

~~PNRM0833050255~~

C-103 Received 11-24-2008  
DHC No. Assigned 11-25-2008

Order Number	API Number	Operator	County			
HOB-0019-A	30-025-12186	Chevron USA Inc.	Lea			
Order Date	Well Name	Number	Location			
	T. R. Andrews	005	A	32	22	38
			UL	Sec	T (+Dir)	R (+Dir)
Pool 1	Oil %	Gas %				
06660	40%	40%				
Pool 2	Oil %	Gas %				
60240	19%	50%				
Pool 3	Oil %	Gas %				
07900	41%	10%				
Pool 4	Oil %	Gas %				
Comments:						

Posted to  
RYS DMS  
11-25-2008



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  
 2000 Rio Brazos Rd., Aztec, NM 87810  
 District IV  
 1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico  
 Energy, Minerals and Natural Resources

Form C-103  
 May 27, 2004

**RECEIVED**  
**NOV 24 2008**  
**HOBBS, NM**

OIL CONSERVATION DIVISION  
 1220 South St. Francis Dr.  
 Santa Fe, NM 87505

WELL API NO. <b>30-025-12186</b>
5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input checked="" type="checkbox"/>
6. State Oil & Gas Lease No.
7. Lease Name or Unit Agreement Name <b>T.R. Andrews</b>
8. Well Number <b>5</b>
9. OGRID Number <b>4323</b>
10. Pool name or Wildcat <b>Blinebry/Tubb/Drinkard</b>

**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 **A** : **560** feet from the **North** line and **660** feet from the **East** line  
 Section **32** Township **22S** Range **38E** NMPM County **LEA**

11. Elevation (Show whether DR, RKB, RT, GR, etc.)  
**3373' (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

<b>NOTICE OF INTENTION TO:</b>		<b>SUBSEQUENT REPORT OF:</b>	
PERFORM REMEDIAL WORK <input type="checkbox"/>	PLUG AND ABANDON <input type="checkbox"/>	REMEDIAL WORK <input type="checkbox"/>	ALTERING CASING <input type="checkbox"/>
TEMPORARILY ABANDON <input type="checkbox"/>	CHANGE PLANS <input type="checkbox"/>	COMMENCE DRILLING OPNS. <input type="checkbox"/>	P AND A <input type="checkbox"/>
WELL OR ALTER CASING <input type="checkbox"/>	MULTIPLE COMPL <input type="checkbox"/>	CASING/CEMENT JOB <input type="checkbox"/>	
OTHER: <b>DHC Blinebry/Tubb/Brunson; Drinkard-Abo, South</b> <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) (5488-5850'), TUBB OIL & GAS (60240) (5998-6292'), & BRUNSON; DRINKARDABO, SOUTH (7900) (6400-7110') IN THE CAPTIONED WELL. PRODUCTION WILL BE ALLOCATED BACK TO THE THREE POOLS BASED ON THE PERCENTAGES SHOWN IN THE ATTACHED SUPPORT DATA.

DHC Order No. HOB-0019-A

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 11/6/2008

Type or print name \_\_\_\_\_ E-mail address: \_\_\_\_\_ Telephone No. \_\_\_\_\_  
**For State Use Only**

APPROVED BY: [Signature] TITLE PETROLEUM ENGINEER DATE NOV 24 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**

T.R. Andrews #5  
30-025-12186  
560 FNL & 660 FEL, Unit Letter A  
Section 32, T22S, R38E  
Lea County, New Mexico

**Division Order**

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

**Pools To Be Commingled In T.R. Andrews #9**

(6660) Blinebry Oil & Gas (OIL)  
(60240) Tubb Oil & Gas (OIL)  
(7900) Brunson; Drinkard-Abo, South (OIL)

**Perforated Intervals**

Blinebry Oil & Gas (5488-5850')  
Tubb Oil & Gas (5998-6292')  
Brunson; Drinkard-Abo, South (6400-7110')

**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	14	45	120	Calculated From Allocations %
Tubb	7	10	150	Calculated From Allocations %
Brunson; Drinkard Abo, South	14	45	30	Calculated From Allocations %
<b>Totals</b>	<b>35</b>	<b>100</b>	<b>300</b>	

<u>Allocated %</u>	<u>Oil %</u>	<u>Water %</u>	<u>Gas %</u>	<u>Remarks</u>
Blinebry	40	45	40	From offset EUR
Tubb	19	10	50	From offset EUR
Brunson; Drinkard Abo, South	41	45	10	From offset EUR
<b>Totals</b>	<b>100</b>	<b>100</b>	<b>100</b>	

**Ownership**

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

**State / Federal Land Notification**

This is a FEE lease

District I  
1625 N. French Drive Hobbs, NM 88240

District II  
1101 W. Grand Avenue, Artesia, NM 88210

District III  
1000 Rio Brazos Road, Artesia, NM 87410

Pools

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

**APPLICATION FOR DOWNHOLE COMMINGLING**

EXISTING WELLBORE  
 Yes  No

Chevron Corporation 15 Smith Road, Midland TX 79705  
Operator Address

T.R. Andrews #5 A-32-22S-38E Lea  
Lease Well No Unit Letter-Section-Township-Range County

OGRID No. 4323 Property Code 2566 API No. 30-025-12186 Lease Type:  Federal  State  Fee

DATA ELEMENT	UPPER ZONE	INTERMEDIATE ZONE	LOWER ZONE
Pool Name	Blinebry Oil & Gas	Tubb Oil & Gas	Brunson; Drnkard-Abo, South
Pool Code	6660	60240	7900
Top and Bottom of Pay Section (Perforated or Open-Hole Interval)	5488-5850' Perforated	5998-6292' Perforated	6400-7110' Perforated
Method of Production (Flowing or Artificial Lift)	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	n/a
Oil Gravity or Gas BTU (Degree API or Gas BTU)	36°	36°	36°
Producing, Shut-In or New Zone	Producing	Producing	Shut-In
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 14 BBL 120 MCF	Date: Estimated Oil Gas 7 bbl 150 MCF	Date: Estimated Oil Gas 14 BBL 30 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 40% 40%	Oil Gas 19% 50%	Oil Gas 41% 10%

**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 Lonnie Grohman TITLE Petroleum Engineer DATE 11/6/2008

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

E-MAIL ADDRESS lgek@chevron.com

District I  
1625 N. French  
**RECEIVED**

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  
**HOBBS**

AMENDED REPORT

## WELL LOCATION AND ACREAGE DEDICATION PLAT

<sup>1</sup> API Number 30-025-12186	<sup>2</sup> Pool Code 6660	<sup>3</sup> Pool Name Blinebry Oil & Gas
<sup>4</sup> Property Code 2566	<sup>5</sup> Property Name T.R. Andrews	<sup>6</sup> Well Number 5
<sup>7</sup> OGRID No 4323	<sup>8</sup> Operator Name Chevron U.S.A., Inc.	<sup>9</sup> Elevation 3373' (GL)

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

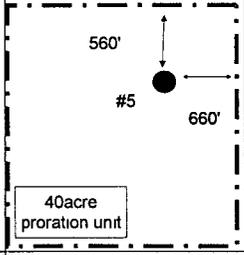
UL or Lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
A	32	22S	38E		560	North	660	East	Lea

### <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

	<b>1 OPERATOR CERTIFICATION</b> <i>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief</i>  Signature <b>Lonnie Grohman</b> Printed Name <b>Petr. Engineer</b> Date <b>9/29/2008</b>
	<b>1 SURVEYOR CERTIFICATION</b> <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> Signature and Seal of Professional Surveyor
	Certificate Number

District I  
1625 N. Hobbs, Hobbs, NM

State of New Mexico  
Energy, Minerals & Natural Resources Department

Form C-102  
Revised March 17, 1999

District II  
811 South First, Artesia, NM 88210

NOV 17 2008

OIL CONSERVATION DIVISION

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

District III  
1000 Rio Bravo Rd., Artec, 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 30-025-12186		<sup>2</sup> Pool Code 60240		<sup>3</sup> Pool Name Tubb Oil & Gas	
<sup>4</sup> Property Code 2566		<sup>5</sup> Property Name T.R. Andrews			<sup>6</sup> Well Number 5
<sup>7</sup> OGRID No 4323		<sup>8</sup> Operator Name Chevron U.S.A., Inc.			<sup>9</sup> Elevation 3373' (GL)

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	<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>Certificate Number</p>
	<p><b>32</b></p>

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

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2040 South Pacheco  
Santa Fe, NM 87505

AMENDED REPORT

District IV  
2040 South Pacheco, Santa Fe, NM 87505

WELL LOCATION AND ACREAGE DEDICATION PLAT

<sup>1</sup> API Number 30-025-12186		<sup>2</sup> Pool Code 7900		<sup>3</sup> Pool Name Brunson, Drinkard-Abo, South	
<sup>4</sup> Property Code 2566		<sup>5</sup> Property Name T.R. Andrews			<sup>6</sup> Well Number 5
<sup>7</sup> OGRID No. 4323		<sup>8</sup> Operator Name Chevron U.S.A., Inc.			<sup>9</sup> Elevation 3373' (GL)

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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

32	560'	#5	660'	<p><b>1</b></p> <p><b>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> <p>Signature _____</p> <p><b>Lonnie Grohman</b></p> <p>Printed Name _____</p> <p><b>Petr. Engineer</b></p> <p>Date _____</p> <p><b>9/29/2008</b></p>
	40acre proration unit			
	<p><b>1</b></p> <p><b>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>			
	Certificate Number _____			