

PNRM0835833474

C-103 Received 12-12-2008
DHC No. Assigned 12-23-2008

Order Number		API Number		Operator		County	
HOB 0289		30-025-11373		Chevron Midcontinent LP		Lea	
Order Date		Well Name		Number		Location	
		S. E. Long		006		P 11 22S 37E	
						UL Sec T (+Dir) R (+Dir)	
				Oil %		Gas %	
Pool 1	06660	Bliehbry Oil (+ Gas (Oil))		20%		29%	
Pool 2	60240	Tubb Oil (+ Gas (Oil))		80%		71%	
Pool 3							
Pool 4							
Comments:							

Posted to
RBM &
12-23-2008

3

30-025-11373

DOWNHOLE COMMINGLE CALCULATIONS:

OPERATOR: Chevron Midcontinent LP

HOB-0289

PROPERTY NAME: S. E. Long

WNULSTR: G-P, 11-22-37

06660

SECTION I:
POOL NO. 1 Blinebry Oil & Gas (Oil) ALLOWABLE AMOUNT
107 428 MCF 4000

60240

POOL NO. 2 Tubb Oil & Gas (Oil) 142 284 MCF 2000

POOL NO. 3 _____ MCF

POOL NO. 4 _____ MCF

POOL TOTALS 249 712

SECTION II:
POOL NO. 1 Blinebry Oil & Gas (Oil)

Oil
20%

Gas
29%

POOL NO. 2 Tubb Oil & Gas (Oil)

80% x 249 = 199.20

71%

POOL NO. 3 _____

POOL NO. 4 _____

OIL

GAS

SECTION III:
107 + 80% = 133.75 (134)

SECTION IV:
134 x 20% = 26.80 (27)

134 x 80% = 107.20 (107)

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, Lordsburg, NM 88305
 District IV
 1220 S. St. Francis Dr., Santa Fe, NM 87505

RECEIVED
DEC 23 2008
HOBBSOCD

State of New Mexico
 Energy, Minerals and Natural Resources
 OIL CONSERVATION DIVISION
 1220 South St. Francis Dr.
 Santa Fe, NM 87505

Form C-103
 May 27, 2004

WELL API NO.
30-025-11373

5. Indicate Type of Lease
 STATE FEE

6. State Oil & Gas Lease No.
302785

7. Lease Name or Unit Agreement Name
S. E. Long

8. Well Number **6**

9. OGRID Number
~~150661~~ **241333**

10. Pool name or Wildcat
Blinebry & Tubb

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. Midcontinent LP

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

4. Well Location
 Unit Letter **P** : **660** feet from the **South** line and **560** feet from the **East** line
 Section **11** Township **22S** Range **37E** NMPM County **LEA**

11. Elevation (Show whether DR, RKB, RT, GR, etc.)
3343 GL

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

NOTICE OF INTENTION TO: 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"/>		SUBSEQUENT REPORT OF: 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: DHC Blinebry & Tubb <input checked="" type="checkbox"/>		OTHER: <input type="checkbox"/>	

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 PROVISION OF RULE 303C (5) IT IS PROPOSED TO DOWNHOLE COMMINGLE PRE-APPROVED POOLS, BLINEBRY OIL & GAS (6660) (5450-5910'), TUBB OIL & GAS (60240) (5928-6130') IN THE CAPTIONED WELL. PRODUCTION WILL BE ALLOCATED BACK TO THE TWO POOLS BASED ON THE PERCENTAGES SHOWN IN THE ATTACHED SUPPORT DATA.

DHC Order No, HOB-0289

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 [Signature] TITLE PETR. ENGINEER DATE 12/11/2008

Type or print name _____ E-mail address: _____ Telephone No. _____

APPROVED BY: [Signature] TITLE PETROLEUM ENGINEER DATE DEC 23 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

S. E. Long #6
30-025-11373
660' FSL & 560' FEL, Unit Letter P
Section 11, T22S, R37E
Lea County, New Mexico

Division Order

Pre-approved Pools or Areas established by division order # R-11363

Pools To Be Commingled In S. E. Long #6

(6660) Blinebry Oil & Gas (OIL)
(60240) Tubb Oil & Gas (OIL)

Perforated Intervals

Blinebry Oil & Gas (5450-5910')
Tubb Oil & Gas (5928-6130')

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	4	5	87	Calculated From Allocations %
Tubb	16	5	213	Calculated From Allocations %
Totals	20	10	300	

<u>Allocated %</u>	<u>Oil %</u>	<u>Water %</u>	<u>Gas %</u>	<u>Remarks</u>
Blinebry	20	50	29	From offset EUR
Tubb	80	50	71	From offset EUR
Totals	100	100	100	

Ownership

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

Federal Land Notification

This is 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

District III
Rio Brazos Road, Aztec, NM 87410

Pools
District IV
1220 S St. Francis Dr., Santa Fe, NM 87505

EXISTING WELLBORE
 Yes No

APPLICATION FOR DOWNHOLE COMMINGLING

Chevron Corporation 15 Smith Road, Midland TX 79705
Operator Address

S. E. Long #6 P-11-22S-37E Lea
Lease Well No. Unit Letter-Section-Township-Range County

OGRID No. 150661 Property Code 302785 API No. 30-025-11373 Lease Type: Federal State Fee

DATA ELEMENT	UPPER ZONE	INTERMEDIATE ZONE	LOWER ZONE
Pool Name	Blinebry Oil & Gas		Tubb Oil & Gas
Pool Code	6660		60240
Top and Bottom of Pay Section (Perforated or Open-Hole Interval)	5450-5910' Perforated		5928-6130' Proposed
Method of Production (Flowing or Artificial Lift)	Artificial Lift		Artificial Lift
Bottomhole Pressure <small>(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)</small>	n/a		n/a
Oil Gravity or Gas BTU (Degree API or Gas BTU)	36°		36°
Producing, Shut-In or New Zone	New Zone		New Zone
Date and Oil/Gas/Water Rates of Last Production. <small>(Note: For new zones with no production history, applicant shall be required to attach production estimates and supporting data.)</small>	Date: Estimated Oil Gas 4 BBL 86 MCF		Date: Estimated Oil Gas 16 bbl 214 MCF
Fixed Allocation Percentage <small>(Note: If allocation is based upon something other than current or past production, supporting data or explanation will be required.)</small>	Oil Gas 20 % 29 %		Oil Gas 80 % 71 %

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

OCDD 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 [Signature] TITLE Petroleum Engineer DATE 12/11/2008

TYPE OR PRINT NAME Louise Grohman TELEPHONE NO. (432) 687-7420

E-MAIL ADDRESS lgek@chevron.com

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

AMENDED REPORT

District IV
2040 South Pacheco, Santa Fe, NM 87505

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number 30-025-11373	² Pool Code 6660	³ Pool Name Blinebry Oil & Gas
⁴ Property Code 302785	⁵ Property Name S. E. Long	
⁷ OGRID No 150661	⁸ Operator Name Chevron U.S.A., Inc.	⁶ Well Number 6
⁹ Elevation 3343'		

¹⁰ Surface Location

UL or Lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
P	11	22S	37E		660	South	560	East	Lea

¹¹ 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

¹² Dedicated Acres 40	¹³ Joint or Infill	¹⁴ Consolidation Code	¹⁵ 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

	<p>¹ OPERATOR CERTIFICATION</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> <p style="text-align: right;"><i>[Signature]</i></p> <p>Signature _____ Printed Name Lonnie Grohman Date 12/17/2008</p>
	<p>¹ SURVEYOR CERTIFICATION</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>
	<div style="border: 1px dashed black; padding: 5px; width: fit-content; margin-left: auto;"> <p>40acre proration unit</p> <p>#6</p> <p>560'</p> <p>660'</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

AMENDED REPORT

District IV
2040 South Pacheco, Santa Fe, NM 87505

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number 30-025-11373		² Pool Code 60240		³ Pool Name Tubb Oil & Gas	
⁴ Property Code 302785		⁵ Property Name S. E. Long			⁶ Well Number 6
⁷ OGRID No. 150661		⁸ Operator Name Chevron U.S.A., Inc.			⁹ Elevation 3343'

¹⁰ Surface Location

UL or Lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
P	11	22S	37E		660	South	560	East	Lea

¹¹ 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
¹² Dedicated Acres 40		¹³ Joint or Infill		¹⁴ Consolidation Code		¹⁵ 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

	<p>¹ OPERATOR CERTIFICATION</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> <p style="text-align: right;"></p> <p>Signature Lonnie Grohman</p> <p>Printed Name Petr. Engineer</p> <p>Date 12/11/2008</p>
	<p>¹ SURVEYOR CERTIFICATION</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>