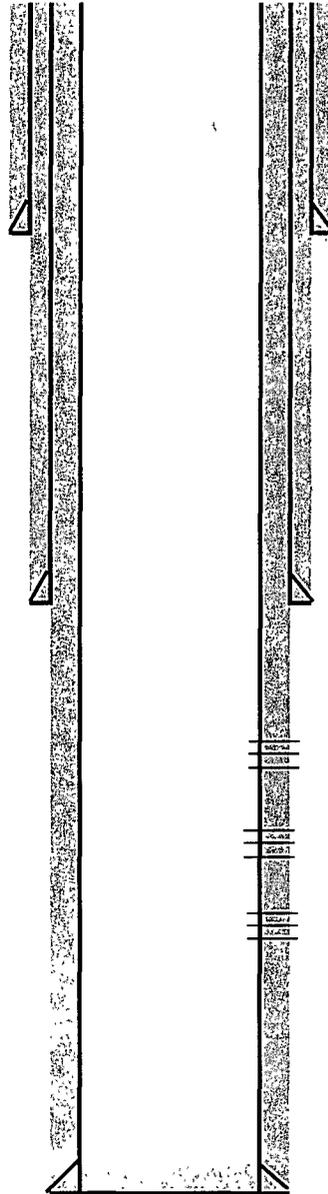
**Well Info:**

**Spud Date:**  
**API:** 30-025-38967  
**Cost Center:**  
**WBS#:**  
**RefNO:**  
**Lease:**

**Proposed  
 Wellbore Diagram**

**Elevations:**

**DF:** 16'  
**KB:** 17'  
**GL:** 3561'



**Surface Casing**

**Size:** 11 3/4", 42#, H-40 ST&C  
**Set @:** 520'  
**With:** 360 sx  
**Hole Size:** 14 3/4"  
**TOC @:** Surface  
**By:** Circulation

**Intermediate Casing**

**Size:** 8 5/8", 24#, K-55 ST&C  
**Set @:** 2750'  
**With:** 775sx  
**Hole Size:** 11"  
**TOC:** Surface  
**By:** Circulation

**Blinebry** 5690'-6290'

**Tubb** 6290'-6630'

**Drinkard** 6630'-6934'

**Production Casing**

**Size:** 5 1/2", 17#. L-80 LTC  
**Set @:** 7000'  
**With:** 1080 sx  
**Hole Size:** 7 7/8"  
**TOC:** Surface  
**By:** Circulation

**Updated:** 12-Jun-08  
**By:** rjdg

**PBTD:**  
**TD:** 7000'