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AMEND PC

N/R



February 28, 2001

Proposed Amendment Of Surface
Commingling Order PC-317
Rollon Brunson Commingled Battery
Section 10, T22S, R37E
Lea County, New Mexico

Chevron U.S.A. Production Company
P.O. Box 1150
Midland, TX 79702

New Mexico Oil Conservation Division
Attn: Lori Wrotenbery, Director
2040 South Pacheco
Santa Fe, NM 87505

Dear Ms. Wrotenbery:

South Eunice - San Andres

Chevron U.S.A., Inc. respectfully requests administrative approval for an amendment to Commingling Order PC-317, allowing for the surface commingling of production from the San Andres, Blinebry, Drinkard, and Paddock pools. The production from each pool will be allocated based on periodic well tests of each of the respective pool producers. All wells are on Chevron's wholly owned Rollon Brunson lease and royalty ownership is identical in all pools.

Commingling Order PC-317 (copy attached) currently provides for the surface commingling of production from the Blinebry, Drinkard, and Paddock pools at the Rollon Brunson Commingled Battery. However, at the present time the only active wells producing into the battery are completed in the Blinebry Oil & Gas Pool.

Recently, the Rollon Brunson # 5 was re-entered (formerly P&A'd) and completed as a producer in the San Andres formation. The well is currently testing into rental surface equipment at the rate of 6 BOPD, 32 BWPD, & 2 MCFPD. While the well is economic to produce, production is not high enough to justify the construction of a permanent San Andres battery or the continued rental of surface producing equipment. In order to maintain the well on production, your approval is requested to commingle the San Andres production into the Rollon Brunson Commingled Battery under Commingling Order PC-317.

Attached in support of this request is a table showing oil production volumes, gravities, and monetary values for each of the wells/pools proposed for commingling, a proposed schematic diagram for the subject facility, and a lease plat. As can be seen on the table, while the oil price per barrel is slightly higher with the pools kept separate, the total value for the crude oil produced from the Rollon Brunson lease is much greater (\$217.76/day vs. \$59.80/day) with all wells commingled into a single battery. This is due to the fact that the Rollon Brunson # 5 San Andres well does not produce enough to justify the

construction or rental of battery equipment required to keep it producing, and would have to be shut-in.

If you have any questions concerning this application, please contact Mike Howell at (915) 687-7516.

Sincerely,

A handwritten signature in black ink, appearing to read "A. M. Howell", with a long horizontal flourish extending to the right.

A. M. Howell
Sr. Petroleum Engineer

cc: NMOCD – Hobbs District I
Lease File
Janice Ripley
Denise Beckham
Nathan Mouser

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Rollon Brunson Commingled Battery And Rollon Brunson # 5 San Andres Production Maintained Separate

10/6/2025-10/6/2025
10/6/2025

Pool	Well	BOPD	API Gravity	\$/BBL	\$/Day	Remarks
Blirebry	Rollon Brunson # 4	2	31.7	29.90	59.8	Gravity of comingled oil fr/ R. Brunson Battery
Blirebry	Rollon Brunson # 6	0	31.7	29.90	0	Gravity of comingled oil fr/ R. Brunson Battery
San Andres	Rollon Brunson # 5	0	30.6	27.22	0	New San Andres battery uneconomic - well SI
Totals		2			\$59.80	

Production From All Rollon Brunson Wells Commingled Into Rollon Brunson Commingled Battery

Pool	Well	BOPD	API Gravity	\$/BBL	\$/Day	Remarks
Blirebry	Rollon Brunson # 4	2	30.9	27.22	54.44	Calculated gravity of comingled oil
Blirebry	Rollon Brunson # 6	0	30.9	27.22	0	Calculated gravity of comingled oil
San Andres	Rollon Brunson # 5	6	30.9	27.22	163.32	Calculated gravity of comingled oil
Totals		8			\$217.76	

