

443-30-025-39972

Order Number

443

API Number

30-025-39972

Operator

Chevron USA Inc

County

Lea

Order Date

3-8-11

Well Name

W.T. McCormack

Number

31

Location

6

UL

32

Sec

215

T (+Dir)

37E

R (+Dir)

Pool 1

10660

Blinebry Oil + Gas

Oil %

56

Gas %

59

Pool 2

10240

Tobb Oil + Gas

44

43

Pool 3

Pool 4

Comments:

Posted in RBDMS 3-10-11 GH

DOWNHOLE COMMINGLE CALCULATIONS:

OPERATOR: Chevron USA Inc

30-025-39972
DHC-HOB-443

PROPERTY NAME: W.T. McCormack

WNULSTR: #31 32-215-37E 2000 FNL + 1980 FEL

SECTION I:		ALLOWABLE AMOUNT	
POOL NO. 1	<u>Blinebry Oil + Gas</u>	<u>107</u>	<u>4000</u> MCF
POOL NO. 2	<u>Tubb Oil + Gas</u>	<u>142</u>	<u>2000</u> MCF
POOL NO. 3	_____	_____	_____ MCF
POOL NO. 4	_____	_____	_____ MCF
POOL TOTALS		<u>249</u>	<u>6000</u>

SECTION II:		<u>Oil</u>	<u>Gas</u>
POOL NO. 1	<u>Blinebry Oil + Gas</u>	<u>56%</u>	<u>57%</u>
POOL NO. 2	<u>Tubb Oil + Gas</u>	<u>44% X 249 = 109.56</u>	<u>43%</u>
POOL NO. 3	_____	<u>21107</u>	
POOL NO. 4	_____		

SECTION III:	<u>OIL</u>	<u>GAS</u>
	<u>44% ÷ 142 = 322.73</u>	<u>< 323 ></u>

SECTION IV:		
	<u>56 X 323 = 180.88</u>	<u>< 181 ></u>
	<u>44 X 323 = 142.12</u>	<u>< 142 ></u>
	_____	_____
	_____	_____

Well construction data sheet population
(type wells) 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
MAR 07 2011
OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505
HOBBSUCD

WELL API NO. 30-025-39972
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 31
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 G : 2,080 feet from the North line and 1980 feet from the East line
Section 32 Township 21S Range 37E NMPM County LEA

11. Elevation (Show whether DR, RKB, RT, GR, etc.)
3,459' (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/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) (5550 - 5925'), AND 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.

HOB-DHC-443

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 Oscar Galvis 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: [Signature] 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 #31
30-025-39972
2080' FNL & 1980' FEL, Unit Letter G
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 offset wells
Tubb		13	32	205	Estimated from IP statistical analysis from Tubb offset wells
	Totals	26	80	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 of Blinebry offset wells
Tubb		44	40	43	Estimated from EUR statistical analysis of Tubb offset wells
	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 # 31**

Field: **Blinebry Oil & Gas**

Reservoir: **Blinebry & Tubb**

Tubb Oil & Gas

Current

Wellbore Diagram

Location:

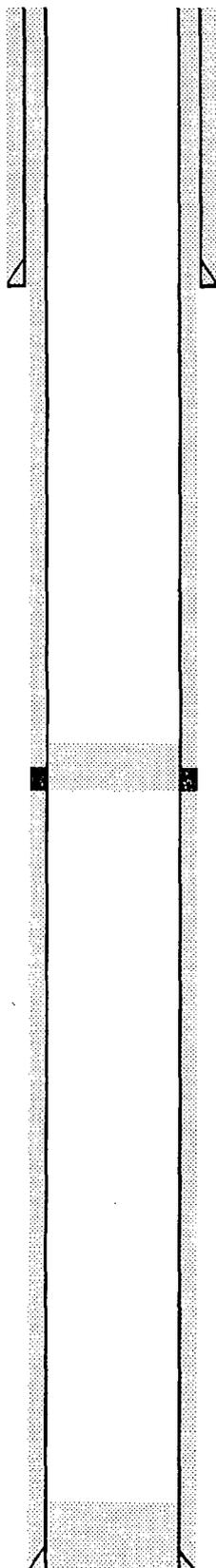
2080' FSL & 1980' FWL
Section: 32
Township: 21S
Range: 37E
County: Lea State: NM

Elevations:

GL: 3459'
KB: 3475'
DF:

Well ID Info:

Chevno: MV9294
API No: 30-025-39972
L5/L6:
Spud Date: 2/5/2011
Compl. Date:



Surf. Csg: 8 5/8", 24#, J-55
Set: @ 1228' 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: 2/21/2011

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 # 31**

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

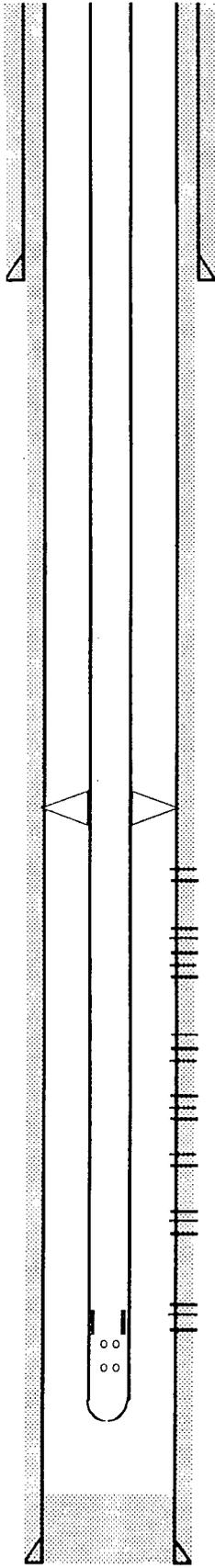
Reservoir: **Blinebry & Tubb**

Location:
 2080' FSL & 1980' FWL
 Section: 32
 Township: 21S
 Range: 37E
 County: Lea State: NM

Elevations:
 GL: 3459'
 KB: 3475'
 DF:

Proposed
Wellbore Diagram

Well ID Info:
 Chevno: MV9294
 API No: 30-025-39972
 L5/L6:
 Spud Date: 2/5/2011
 Compl. Date:



Surf. Csg: 8 5/8", 24#, J-55
Set: @ 1228' w/ 640 sks
Hole Size: 12 1/4"
Circ: Yes **TOC:** Surface
TOC By: Circulated

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

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

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.

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

Updated: 2/21/2011

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

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

RECEIVED
WELL 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

MAR 07 2011
HOBSOCD

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number 30-025-39972		² Pool Code 6660	³ Pool Name Blinberry Oil & Gas	
⁴ Property Code 2690	⁵ Property Name W. T. McCOMACK			⁶ Well Number 31
⁷ OGRID No. 4323	⁸ Operator Name Chevron U.S.A., Inc.			⁹ Elevation 3,459' (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
G	32	21S	37E		2,080	North	1980	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.
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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

	<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>Signature <u><i>Oscar Galvis</i></u> Oscar Galvis</p> <p>Printed Name <u>Petroleum Engineer</u></p> <p>Date <u>3/01/2011</u></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>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

RECONSERVATION 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

MAR 07 2011
HOBBSUCD

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number 30-025-39972		² Pool Code 60240		³ Pool Name Tubb Oil & Gas	
⁴ Property Code 2690		⁵ Property Name W. T. McCOMACK			⁶ Well Number 31
⁷ OGRID No. 4323		⁸ Operator Name Chevron U.S.A., Inc.			⁹ Elevation 3,459' (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
G	32	21S	37E		2,080'	North	1980'	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</p> <p>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>Signature <u>Oscar Galvis</u></p> <p>Printed Name Oscar Galvis</p> <p>Date 3/01/2011</p> <p>Printed Name Petroleum Engineer</p>
	<p>¹⁸</p> <p>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>Certificate Number</p>

District I
1625 N. French Drive, Hobbs, NM 87401

District II
1301 W. Grand Avenue, Artesia, NM 87003

District III
1001 Rio Bravo Road, Aztec, 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

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MAR 07 2011
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Oil Conservation Division
1220 South St. Francis Dr.
Santa Fe, New Mexico 87505

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. McCracken #31 G-32-21S-37E Lea
Lease Well No. Unit Letter-Section-Township-Range County

OGRID No: 4323 Property Code: 2690 API No. 30-025-39972 Lease Type: Federal State Fee

DATA ELEMENT	UPPER ZONE	MIDDLE ZONE	LOWER ZONE
Pool Name	Blinbery Oil & Gas	n/a	Tubb Oil & Gas
Pool Code	6660	n/a	60240
Top and Bottom of Pay Section (Perforated or Open-Hole Interval)	5550 - 5925' Perforated	n/a	6090 - 6250' Perforated
Method of Production (Flowing or Artificial Lift)	Artificial Lift	n/a	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	n/a
Oil Gravity or Gas BTU (Degree API or Gas BTU)	36°	n/a	36°
Producing, Shut-In or New Zone	New Zone	n/a	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 n/a n/a	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 n/a n/a	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

NMOC 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.

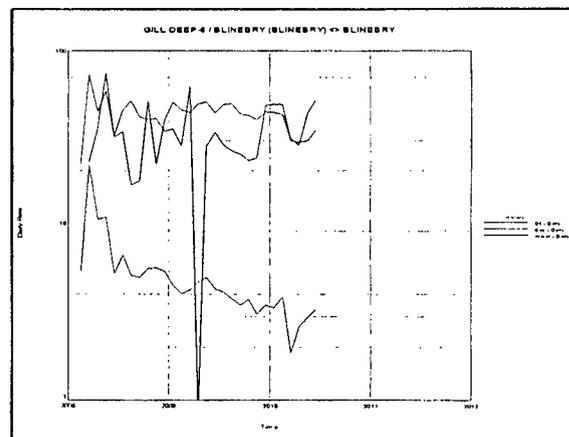
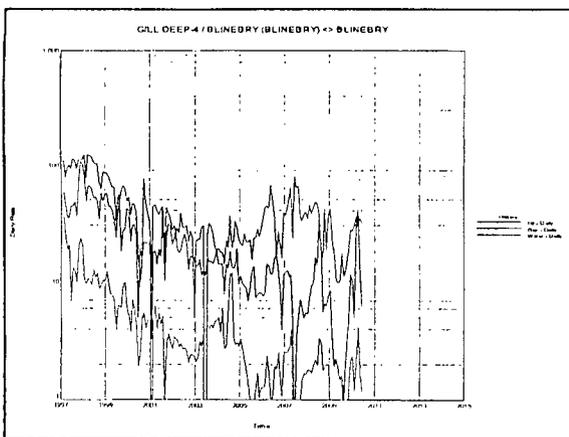
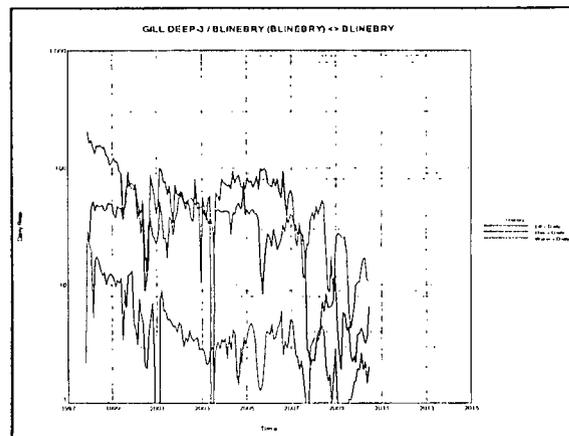
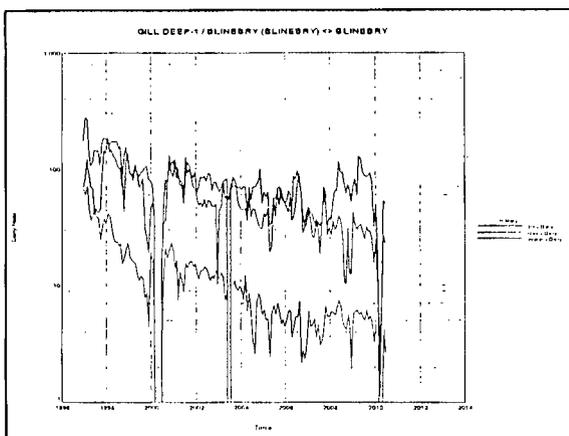
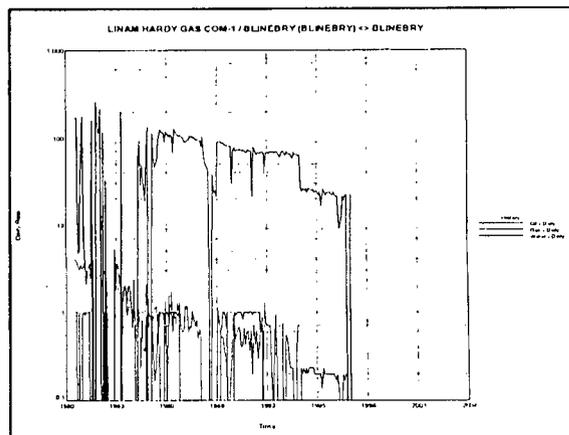
SIGNATURE: Oscar Galvis TITLE Petroleum Engineer DATE 3/1/11

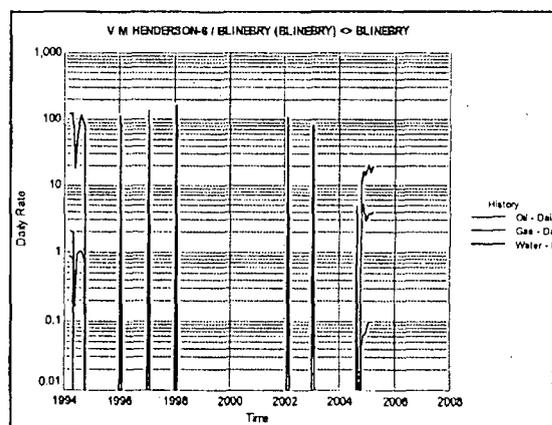
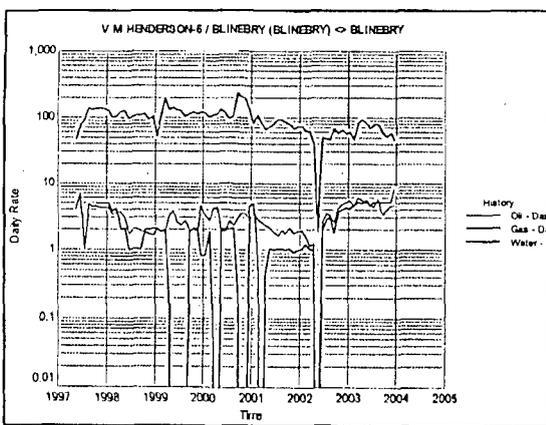
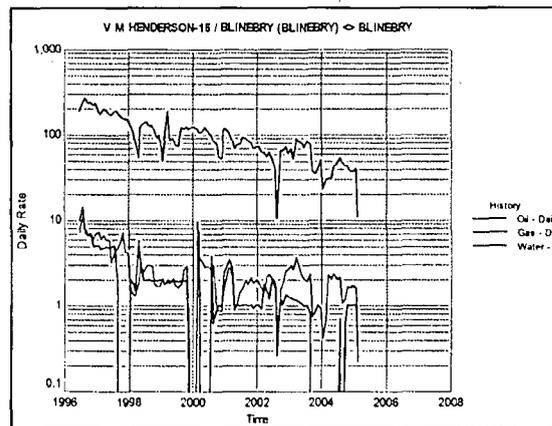
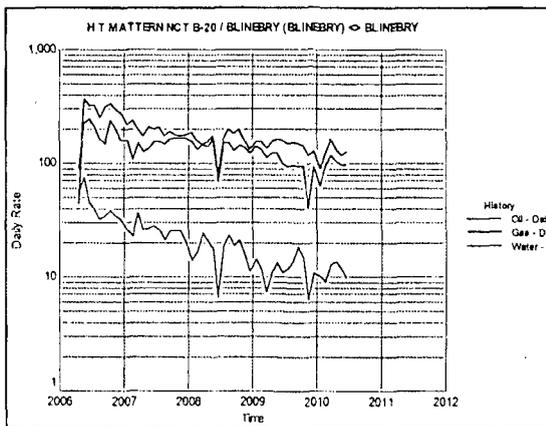
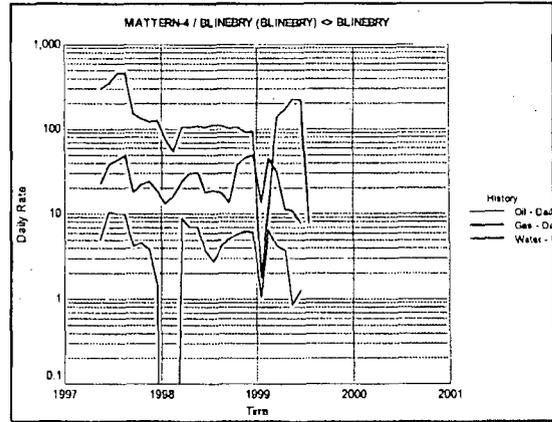
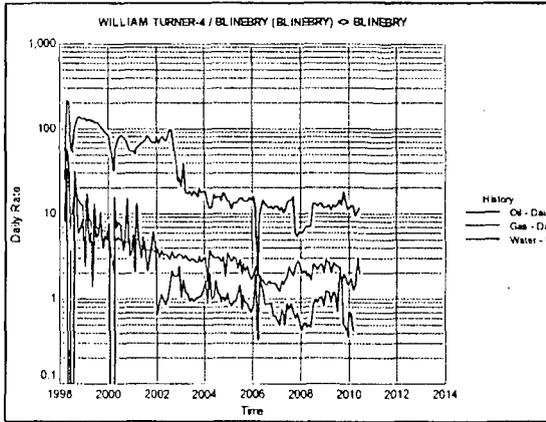
TYPE OR PRINT NAME: Oscar Galvis TELEPHONE NO. (713) 372-0095

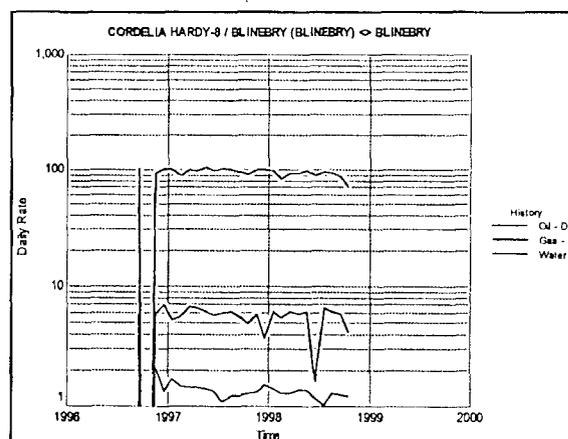
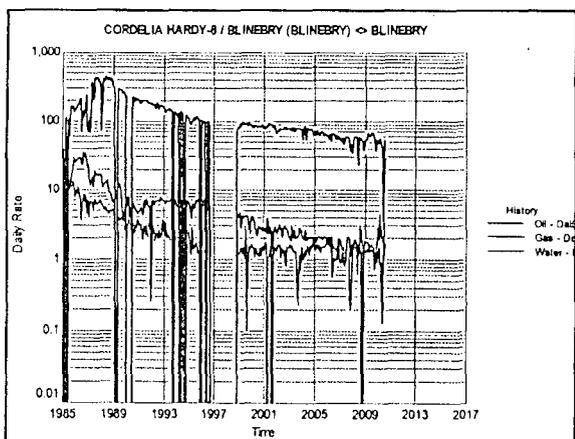
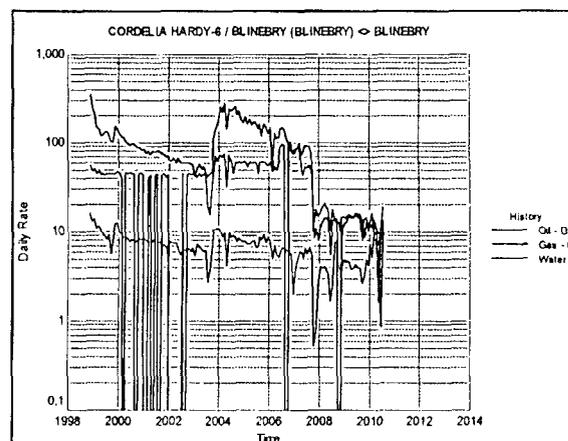
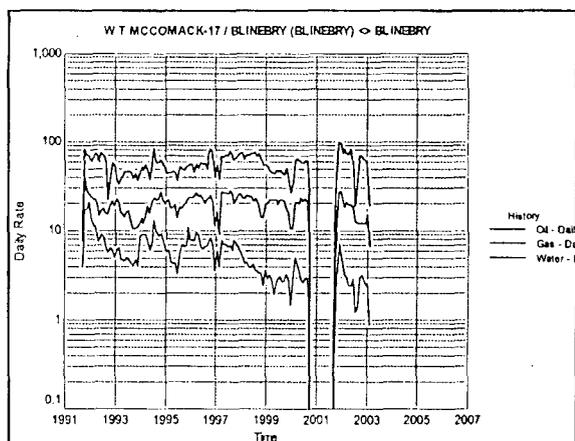
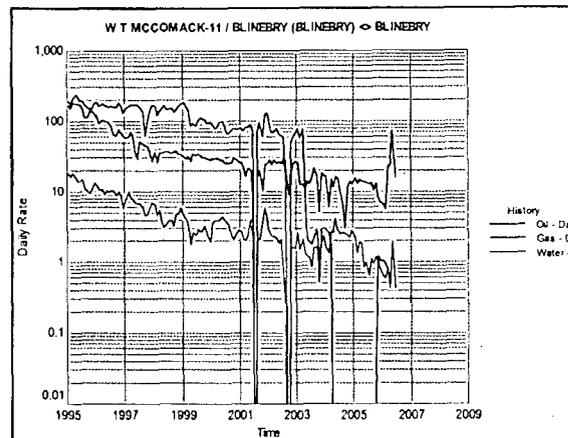
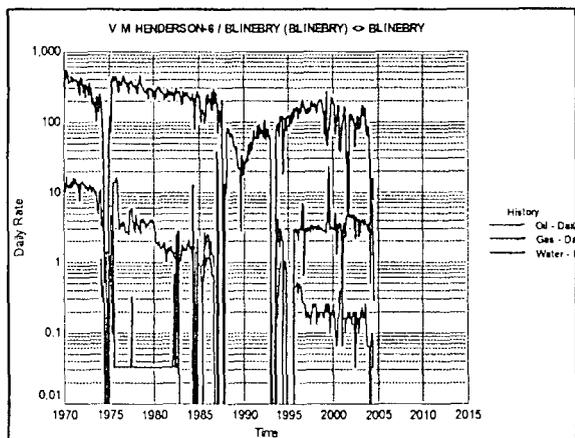
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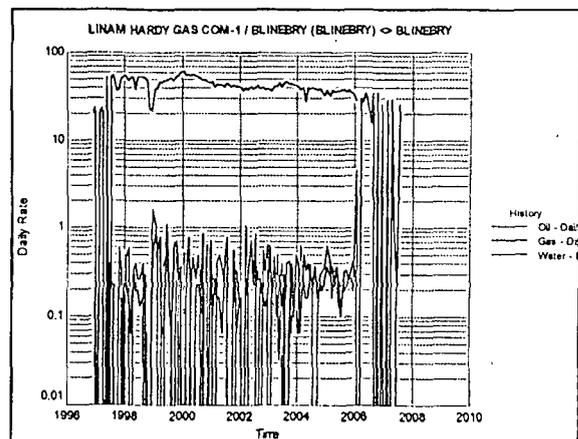
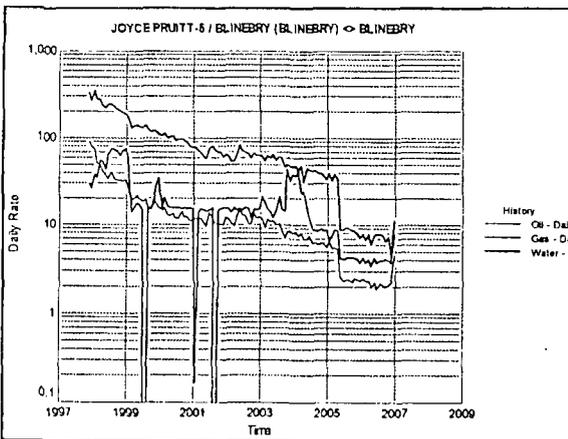
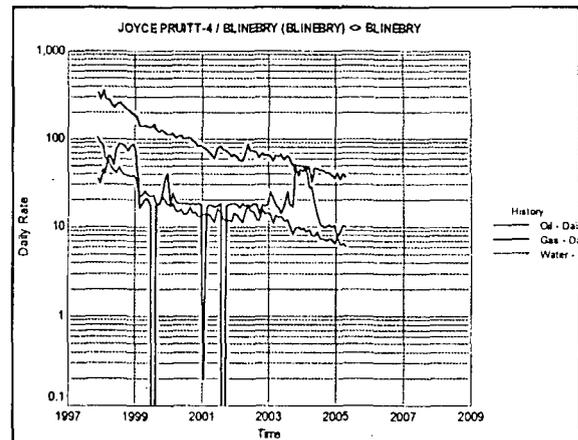
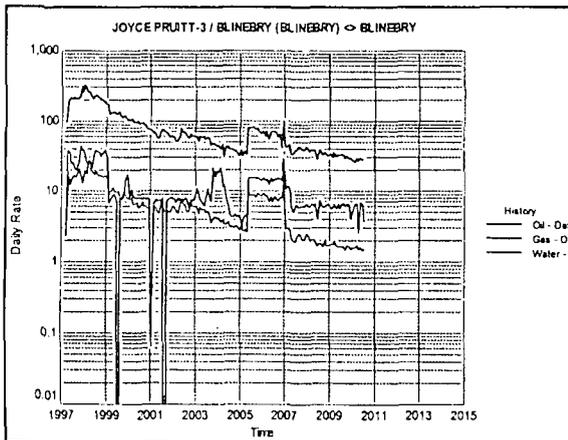
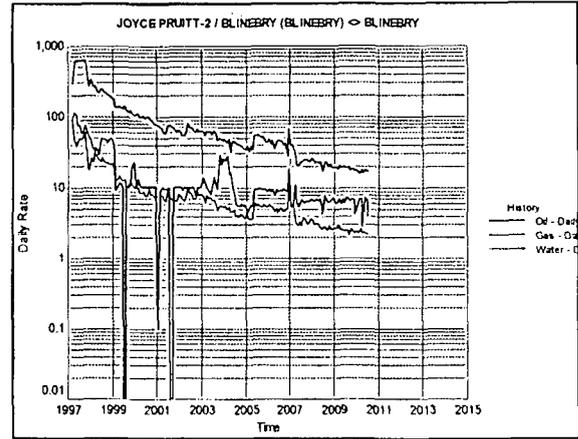
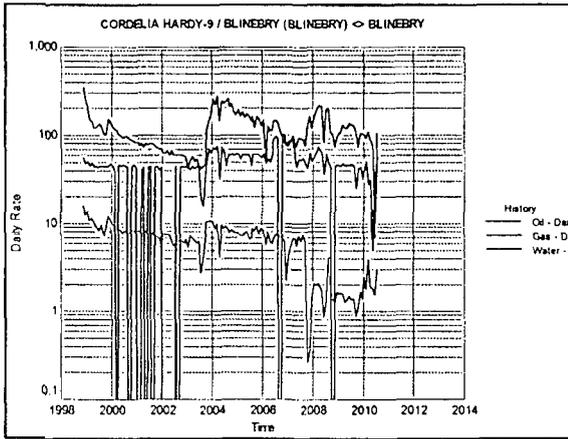
EUNICE AREA OFFSET WELLS

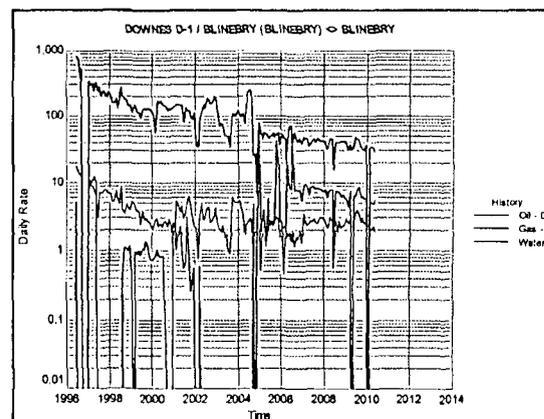
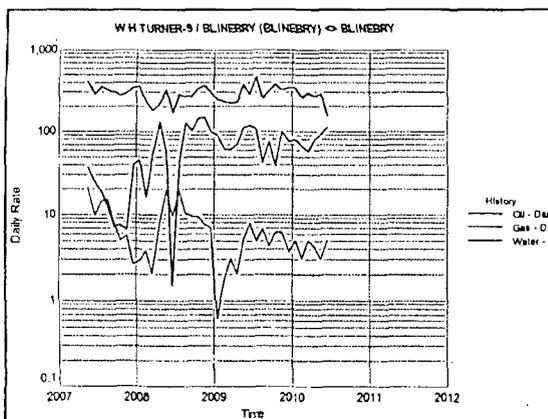
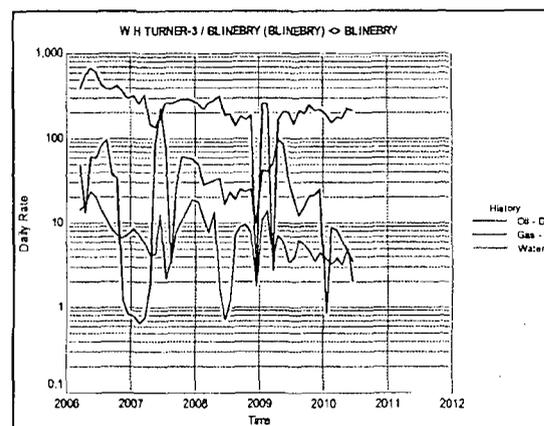
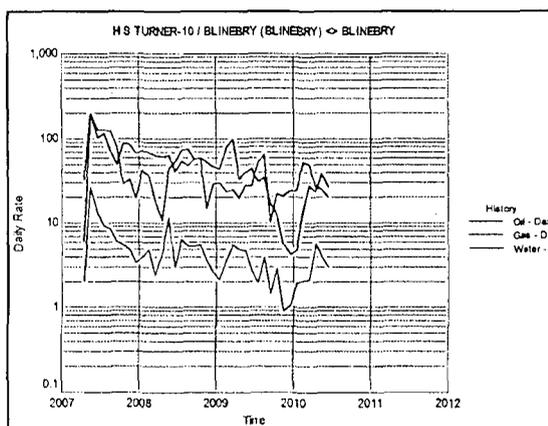
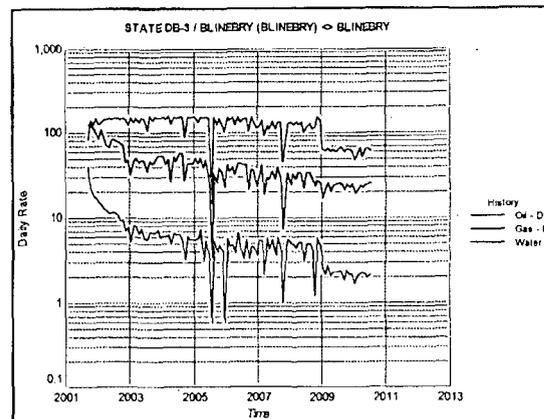
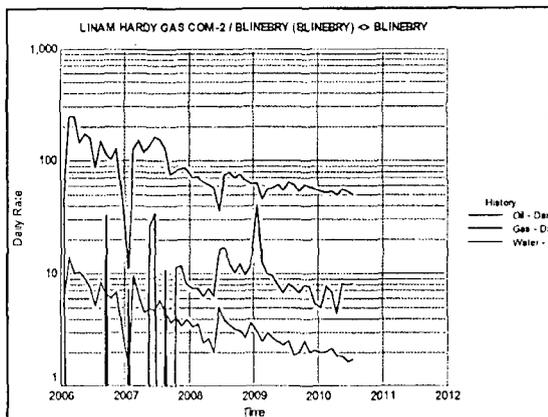
Blinebry Reservoir 3/11

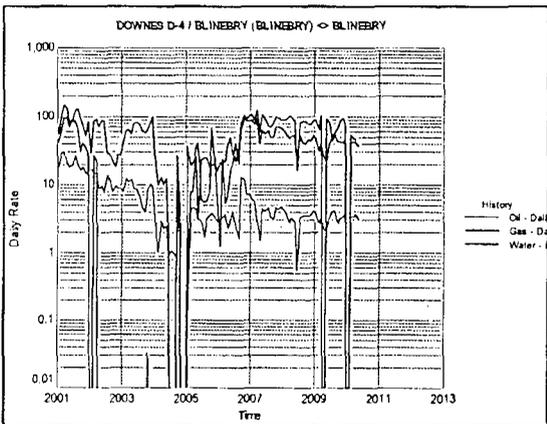
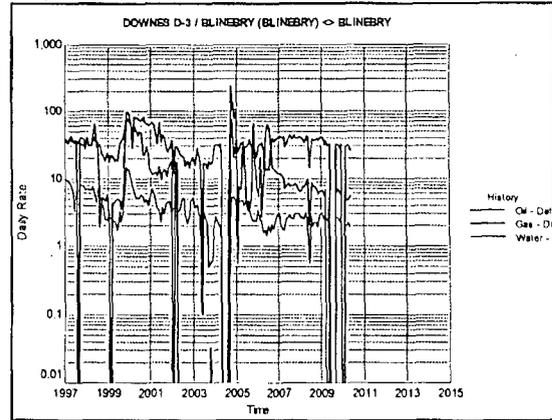
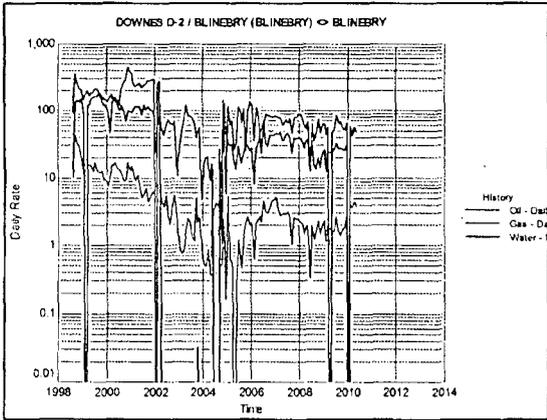






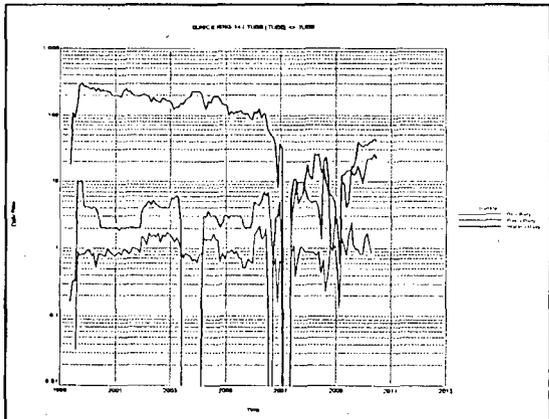
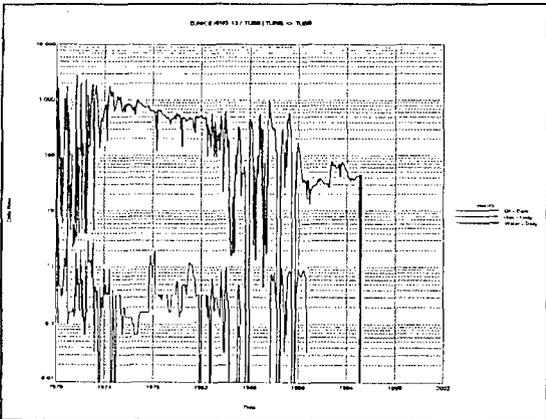
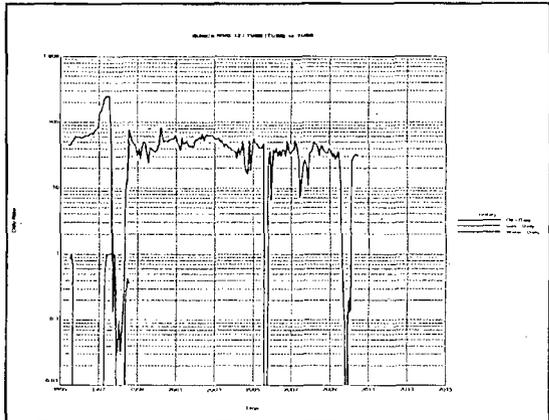
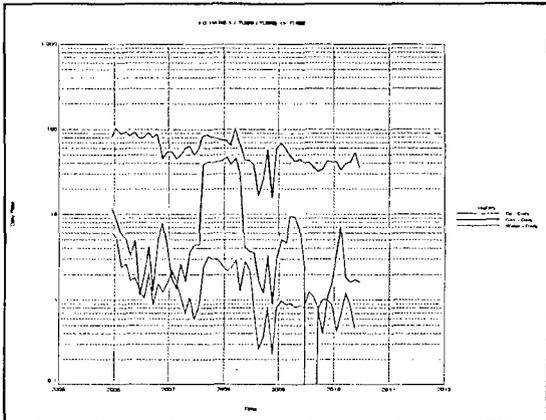
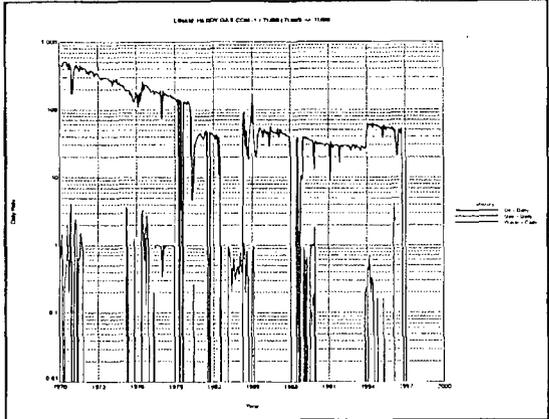


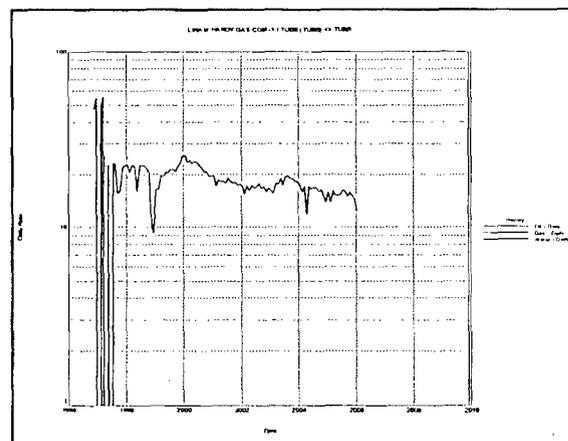
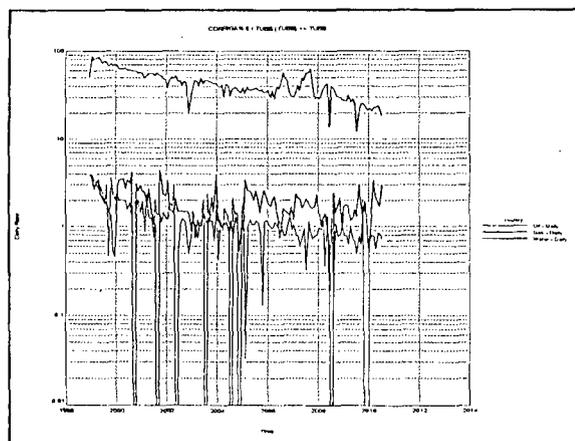
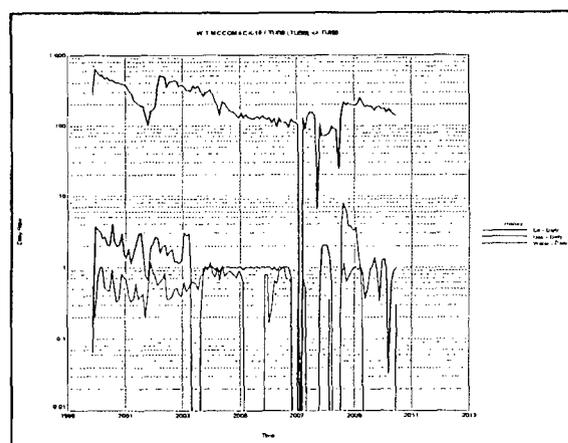
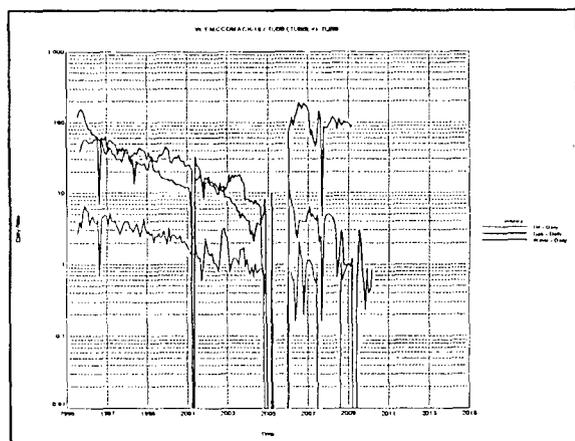
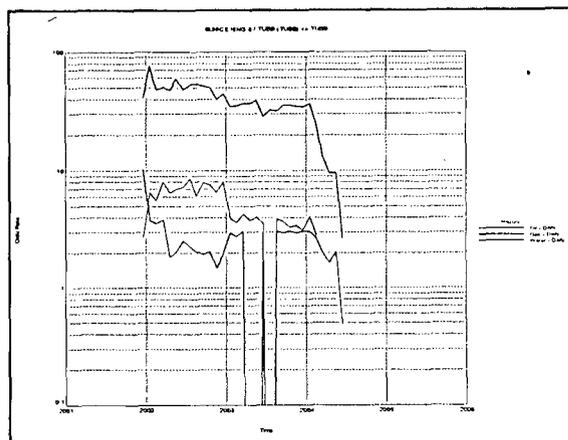
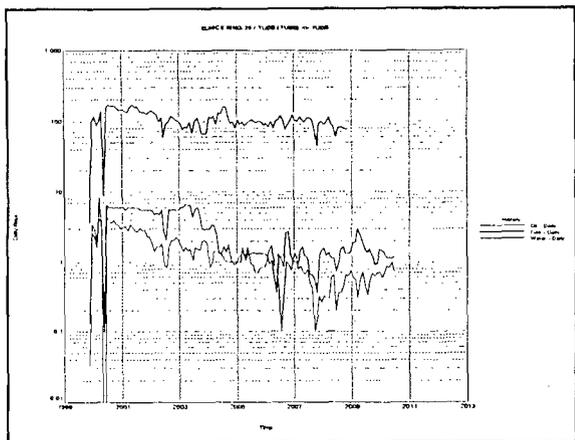


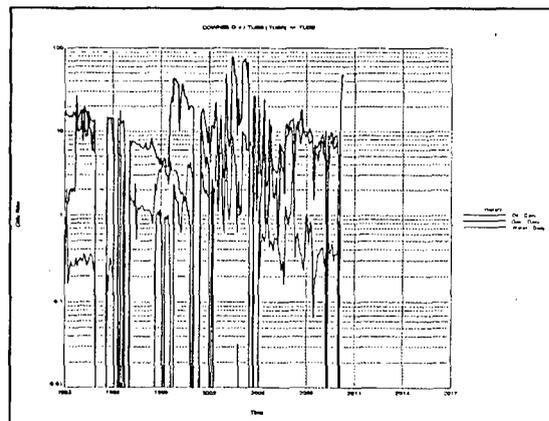
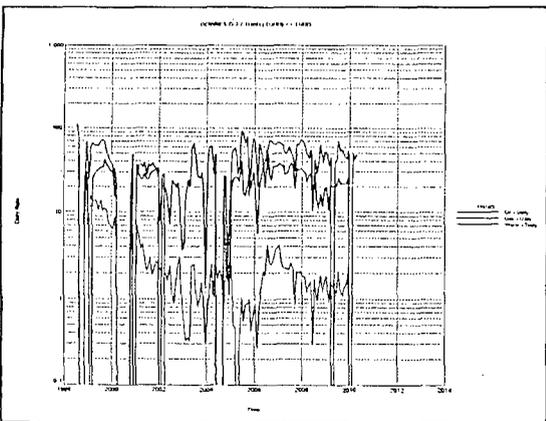
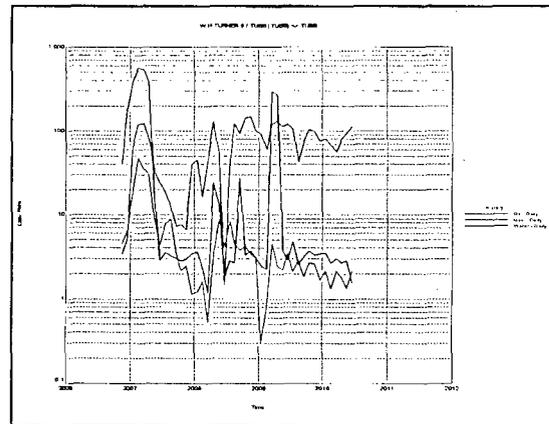
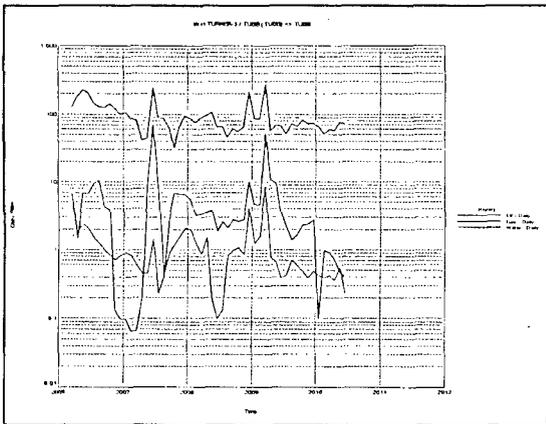
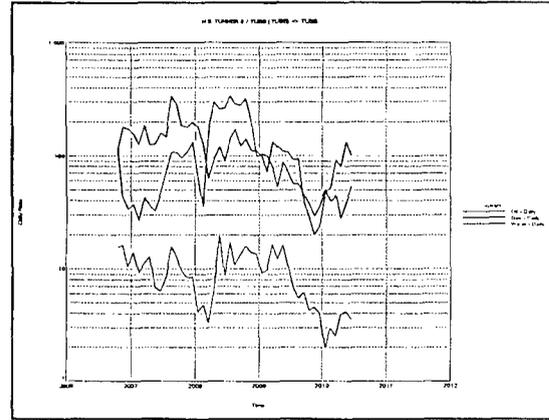
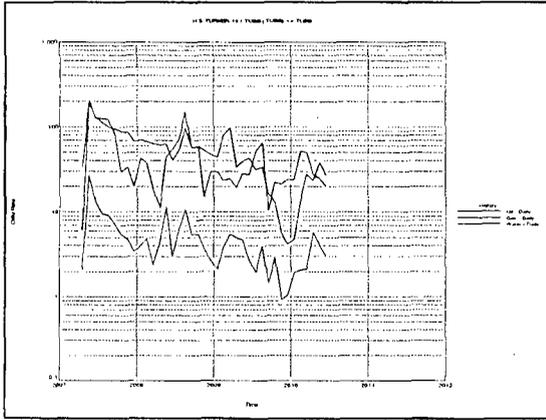


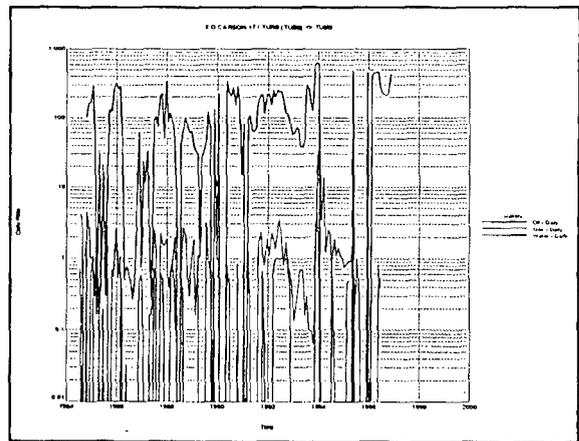
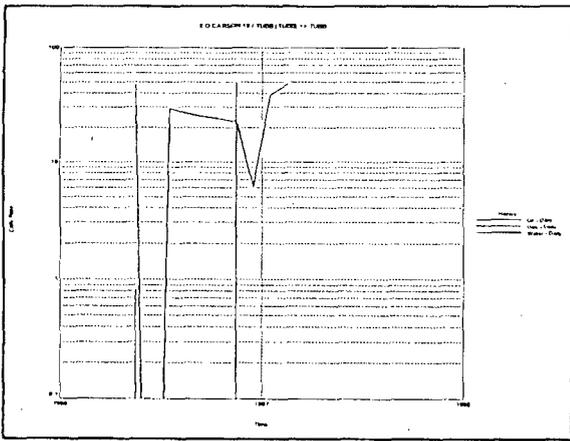
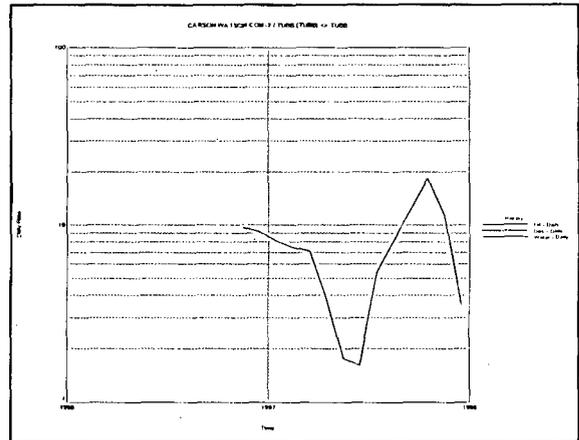
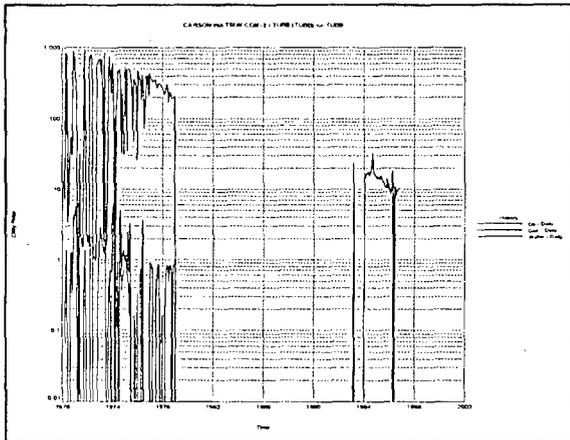
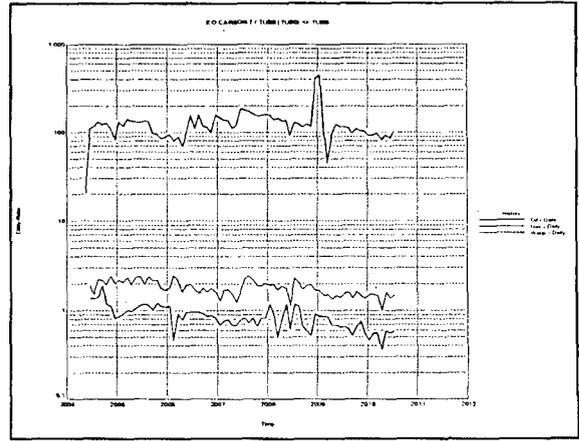
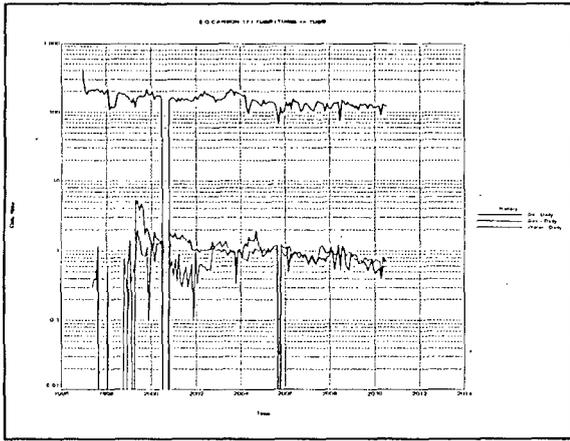
EUNICE AREA OFFSET WELLS

Tubb Reservoir 3/11











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HOBSOCD

Oscar Galvis
Petroleum Engineer
Oil Area AD Team

Permian Business Unit
Chevron U.S.A. Inc.
15 Smith Road
Midland, TX 79705
Tel 713-372-0095
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

Request DHC: W. T. McComack #31 (30-025-39972)

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), and the Tubb Oil & Gas (60240), in the W. T. McComack #31, API number 30-025-39972. The well is located 2,080' FNL & 1,980' FEL, Unit G, Section 32, Township 21 South, and Range 37 East in Lea County, New Mexico.

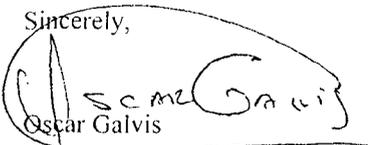
The W. T. McComack #31 is a new drill in the Blinebry Oil & Gas and the Tubb Oil & Gas fields. It was spudded February 21, 2011 and drilled to a total depth of 6,300'. The proposed completion of the well would commingle production from the Blinebry, and Tubb formations.

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