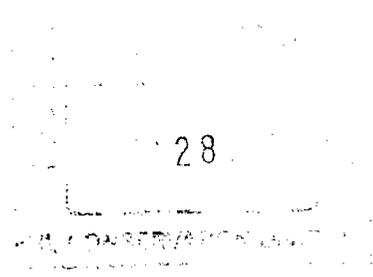


AMEND CTB

4/17/00

474



Hobbs Operating Unit

Texaco Exploration and Production Inc.  
205 East Bender  
Hobbs, New Mexico 88240  
505 393-7191 tel  
505 397-0450 fax

March 23, 2000

NMOCD  
P.O. Box 2088  
Santa Fe, New Mexico 87504-2088

Attn: Mr. Mark Ashley

Subject: Notification of Intent to Commingle Production

Dear Mr. Ashley,

Texaco Exploration and Production, Inc. respectfully requests administrative approval with the attached applications of its Texmack 2 State Com #2 well for the purpose of commingling produced fluids into the production facilities at Texmack 11 Fed #1. Currently, the Texmack 2 State Com #1 and the Texmack 11 Federal #1 are commingled under NMOCD Order CTB-474 into said facilities. All three wells are completed in the Fren Morrow zone as the drilling is finished on the Texmack 2 State #2.

The oil and water will produce down a common flowline to the production facilities at the Texmack 11 Federal #1 into commingled production. Texaco is installing a three-phase separator for testing the wells at the facility. The production will be allocated according to well tests. There the oil will be purchased by Navajo refinery. Produced water will be disposed of by contract trucking at a disposal site. The gas will be metered and sold on location to Conoco. Texaco will also have a check metered installed for sales verification.

The Texmack 2 State #2 is located at Section 2, T-17-S, R-31-E, Eddy County, whereas the Texmack 11 Fed #1 and its facilities are located in Section 11, T-17S, R-31-E, Eddy County. Please find enclosed one original and two copies of the New Mexico Oil Conservation Division form C-103; one copy of the Bureau of Land Management form 3160-5, and a copy of the well site and facility diagram.

If you have any questions concerning the applications, please contact me at (505) 397-0447.

Sincerely,

Bobby J. Hill  
Engineering Assistant  
Texaco Exploration and Production, Inc.





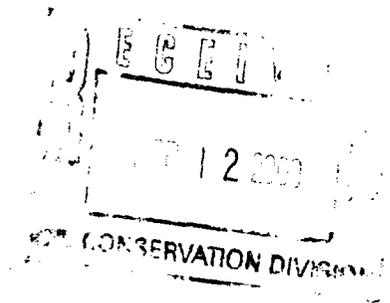
*Hobbs Operating Unit*

Texaco Exploration and Production Inc.  
205 East Bender  
Hobbs, New Mexico 88240  
505 393-7191 tel  
505 397-0450 fax

April 7, 2000

NMOCD  
P.O. Box 2088  
Santa Fe, New Mexico 87504-2088

Attn: Mr. Mark Ashley



**Subject: Amended Notification of Intent to Commingle Production**

Dear Mr. Ashley,

This letter supercedes any previous correspondence concerning notification.

Texaco Exploration and Production, Inc. respectfully requests administrative approval with the attached applications of its Texmack 2 State Com #2 well for the purpose of commingling produced fluids into the production facilities at Texmack 11 Fed #1. Currently, the Texmack 2 State Com #1 and the Texmack 11 Federal #1 are commingled under NMOCD Order CTB-474 into said facilities. All three wells are completed in the Fren Morrow zone as the drilling is finished on the Texmack 2 State #2.

The oil and water will be metered separately at the stackpack located at the well and produce down a common flowline to the production facilities at the Texmack 11 Federal #1 into commingled production. Texaco is installing a three-phase separator for testing the wells at the facility. There the oil will be purchased by Navajo refinery. Produced water will be disposed of by contract trucking at a disposal site. The gas will be metered and sold on location to Conoco. Texaco will also have a check metered installed for sales verification.

The Texmack 2 State #2 is located at Section 2, T-17-S, R-31-E, Eddy County, whereas the Texmack 11 Fed #1 and its facilities are located in Section 11, T-17S, R-31-E, Eddy County. Please find enclosed one original and two copies of the New Mexico Oil Conservation Division form C-103; one copy of the Bureau of Land Management form 3160-5; one copy of the original letter, and notification receipts from part interest owners attached.

If you have any questions concerning the applications, please contact me at (505) 397-0447.

Sincerely,

Bobby J. Hill  
Engineering Assistant  
Texaco Exploration and Production, Inc.

Submit 3 copies to Appropriate District Office

State of New Mexico Energy, Minerals and Natural Resources Department

AMENDED

Form C-103 Revised 1-1-89

DISTRICT I

OIL CONSERVATION DIVISION

P.O. Box 1980, Hobbs, NM 88240
DISTRICT II
P.O. Box Drawer DD, Artesia, NM 88210
DISTRICT III
1000 Rio Brazos Rd., Aztec, NM 87410

P.O. Box 2088
Santa Fe, New Mexico 87504-2088

WELL API NO. 3001530799
5. Indicate Type of Lease STATE [X] FEE [ ]
6. State Oil / Gas Lease No.
7. Lease Name or Unit Agreement Name TEXMACK 2 STATECOMM
8. Well No. 2
9. Pool Name or Wildcat FREN MORROW

SUNDRY NOTICES AND REPORTS ON WELL
1. Type of Well: OIL WELL [ ] GAS WELL [X] OTHER
2. Name of Operator TEXACO EXPLORATION & PRODUCTION INC.
3. Address of Operator 205 E. Bender, HOBBS, NM 88240
4. Well Location Unit Letter F, 1980 Feet From The NORTH Line and 2180 Feet From The WEST Line
Section 2 Township 17-S Range 31-E NMPM EDDY COUNTY
10. Elevation (Show whether DF, RKB, RT,GR, etc.)

11. Check Appropriate Box to Indicate Nature of Notice, Report, or Other Data
NOTICE OF INTENTION TO:
PERFORM REMEDIAL WORK [ ] PLUG AND ABANDON [ ]
TEMPORARILY ABANDON [ ] CHANGE PLANS [ ]
PULL OR ALTER CASING [ ]
OTHER: Surface Commingling of Production [X]
SUBSEQUENT REPORT OF:
REMEDIAL WORK [ ] ALTERING CASING [ ]
COMMENCE DRILLING OPERATION [ ] PLUG AND ABANDONMENT [ ]
CASING TEST AND CEMENT JOB [ ]
OTHER: [ ]

12. 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.
Texaco Exploration and Production, Inc. is requesting an amendment to the Commingling Order CTB-474 to include the Texmack 2 State Com #2 ( Unit Letter F, 1980' FNL and 2180' FWL, Sec 2-T17S-R31E, Eddy County, NM ), a new gas well, into the Texmack 11 Federal Central tank battery located at the Texmack 11 Federal well #1 ( Unit Letter C, 990' FNL and 1650' FWL; Sec 11-T17S-R31E, Eddy County, NM ). The commingling order currently consists of the Texmack 11 Federal #1 and the Texmack 2 State Com #1 ( Unit Letter O, Sec 2-T17S-R31E, Eddy County, NM ). All wells are completed in the Fren Morrow zone and have a API gravity of 56 @ 60 degrees.
The oil and water will be metered separately after the stackpack and go down a common flowline to the Texmack 11 Fed central tank battery and into commingled production. Texaco is installing a three phase separator for testing the wells at the central battery. There the oil will be purchased by Navajo Refinery and the water will be disposed of by contract trucking. Currently, the two initial Texmack wells make a total of 3 barrels of produced water per day. The gas will be purchased by Conoco, which will have a meter on location of the Texmack 2 State Com #2. Texaco will also have a check meter installed for verification of sales.
Letters of notification have been sent by registered mail to part interest owners.

I hereby certify that the information above is true and complete to the best of my knowledge and belief.
SIGNATURE Bobby J. Hill TITLE Engineering Assistant DATE 4/7/00
TYPE OR PRINT NAME Bobby J. Hill Telephone No. 397-0444

(This space for State Use)
APPROVED BY TITLE DATE
CONDITIONS OF APPROVAL, IF ANY:
DeSoto/Nichols 12-93 ver 1.0



*Hobbs Operating Unit*

**Texaco Exploration and Production Inc.**  
205 East Bender  
Hobbs, New Mexico 88240  
505 393-7191 tel  
505 397-0450 fax

March 23, 2000

NMOCD  
P.O. Box 2088  
Santa Fe, New Mexico 87504-2088

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If you have any questions concerning the applications, please contact me at (505) 397-0447.

Sincerely,

Bobby J. Hill  
Engineering Assistant  
Texaco Exploration and Production, Inc.

**SENDER:**

Complete items 1 and/or 2 for additional services. Complete items 3, 4a, and 4b.  
 Print your name and address on the reverse of this form so that we can return this card to you.  
 Attach this form to the front of the mailpiece, or on the back if space does not permit.  
 Write "Return Receipt Requested" on the mailpiece below the article number.  
 The Return Receipt will show to whom the article was delivered and the date delivered.

I also wish to receive the following services (for an extra fee):

1.  Addressee's Address  
 2.  Restricted Delivery

3. Article Addressed to:  
 Robert C. & E. Chase  
 2306 Sierra Vista Dr.  
 Artesia, NM 88210

4a. Article Number  
 Z 576 997 464

4b. Service Type  
 Registered  Certified  
 Express Mail  Insured  
 Return Receipt for Merchandise  COD

7. Date of Delivery  
 3-28-00

5. Received By: (Print Name)  
 Sylvia Hensley

6. Signature (Addressee or Agent)  
 Sylvia Hensley

8. Addressee's Address (Only if requested and fee is paid)

PS Form 3811, December 1994 102595-99-B-0223 Domestic Return Receipt

**SENDER:**

Complete items 1 and/or 2 for additional services. Complete items 3, 4a, and 4b.  
 Print your name and address on the reverse of this form so that we can return this card to you.  
 Attach this form to the front of the mailpiece, or on the back if space does not permit.  
 Write "Return Receipt Requested" on the mailpiece below the article number.  
 The Return Receipt will show to whom the article was delivered and the date delivered.

I also wish to receive the following services (for an extra fee):

1.  Addressee's Address  
 2.  Restricted Delivery

3. Article Addressed to:  
 Chase Oil Corporation  
 PO Box 1767  
 Artesia, NM 88211

4a. Article Number  
 P 442 355 543

4b. Service Type  
 Registered  Certified  
 Express Mail  Insured  
 Return Receipt for Merchandise  COD

7. Date of Delivery  
 3-30-00

5. Received By: (Print Name)  
 Sylvia Hensley

6. Signature (Addressee or Agent)  
 Sylvia Hensley

8. Addressee's Address (Only if requested and fee is paid)

PS Form 3811, December 1994 102595-99-B-0223 Domestic Return Receipt

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 2.  Restricted Delivery

3. Article Addressed to:

4a. Article Number

Is your RETURN ADDRESS completed on the reverse side?

Is your RETURN ADDRESS completed on the reverse side?

Is your RETURN ADDRESS completed on the reverse side?

Thank you for using Return Receipt Service.

Thank you for using Return Receipt Service.

Thank you for using Return Receipt Service.