

Order Number

444

API Number

30-025-39973

Operator

Chevron USA

County

Lea

Order Date

3-8-11

Well Name

W.T. McCormack

Number

32

Location

0

UL

32

Sec

215

T (+Dir)

37E

R (+Dir)

Oil %

56%

Gas %

57%

Pool 1

6660

Blinebry Oil + Gas

Pool 2

60240

Tubb Oil + Gas

Pool 3

Pool 4

Comments:

Posted in RDMS on 3-10-11 CH

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
 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 CONSERVATION DIVISION
 1220 South St. Francis Dr.
 Santa Fe, NM 87505
 MAR 07 2011
 HOBBSOCD

WELL API NO. 30-025-39973
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 W. T. McComack
8. Well Number 32
9. OGRID Number 4323
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.

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

4. Well Location
 Unit Letter **O** : **660** feet from the **South** line and **2080** feet from the **East** line
 Section **32** Township **21S** Range **37E** NMPM County **LEA**

11. Elevation (Show whether DR, RKB, RT, GR, etc.)
3,462' (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:		SUBSEQUENT REPORT OF:	
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"/>
PULL OR ALTER CASING <input type="checkbox"/>	MULTIPLE COMPL <input type="checkbox"/>	CASING/CEMENT JOB <input type="checkbox"/>	
OTHER: DHC Blinebry/Drinkard <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) (5550 - 5925'), & TUBB OIL & GAS (60240) (6090 - 6250'), IN THE CAPTIONED WELL. PRODUCTION WILL BE ALLOCATED BACK TO THE TWO POOLS BASED ON THE PERCENTAGES SHOWN IN THE ATTACHED SUPPORT DATA.

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 Petroleum Engineer DATE 3/01/2011

Type or print name Oscar Galvis E-mail address: ogaq@chevron.com Telephone No. 713-372-0095

For State Use Only

APPROVED BY: TITLE PETROLEUM ENGINEER DATE MAR 8 2011

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

McComack #32
 30-025-39973
 660' FSL & 2080' FEL, Unit Letter O
 Section 32, T21S, R37E
 Lea County, New Mexico

Division Order

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

Pools To Be Commingled In McComack #31

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

Perforated Intervals

Blinebry Oil & Gas (5550-5925')
 Tubb Oil & Gas (6090-6250')

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	18	48	274	Estimated from IP statistical analysis from Blinebry
Tubb	18	32	205	Estimated from IP statistical analysis from Tubb
Totals	42	250	480	

<u>Allocated %</u>	<u>Oil %</u>	<u>Water %</u>	<u>Gas %</u>	<u>Remarks</u>
Blinebry	56	60	57	Estimated from EUR statistical analysis from Blinebry offsets
Tubb	44	40	43	Estimated from EUR statistical analysis from Tubb offsets
Totals	100	100	100	

Ownership

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

State / Federal Land Notification

This is a Fee lease

Well: **WT McComack # 32**

Field: **Blinebry Oil & Gas
Tubb Oil & Gas**

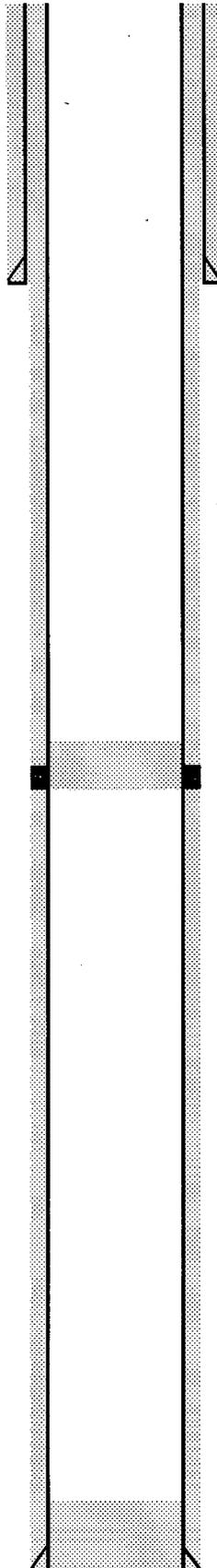
Reservoir: **Blinebry & Tubb**

Location:
660' FSL & 2080' FEL
Section: 32
Township: 21S
Range: 37E
County: Lea State: NM

Elevations:
GL: 3462'
KB: 3478'
DF:

**Current
Wellbore Diagram**

Well ID Info:
Chevno: MV9295
API No: 30-025-39973
L5/L6:
Spud Date: 2/20/2011
Compl. Date:



Surf. Csg: 8 5/8", 24#, J-55
Set: @ 1221' w/ 640 sks
Hole Size: 12 1/4"
Circ: Yes **TOC:** Surface
TOC By: Circulated

This wellbore diagram is based on the most recent information regarding wellbore configuration and equipment that could be found in the Midland Office well files and computer databases as of the update date below. Verify what is in the hole with the well file in the Eunice Field Office. Discuss w/ WEO Engineer, WO Rep, OS, ALS, & FS prior to rigging up on well regarding any hazards or unknown issues pertaining to the well.

DV Tool @ 3838

COTD: unknown
PBTD: 6215' (float collar)
TD: 6300'

Updated: 3/2/2011

By: N. Southern

Prod. Csg: 5 1/2", 17#, L-80
Set: @ 6297' w/ 1325 sks
Hole Size: 7 7/8"
Circ: Yes **TOC:** Surface
TOC By: Circulated

Well: **WT McComack # 32**

Field: **Blinebry Oil & Gas
Tubb Oil & Gas**

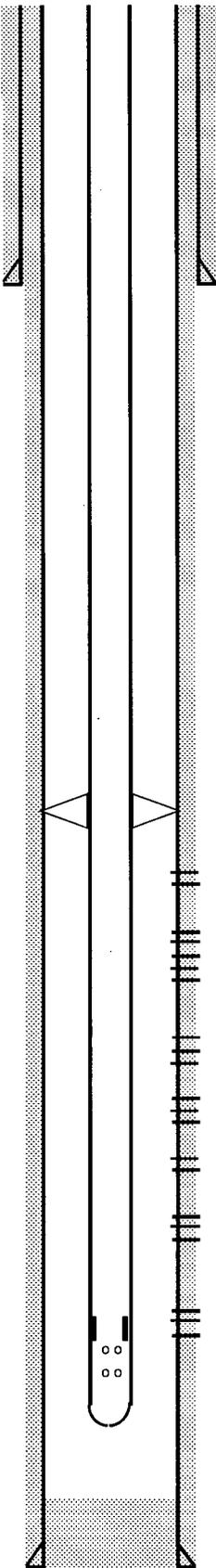
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GL: 3462'
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Well ID Info:
Chevno: MV9295
API No: 30-025-39973
L5/L6:
Spud Date: 2/20/2011
Compl. Date:

**Proposed
Wellbore Diagram**



Surf. Csg: 8 5/8", 24#, J-55
Set: @ 1221' w/ 640 sks
Hole Size: 12 1/4"
Circ: Yes **TOC:** Surface
TOC By: Circulated

Perfs: **Status:**
Perfs will be picked after conducting logs.

Tubing Detail:

#Jts:	Size:	Footage
	KB Correction	16.00
116	Jts. 2 7/8" EUE 8R J-55 Tbg	3596.00
	TAC	3.15
14	Jts. 2 7/8" EUE 8R J-55 Tbg	434.00
1	Jt. 2 7/8" EUE 8R J-55 IPC Tbg	31.00
	SN	1.10
	2 7/8" x 4' Perf Tbg Sub	4.00
1	Jt. 2 7/8" EUE 8R J-55 Tbg	31.00
	Bull Plug	0.50
132	Bottom Of String >>	4116.75

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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

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

District IV
2040 South Pacheco, Santa Fe, NM 87505

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MAR 07 2011
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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

¹ API Number 30-025-39973		² Pool Code 6660		³ Pool Name Blinebry Oil & Gas	
⁴ Property Code 2690		⁵ Property Name W. T. McCOMACK			⁶ Well Number 32
⁷ OGRID No. 4323		⁸ Operator Name Chevron U.S.A., Inc.			⁹ Elevation 3,462' (GL)

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
O	32	21S	37E		660'	South	2080	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>¹⁷ 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: center;"> Signature Oscar Galvis Printed Name Petroleum Engineer Date 3/01/2011 </p>
	<p>¹⁸ 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>

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

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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

MAR 07 2011
HOBBSUCD
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 30-025-39973		² Pool Code 60240		³ Pool Name Tubb Oil & Gas	
⁴ Property Code 2690		⁵ Property Name W. T. McCOMACK			⁶ Well Number 32
⁷ OGRID No. 4323		⁸ Operator Name Chevron U.S.A., Inc.			⁹ Elevation 3,462' (GL)

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
O	32	21S	37E		660'	South	2080	East	Lea

¹¹ Bottom Hole Location If Different From Surface

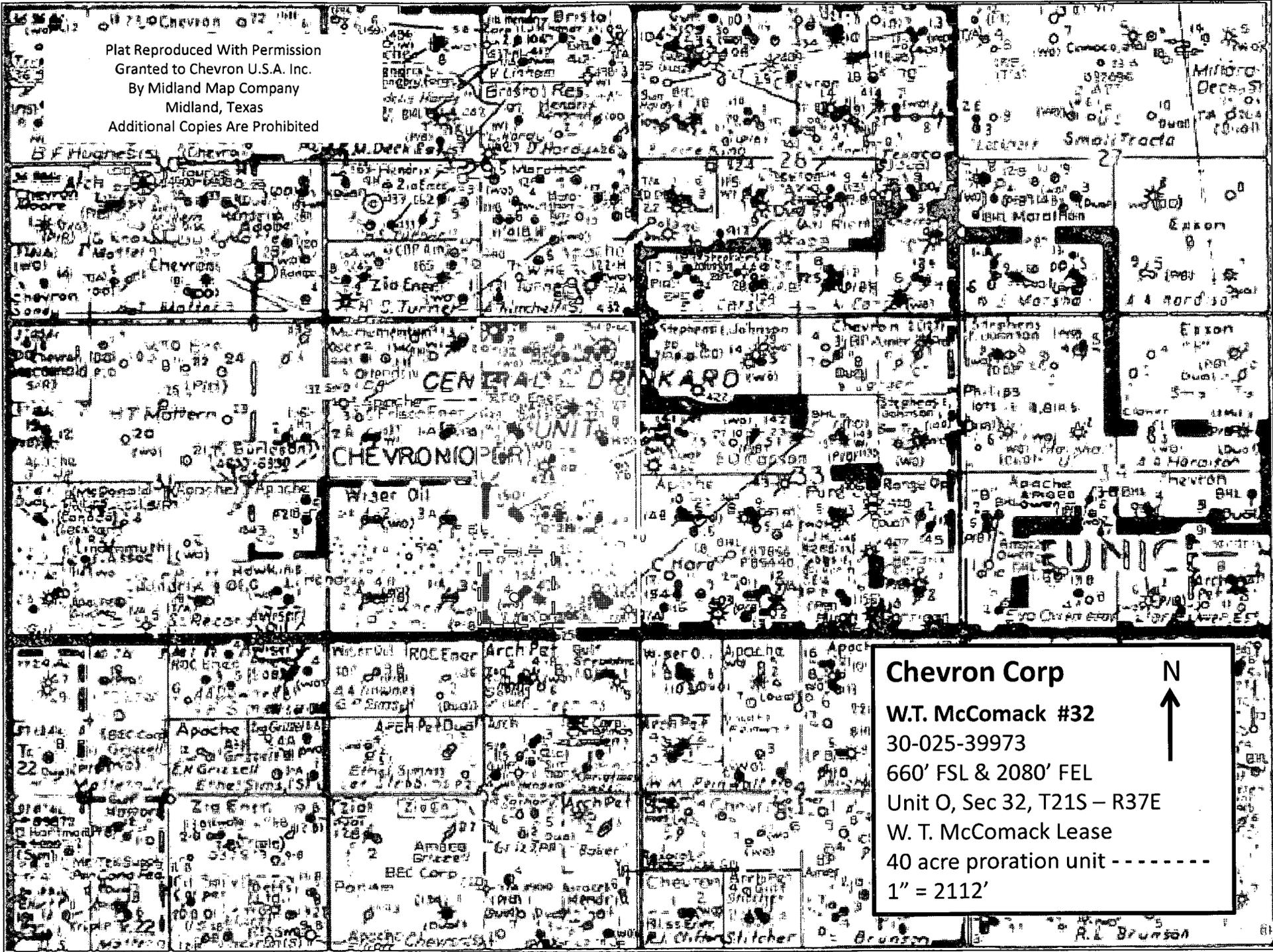
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¹² Dedicated Acres 40	¹³ Joint or Infill	¹⁴ Consolidation Code	¹⁵ Order No.
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<div style="font-size: 2em; font-weight: bold; margin-bottom: 10px;">32</div>	<p>17</p> <h3>OPERATOR CERTIFICATION</h3> <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="text-align: center;"> Signature Oscar Galvis Printed Name Petroleum Engineer Date 3/01/2011 </div>
	<p>18</p> <h3>SURVEYOR CERTIFICATION</h3> <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>

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



Chevron Corp
W.T. McComack #32
30-025-39973
660' FSL & 2080' FEL
Unit O, Sec 32, T21S - R37E
W. T. McComack Lease
40 acre proration unit - - - - -
1" = 2112'



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

District II
1301 W. Grand Avenue, Artesia, NM 88210

District III
1000 Rio Brazos Road, Aztec, NM 87410

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

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State of New Mexico
Energy, Minerals and Natural Resources Department

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

Form C-107A
Revised June 10, 2003

APPLICATION TYPE
 Single Well
 Establish Pre-Approved

EXISTING WELLBORE
 Yes No

APPLICATION FOR DOWNHOLE COMMINGLING

Chevron Corporation 15 Smith Road, Midland TX 79705
Operator Address

W. T. McComack #32 O-32-21S-37E Lea
Lease Well No. Unit Letter-Section-Township-Range County

OGRID No. 4323, Property Code: 2690, API No. 30-025-39973 Lease Type: Federal State Fee

DATA ELEMENT	UPPER 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)	5550 - 5925' Perforated	6090 - 6250' Perforated/Open Hole
Method of Production (Flowing or 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)	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. (Note: For new zones with no production history, applicant shall be required to attach production estimates and supporting data.)	Date: Estimated Oil Gas 18 BBL 274 MCF	Date: Estimated Oil Gas 13 BBL 205 MCF
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 56% 57%	Oil Gas 44% 43%

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.

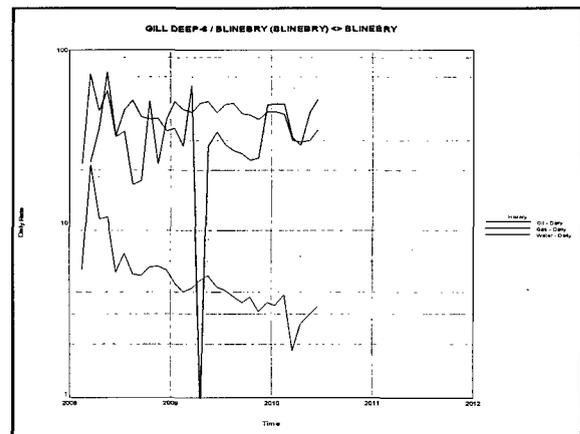
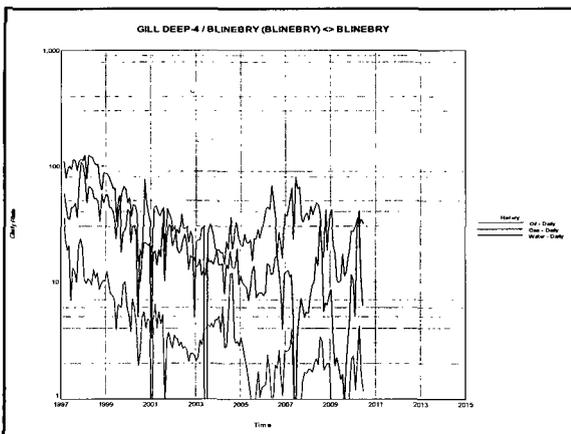
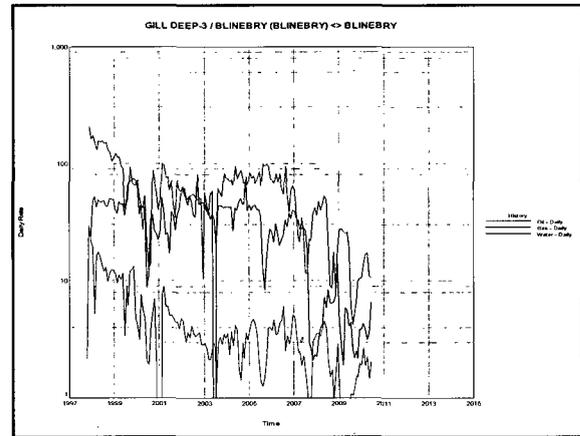
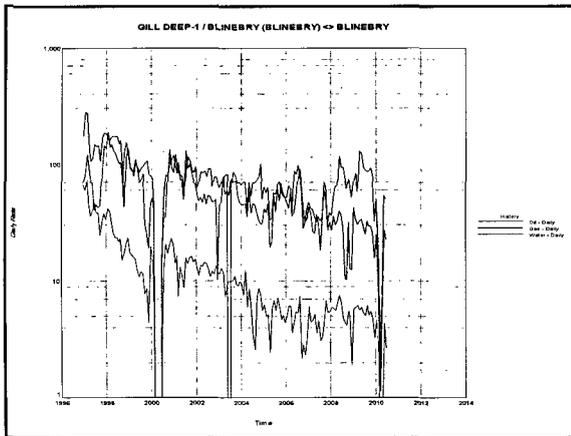
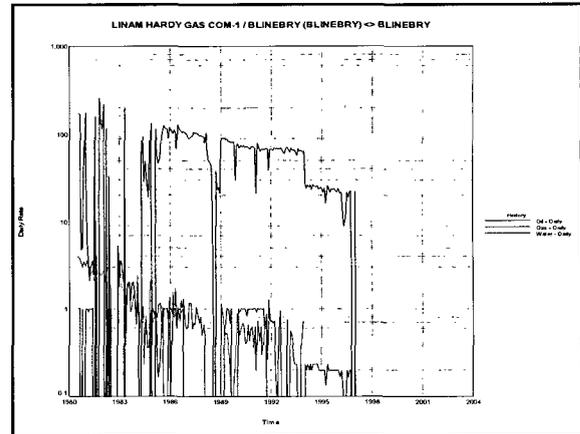
SIGNATURE (Signature) TITLE Petroleum Engineer DATE 3/1/11

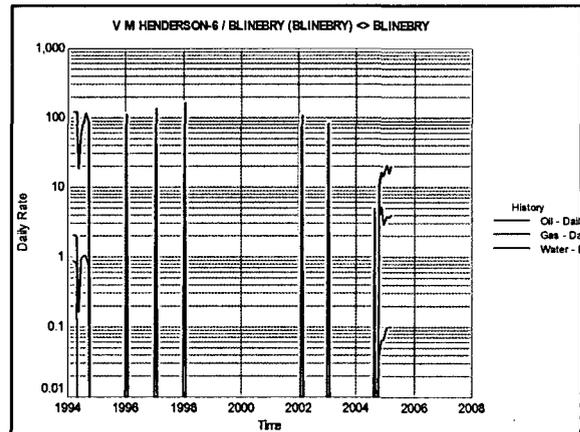
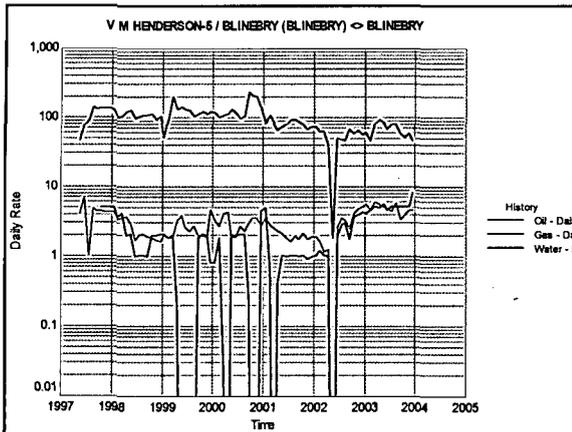
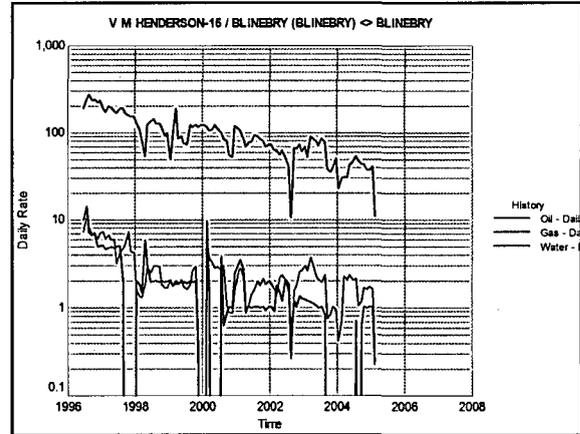
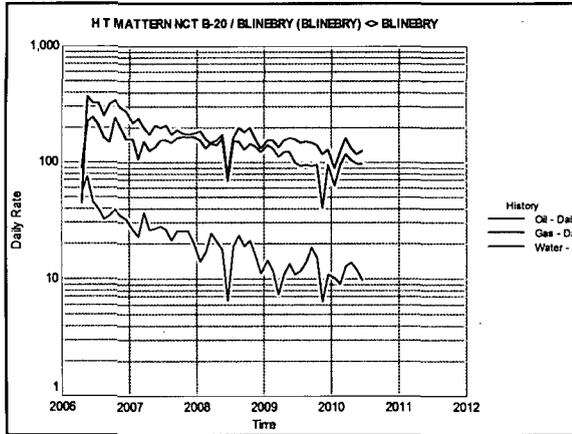
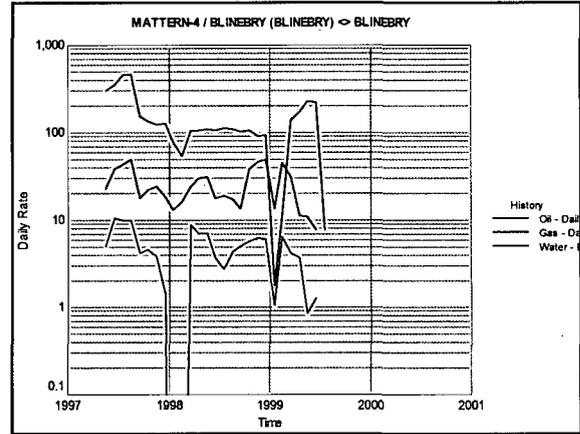
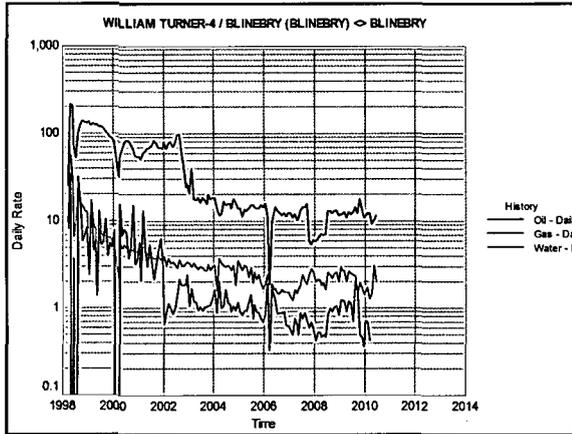
TYPE OR PRINT NAME: Oscar Galvis TELEPHONE NO. (713) 372-0095

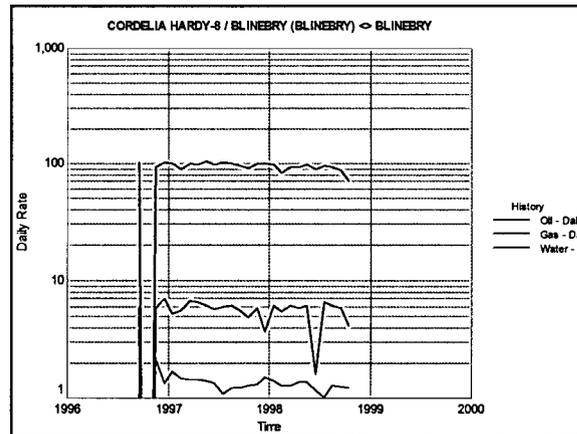
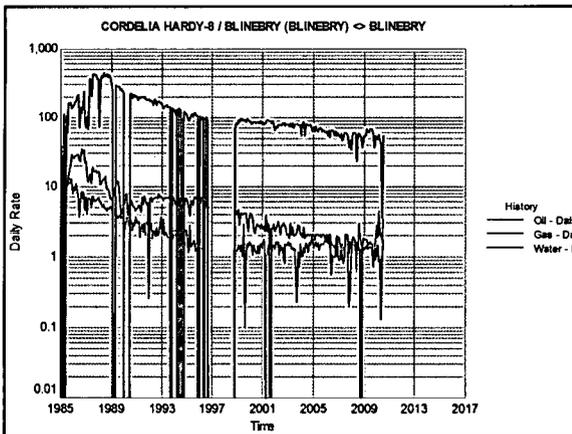
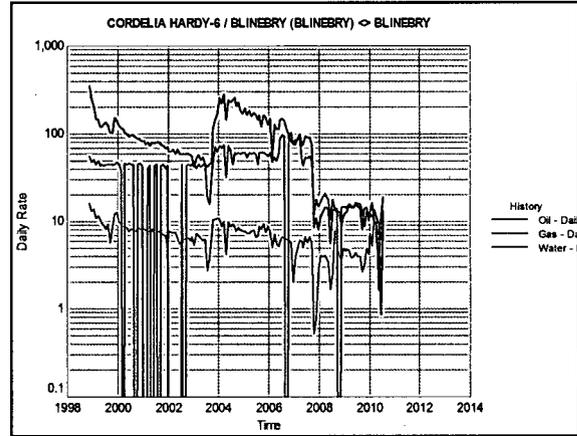
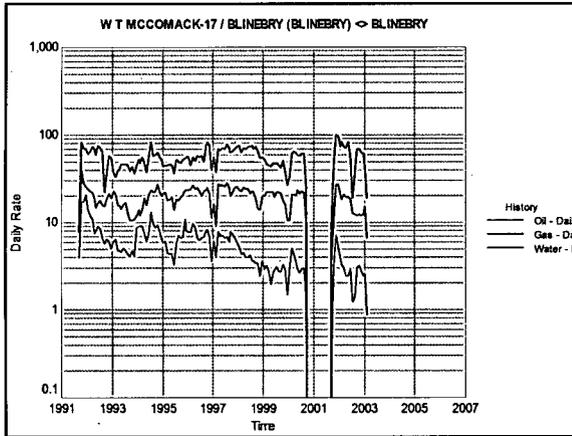
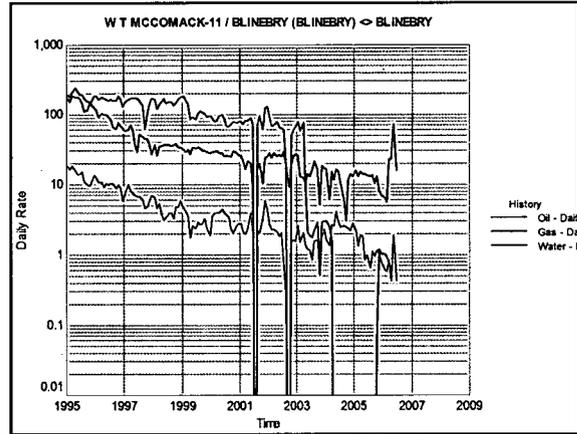
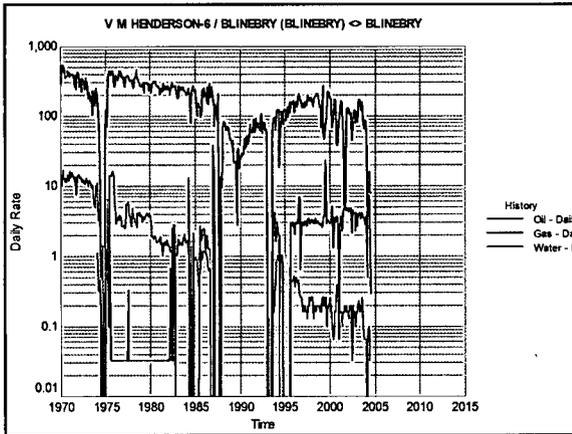
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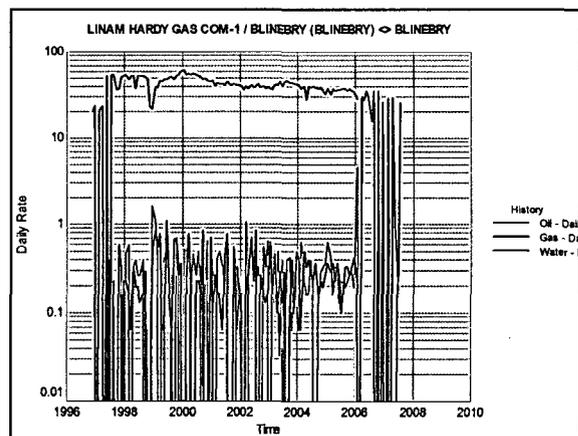
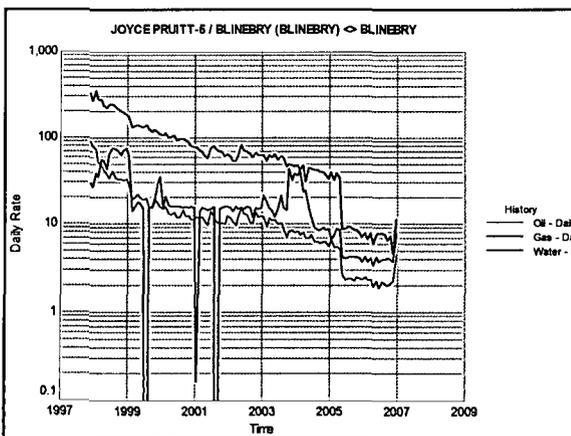
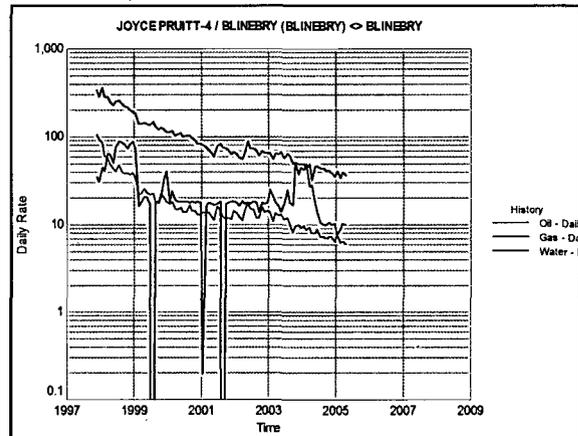
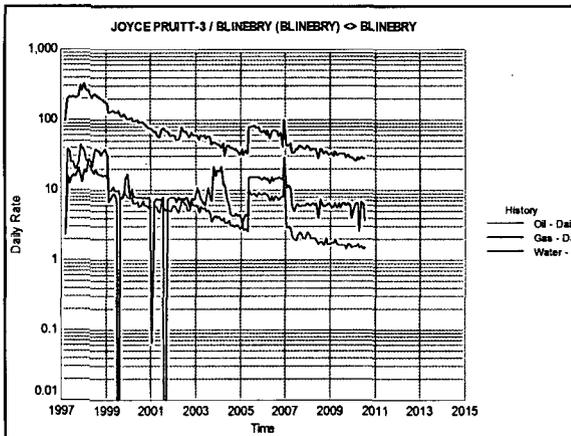
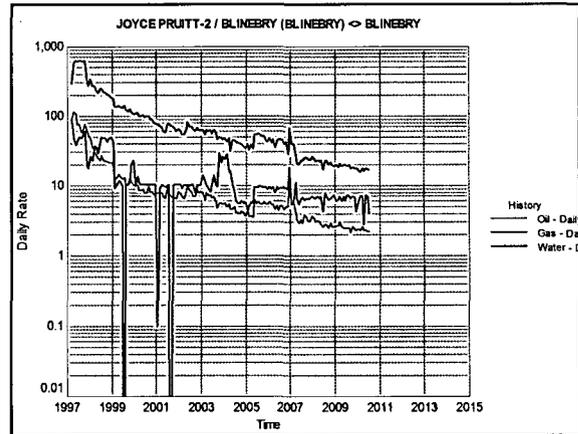
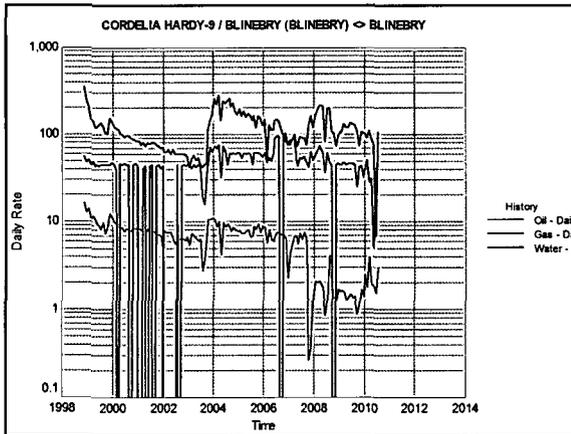
EUNICE AREA OFFSET WELLS

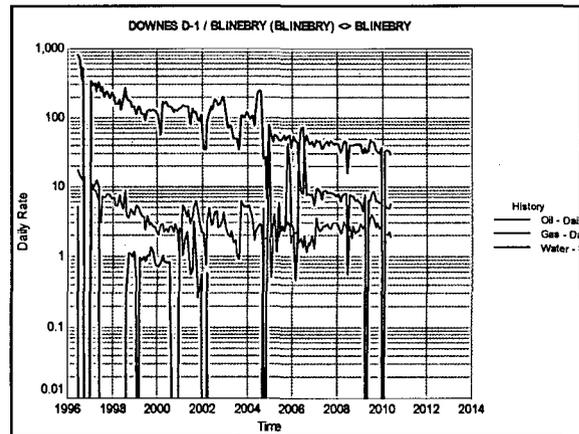
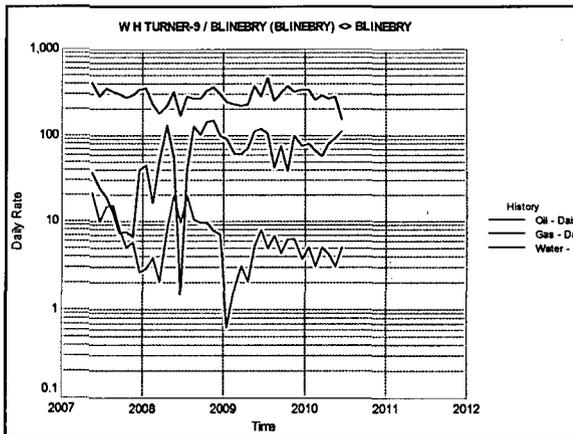
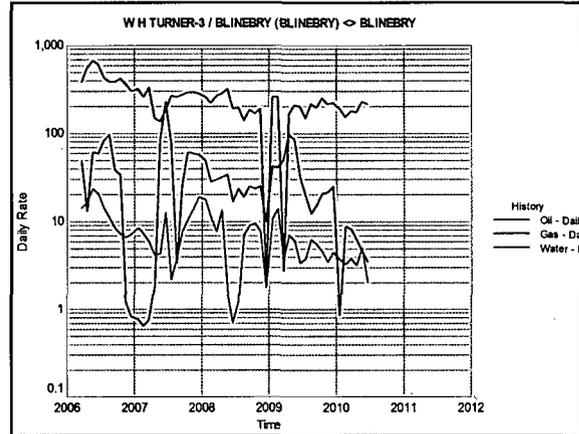
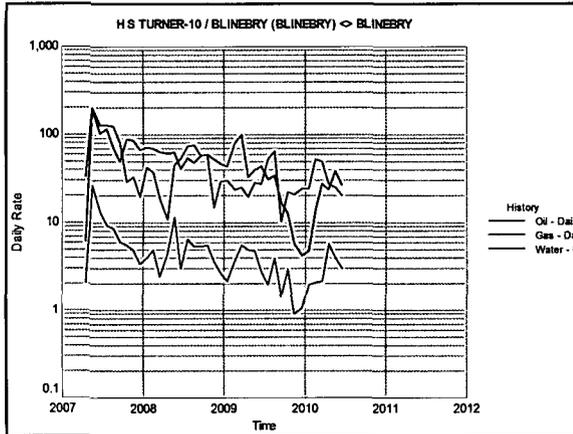
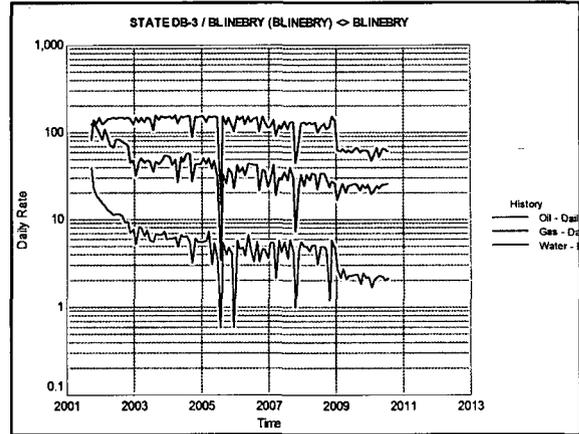
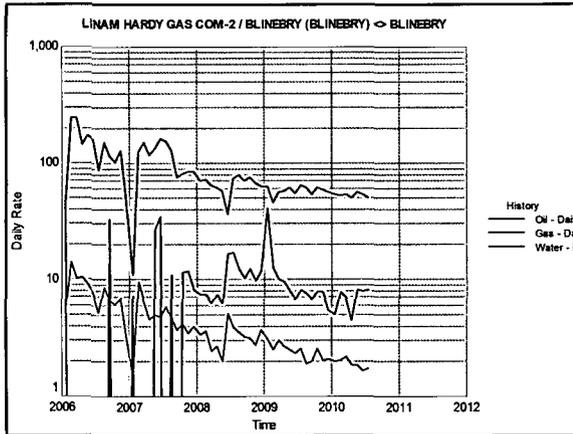
Blinebry Reservoir 3/11

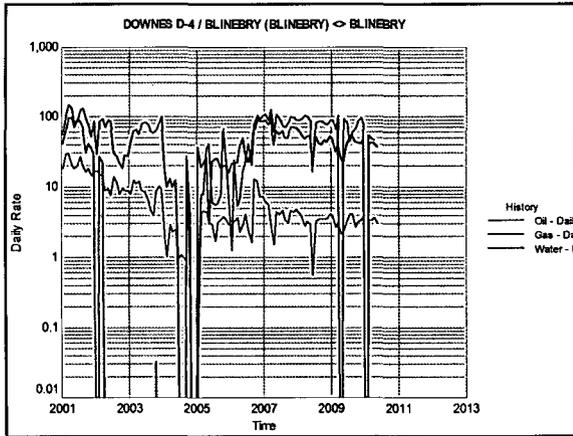
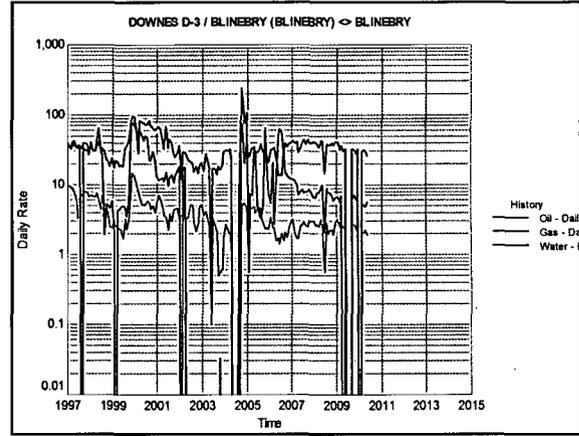
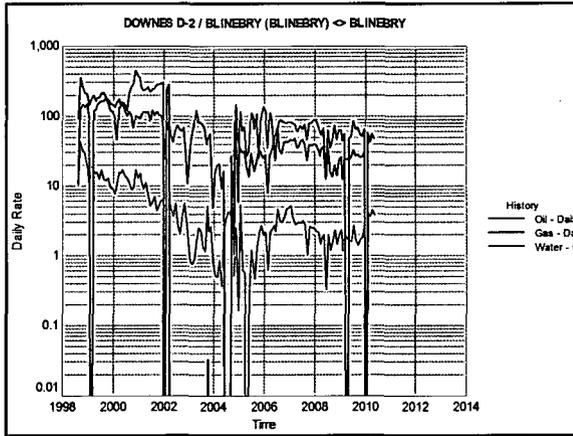






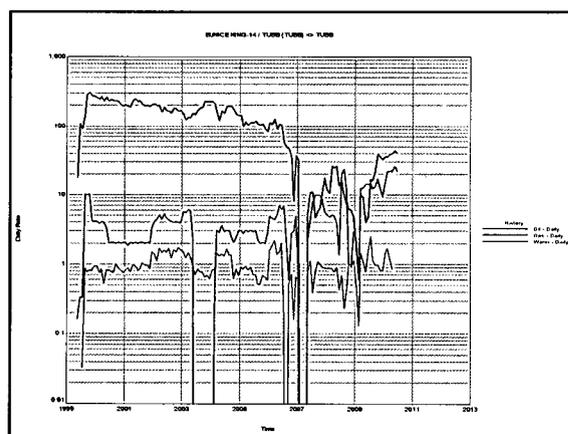
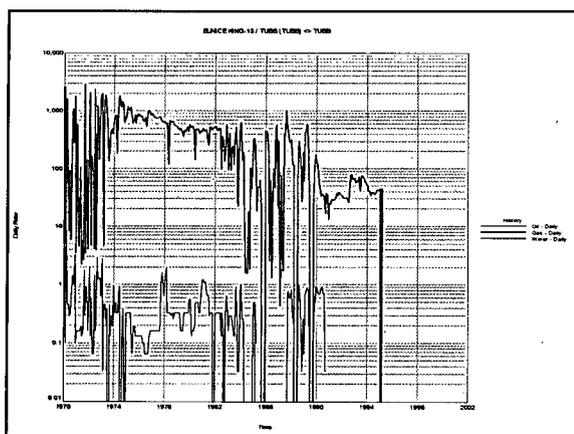
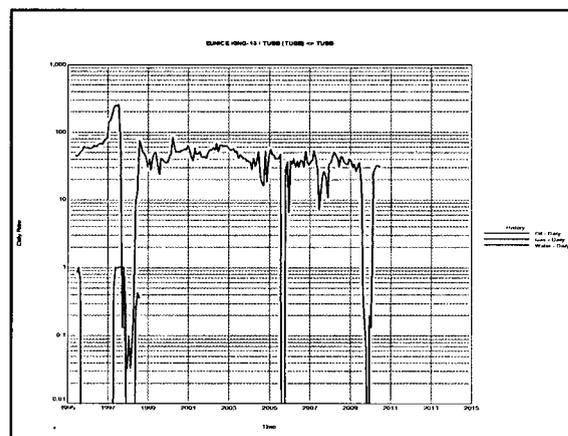
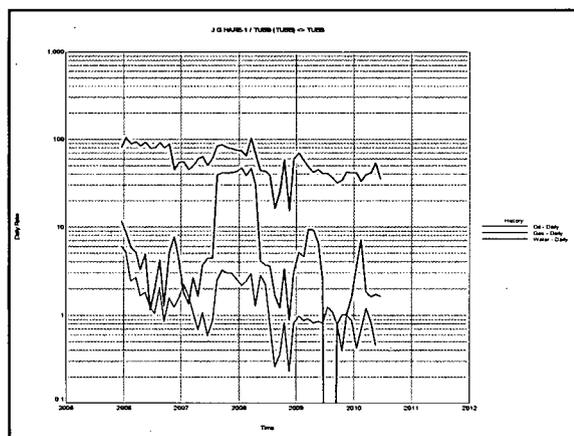
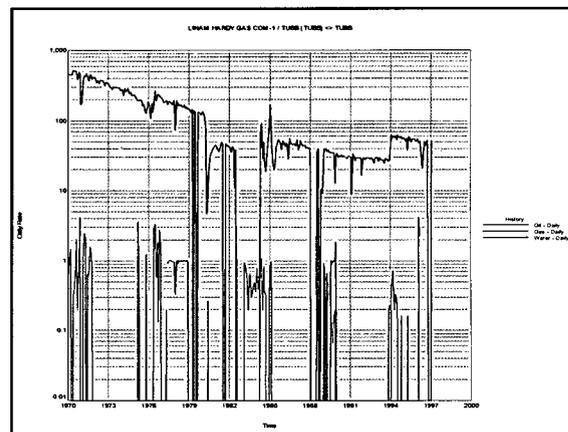


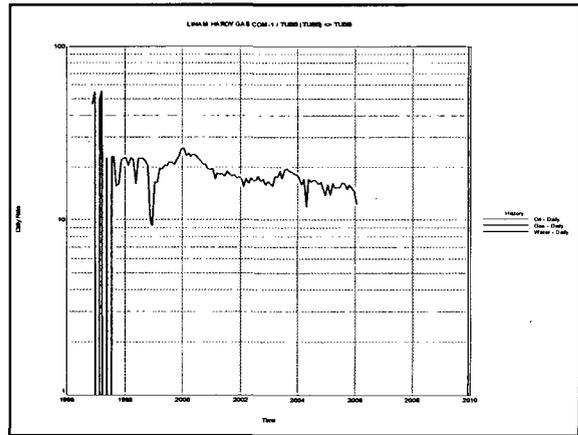
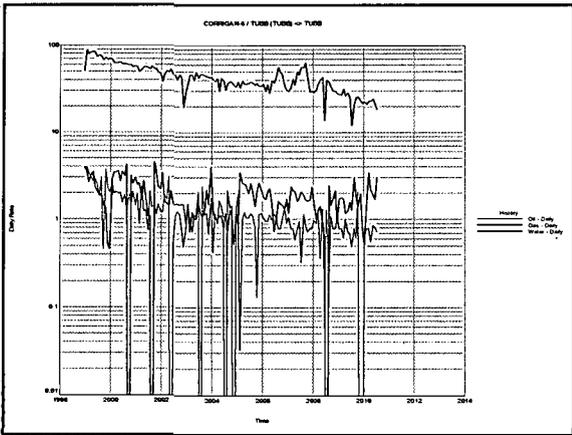
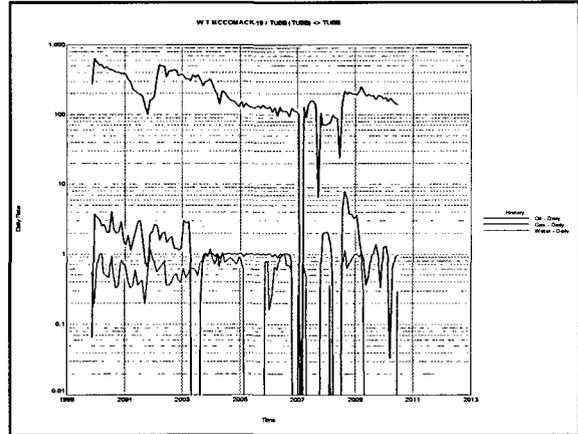
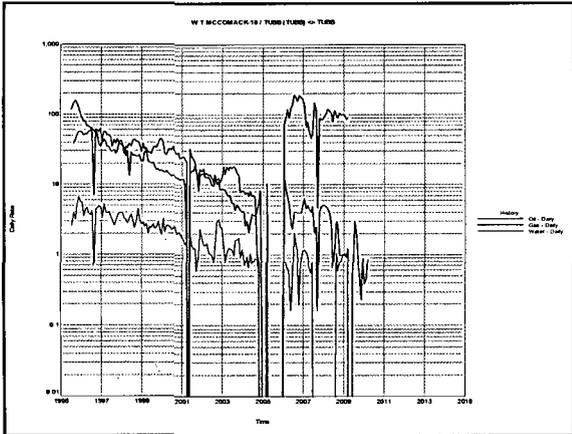
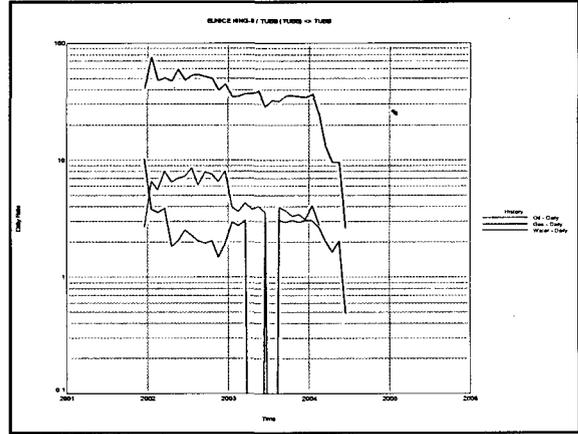
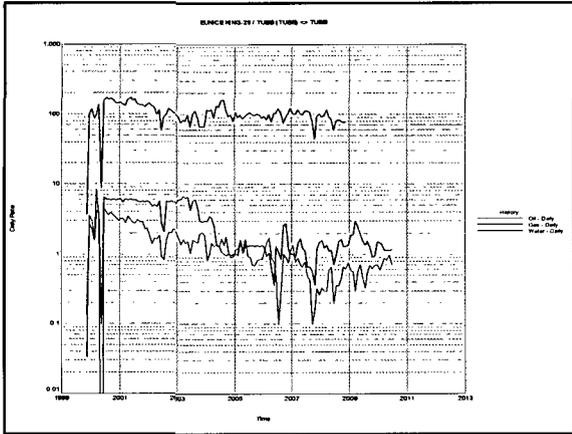


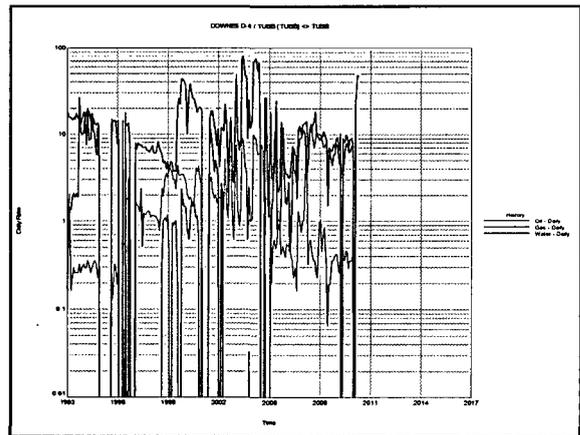
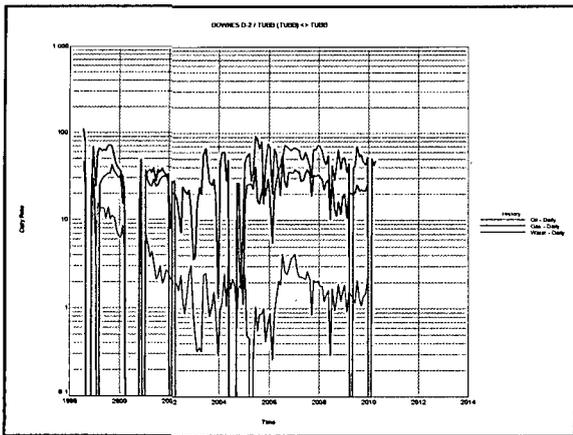
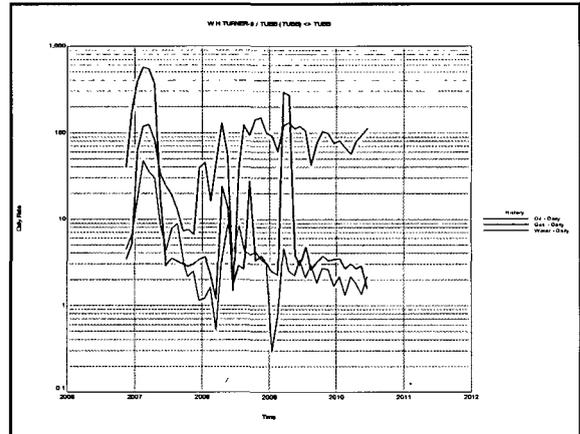
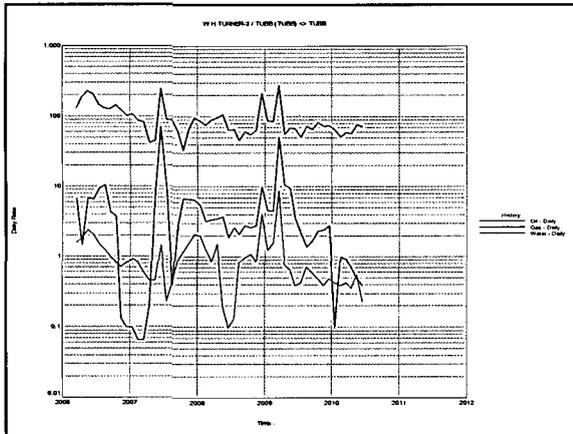
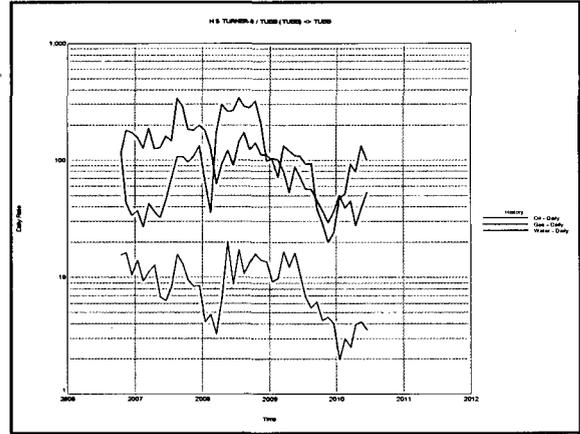
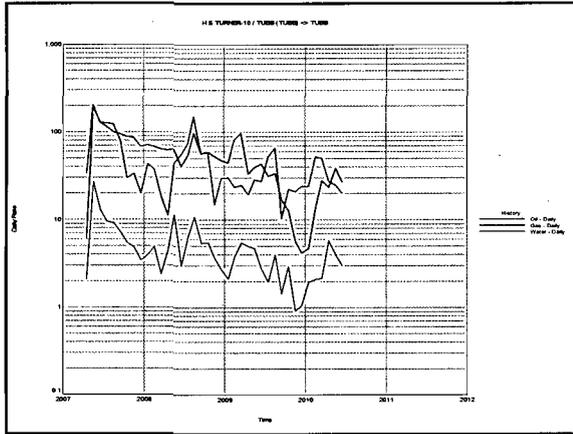


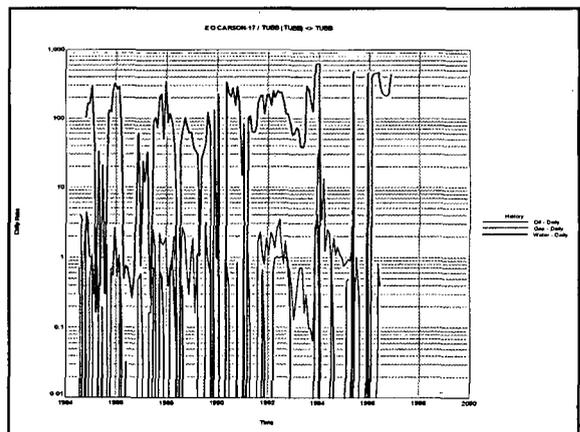
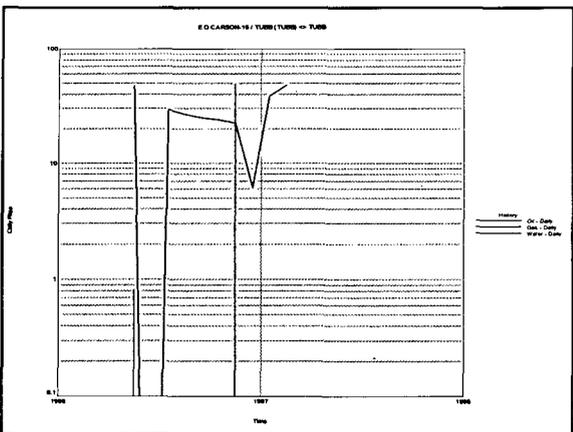
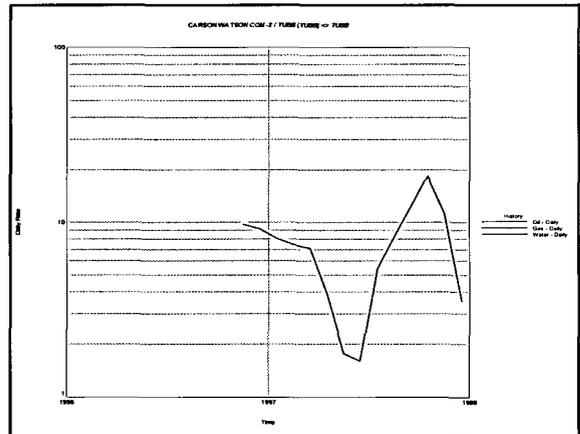
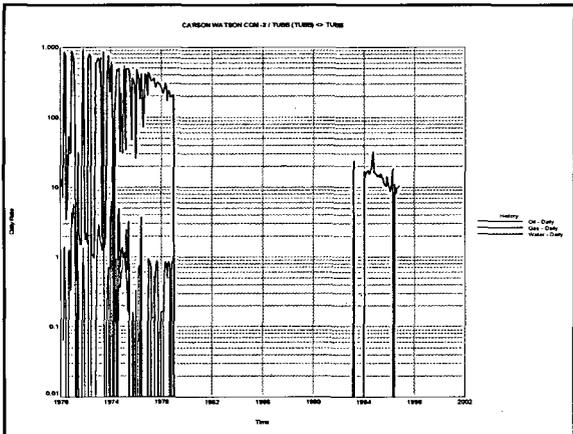
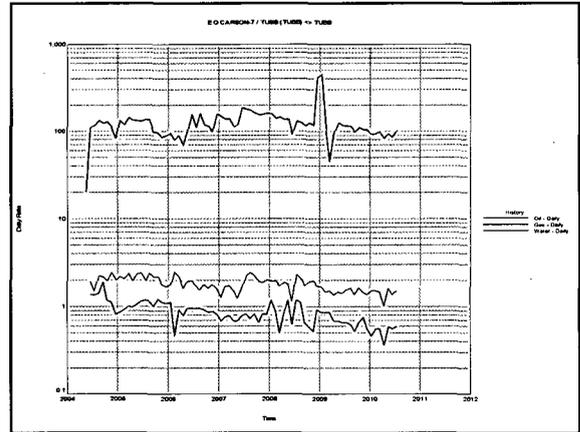
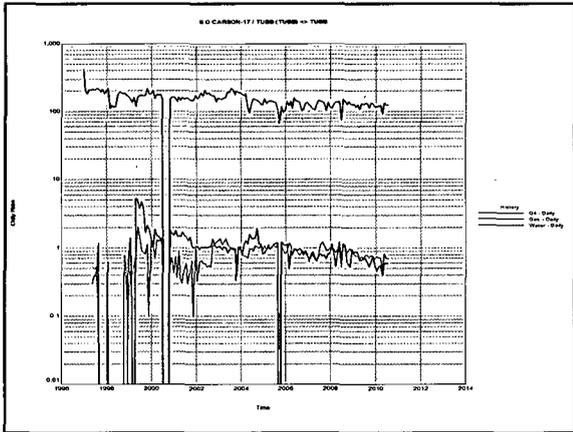
EUNICE AREA OFFSET WELLS

Tubb Reservoir 3/11











Oscar Galvis
Petroleum Engineer
Oil Area AD Team

Permian Business Unit
Chevron U.S.A. Inc.
15 Smith Road
Midland, TX 79705
Tel 832-531-2128
Fax 713-372-1559
ogaq@chevron.com

March 3, 2011

State of New Mexico
Oil Conservation Division
1625 N. French Drive
Hobbs, New Mexico 88240

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Request DHC McComack #32 (30-025-39973)

Attention: Oil and Gas Regulatory Department

Chevron U.S.A. Inc. respectfully requests administrative approval for an amendment to Downhole Commingle the Blinebry Oil & Gas (6660), Tubb Oil & Gas (60240), in the McComack #32, API number 30-025-39973. The well is located 2,080' FNL & 1,980' FEL, Unit O, Section 32, Township 21 South, and Range 37 East in Lea County, New Mexico.

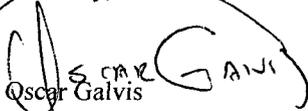
The McComack #32 is a new drill in the Blinebry Oil & Gas and Tubb Oil & Gas fields. It was spudded on February 20, 2011 targeting a total depth of 6,300'. The proposed completion of the well would commingle production from the Blinebry, and Tubb formations.

The proposed allocation percentages were calculated using statistical analysis of offset EUR data, as well as production tests from offset wells. Attached in support of this request are offset well production profiles, a proposed well schematic diagram for the W. T. McComack #31, a C107, a C102 form for each pool, and a lease plat.

Chevron is the operator, with 100% working interest in the lease.

If you require additional information or have any questions, please contact me by telephone at 713-372-0095, or by email at ogaq@chevron.com.

Sincerely,


Oscar Galvis
Petroleum Engineer

Enclosure

cc: Denise Pinkerton
Denise Beckham