

DATE IN	SUSPENSE	ENGINEER	LOGGED IN	TYPE	APP NO.
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ABOVE THIS LINE FOR DIVISION USE ONLY

NEW MEXICO OIL CONSERVATION DIVISION
- Engineering Bureau -
 1220 South St. Francis Drive, Santa Fe, NM 87505



ADMINISTRATIVE APPLICATION CHECKLIST

THIS CHECKLIST IS MANDATORY FOR ALL ADMINISTRATIVE APPLICATIONS FOR EXCEPTIONS TO DIVISION RULES AND REGULATIONS WHICH REQUIRE PROCESSING AT THE DIVISION LEVEL IN SANTA FE

Application Acronyms:

[NSL-Non-Standard Location] [NSP-Non-Standard Proration Unit] [SD-Simultaneous Dedication]
[DHC-Downhole Commingling] [CTB-Lease Commingling] [PLC-Pool/Lease Commingling]
[PC-Pool Commingling] [OLS - Off-Lease Storage] [OLM-Off-Lease Measurement]
[WFX-Waterflood Expansion] [PMX-Pressure Maintenance Expansion]
[SWD-Salt Water Disposal] [IPI-Injection Pressure Increase]
[EOR-Qualified Enhanced Oil Recovery Certification] [PPR-Positive Production Response]

- [1] **TYPE OF APPLICATION** - Check Those Which Apply for [A]
 [A] Location - Spacing Unit - Simultaneous Dedication
☐ NSL ☐ NSP ☐ SD
- Check One Only for [B] or [C]
 [B] Commingling - Storage - Measurement
☐ DHC ☐ CTB ☐ PLC ☒ PC ☐ OLS ☐ OLM
- [C] Injection - Disposal - Pressure Increase - Enhanced Oil Recovery
☐ WFX ☐ PMX ☐ SWD ☐ IPI ☐ EOR ☐ PPR
- [D] Other: Specify _____
- [2] **NOTIFICATION REQUIRED TO:** - Check Those Which Apply, or Does Not Apply
 [A] ☐ Working, Royalty or Overriding Royalty Interest Owners
 [B] ☐ Offset Operators, Leaseholders or Surface Owner
 [C] ☐ Application is One Which Requires Published Legal Notice
 [D] ☐ Notification and/or Concurrent Approval by BLM or SLO
U.S. Bureau of Land Management - Commissioner of Public Lands, State Land Office
 [E] ☐ For all of the above, Proof of Notification or Publication is Attached, and/or,
 [F] ☐ Waivers are Attached
- [3] **SUBMIT ACCURATE AND COMPLETE INFORMATION REQUIRED TO PROCESS THE TYPE OF APPLICATION INDICATED ABOVE.**

[4] **CERTIFICATION:** I hereby certify that the information submitted with this application for administrative approval is **accurate** and **complete** to the best of my knowledge. I also understand that **no action** will be taken on this application until the required information and notifications are submitted to the Division.

Note: Statement must be completed by an individual with managerial and/or supervisory capacity.

CAROLYN L. HAYNIE
 Print or Type Name

Signature

PE TECHNICAL ASSISTANT
 Title

07-24-2002
 Date

CarolynHaynie@ChevronTexaco.com
 e-mail Address

218475101

AMEND PC

NA

Chevron USA Production Company Inc.
A. M Howell
Sr. Petroleum Engineer
Eunice Primary
15 Smith Road
Midland, TX 79705

CL 02 JUL 2002

02 JUL -1 PM 2:47

June 26, 2002

ChevronTexaco

Proposed Amendment of Surface
Commingling Order PC-321
H. T. Mattern B (NCT-B) Lease
Section 30 & 31, T21S, R37E
Lea County, New Mexico

New Mexico Oil Conservation Division
Attn: Lori Wrotenbery, Director
1220 South St. Francis Drive
Santa Fe, NM 87504

Dear Ms. Wrotenbery:

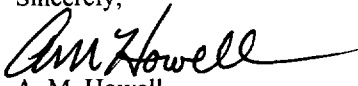
ChevronTexaco, Inc., formerly Chevron U.S.A. Production Co., Inc., respectfully requests administrative approval for an amendment to Commingling Order PC-321, allowing for the surface commingling of oil production from the Mattern B # 1 Battery and the Mattern B # 12 Commingled Battery. The oil production from each pool will be allocated based on periodic well tests of each of the respective pool producers. All wells are on ChevronTexaco's wholly owned Mattern lease and royalty ownership is identical in all pools. For further clarification, a well list with locations, pool numbers, and API numbers, is included with the attachments.

Commingling Order PC-321 (copy attached), currently provides for the surface commingling of oil production from the Blinbry and Penrose Skelly pools on the H. T. Mattern (NCT-B) Lease. The requested amendment is to allow for the additional commingling of Drinkard Pool production with that from the pools currently authorized.

Attached in support of this request is a table showing oil production volumes, API gravities, sulfur analyses, 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, the value of the production will not be significantly impacted by the proposed action. However, commingling the batteries will substantially lower operating costs for ChevronTexaco.

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

Sincerely,



A. M. Howell
Sr. Petroleum Engineer

Cc: NMOCD – Hobbs District I
Lease File
Reggie Holzer
Mike Howell
Nathan Mouser
Kent Coggan

WELLS LIST BY BATTERY

Lease	Well #	Status	POOL Name	Unit Letter	Section	Township	Range	O - TR	G - TR	WI	API #	Pool Code	Transporter	Comments
MATERN B' #12 COMGLD BTRY														
MATERN,H.T.(NCT-B)	14	SI	DRINKARD	M	30	21S	37E	TNN	WAR	100.00	30-025-24022	19190	OASIS	To be Recompleted
MATERN,H.T.(NCT-B)	15	TA	BLINEBRY OIL	N	30	21S	37E	TNN	WAR	100.00	30-025-24084	06660		To be Recompleted
MATERN,H.T.(NCT-B)	16	PR	DRINKARD	D	31	21S	37E	TNN	WAR	100.00	30-025-24120	19190		
MATERN,H.T.(NCT-B)	17	PR	DRINKARD	C	31	21S	37E	TNN	WAR	100.00	30-025-24156	19190		
MATERN,H.T.(NCT-B)	18	PR	DRINKARD	O	30	21S	37E	TNN	WAR	100.00	30-025-24187	19190		
MATERN,H.T.(NCT-B)	19	PR	DRINKARD	E	31	21S	37E	TNN	WAR	100.00	30-025-24968	19190		
MATERN,H.T.(NCT-B)	20	PR	DRINKARD	F	31	21S	37E	TNN	WAR	100.00	30-025-25129	19190		
MATERN,H.T.(NCT-B)	21	PR	DRINKARD	G	31	21S	37E	TNN	WAR	100.00	30-025-25165	19190		
MATERN,H.T.(NCT-B)	22	PR	BLINEBRY OIL	B	31	21S	37E	TNN	WAR	100.00	30-025-25246	06660		
MATERN,H.T.(NCT-B)	23	PR	DRINKARD	G	31	21S	37E	TNN	WAR	100.00	30-025-29084	19190		
MATERN,H.T.(NCT-B)	24	PR	DRINKARD	B	31	21S	37E	TNN	WAR	100.00	30-025-29976	19190		
MATERN,H.T.(NCT-B)	25	PR	DRINKARD	G	31	21S	37E	TNN	WAR	100.00	30-025-30047	19190		
MATERN B I BATTERY														
MATERN,H.T.(NCT-B)	1	PR	PENROSE SKELLY	I	30	21S	37E	PHIL	WAR	100.00	30-025-06900	50350	PHILLIPS	
MATERN,H.T.(NCT-B)	2	SI	PENROSE SKELLY	H	31	21S	37E	PHIL	WAR	100.00	30-025-06918	50350		Will Plug & Abandon, not included
MATERN,H.T.(NCT-B)	4	PR	PENROSE SKELLY	P	30	21S	37E	PHIL	WAR	100.00	30-025-06901	50350		
MATERN,H.T.(NCT-B)	5	PR	PENROSE SKELLY	O	30	21S	37E	PHIL	WAR	100.00	30-025-06902	50350		
MATERN,H.T.(NCT-B)	10	PR	PENROSE SKELLY	C	31	21S	37E	PHIL	WAR	100.00	30-025-06922	50350		

**H. T. Mattern B - #1 and B - #12 Commingling
Sulfur and Gravity Analysis**

BATTERY	OIL PRODUCTION	SULFUR CONTENT	OIL - API @60F	OIL*SULFUR	OIL*API
Mattern B-1	7	1.2568	35.9	8.7976	251.3
Mattern B-12	78	0.5508	38	42.9624	2964
	85				

Weighted Average = 0.6089 37.8

Mattern Btty # 1	Wells 1, 4, 5, 10	Total	7 BOPD
Mattern Btty # 12	Wells 14, 15, 16, 17, 18, 19, 20, 21, 22, 23, 24, 25	Total	78 BOPD

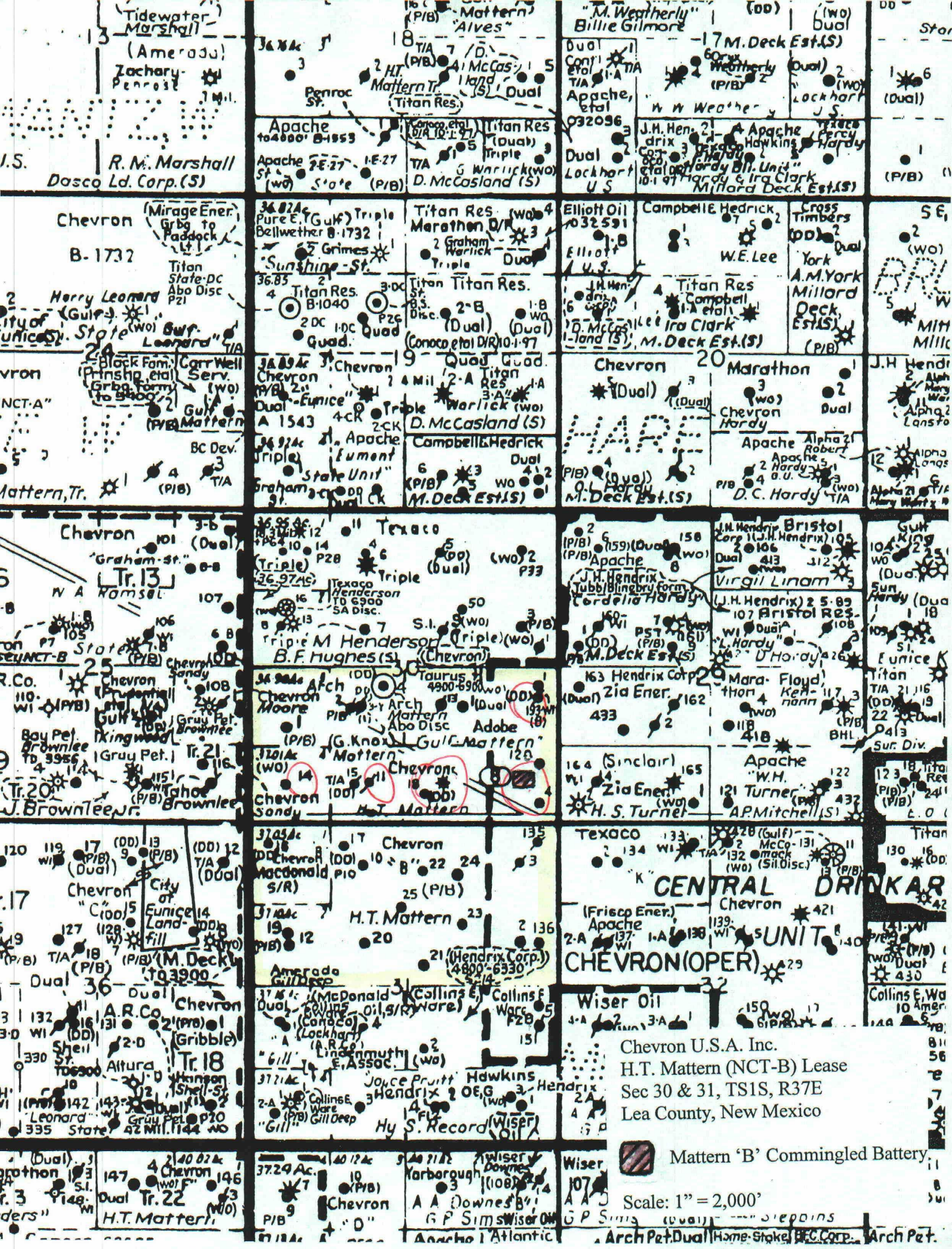
Proposed Amendment Of Surface Commingling Order PC-321

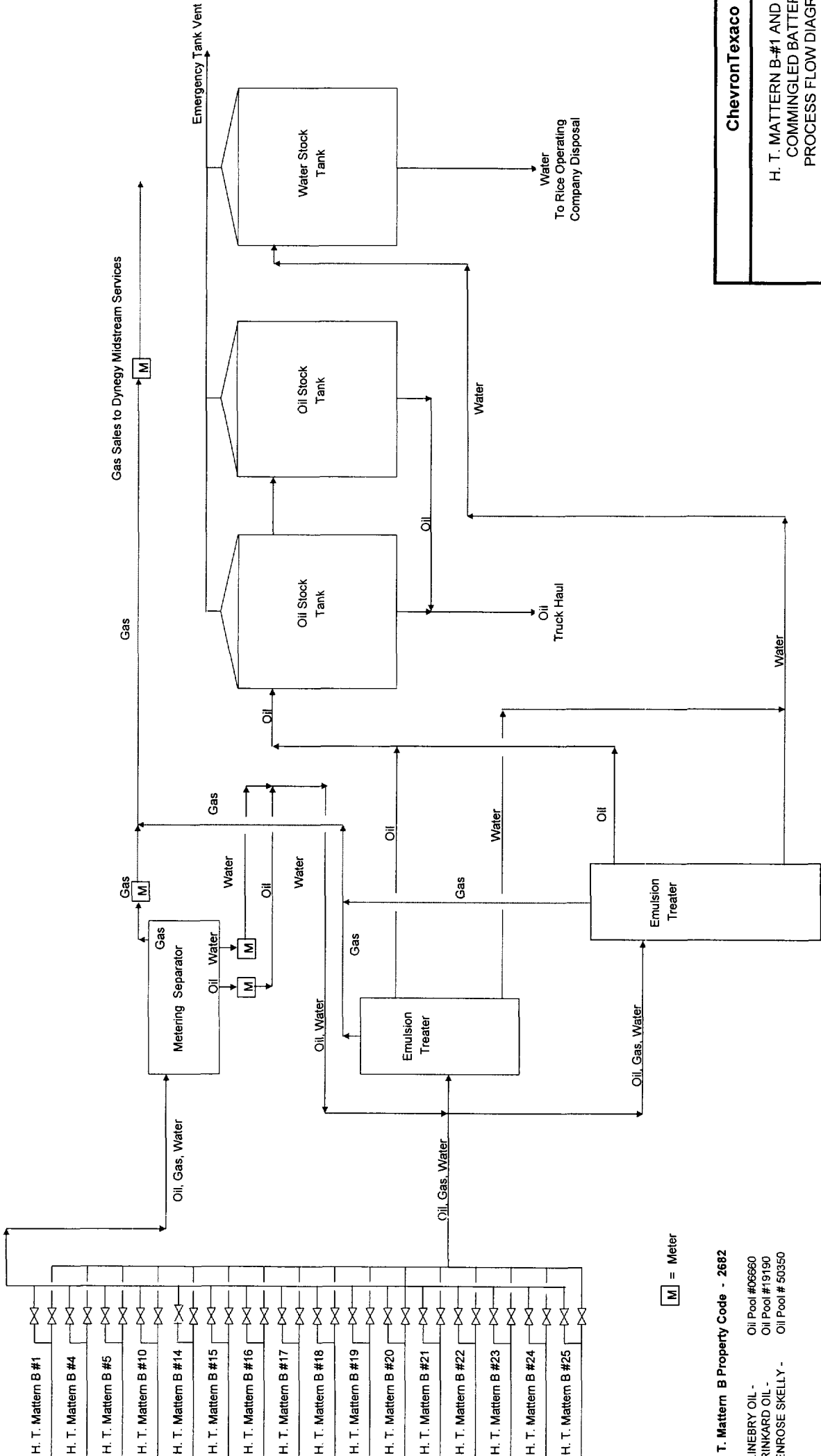
Matern 'B' Commingled Battery

Section 30 & 31, T21S, R37E

Lea County, New Mexico

Matern B # 1 Battery and Matern B # 12 Commingled Battery Maintained Separate		BOPD		API Gravity	Sulfur Content	\$/BBL	\$/Day	Remarks
Pool	Well							
Penrose Skelly	MATERN, H.T. (NCT-B) # 1	3		35.9	1.2568	22.69	68.07	Gravity & Sul content of comm'd Oil #/B 1 Batty
Penrose Skelly	MATERN, H.T. (NCT-B) # 4	0		35.9	1.2568	22.69	0	Gravity & Sul content of comm'd Oil #/B 1 Batty
Penrose Skelly	MATERN, H.T. (NCT-B) # 5	3		35.9	1.2568	22.69	68.07	Gravity & Sul content of comm'd Oil #/B 1 Batty
Penrose Skelly	MATERN, H.T. (NCT-B) # 10	1		35.9	1.2568	22.69	22.69	Gravity & Sul content of comm'd Oil #/B 1 Batty
Drinkard	MATERN, H.T. (NCT-B) # 14	0		38.0	0.5508	22.28	0	Shut-In
Drinkard	MATERN, H.T. (NCT-B) # 15	0		38.0	0.5508	22.28	0	Shut-In
Drinkard	MATERN, H.T. (NCT-B) # 16	3		38.0	0.5508	22.28	66.84	Gravity & Sul content of comm'd Oil #/B 12 Batty
Drinkard	MATERN, H.T. (NCT-B) # 17	5		38.0	0.5508	22.28	111.4	Gravity & Sul content of comm'd Oil #/B 12 Batty
Drinkard	MATERN, H.T. (NCT-B) # 18	5		38.0	0.5508	22.28	111.4	Gravity & Sul content of comm'd Oil #/B 12 Batty
Drinkard	MATERN, H.T. (NCT-B) # 19	11		38.0	0.5508	22.28	245.08	Gravity & Sul content of comm'd Oil #/B 12 Batty
Drinkard	MATERN, H.T. (NCT-B) # 20	6		38.0	0.5508	22.28	133.68	Gravity & Sul content of comm'd Oil #/B 12 Batty
Blinebry Oil	MATERN, H.T. (NCT-B) # 21	15		38.0	0.5508	22.28	334.2	Gravity & Sul content of comm'd Oil #/B 12 Batty
Drinkard	MATERN, H.T. (NCT-B) # 23	8		38.0	0.5508	22.28	178.24	Gravity & Sul content of comm'd Oil #/B 12 Batty
Drinkard	MATERN, H.T. (NCT-B) # 24	7		38.0	0.5508	22.28	155.96	Gravity & Sul content of comm'd Oil #/B 12 Batty
Drinkard	MATERN, H.T. (NCT-B) # 25	12		38.0	0.5508	22.28	267.36	Gravity & Sul content of comm'd Oil #/B 12 Batty
Totals		85					\$1,896.67	
Production From All Matern Wells Commingled into Matern B Commingled Battery								
Pool	Well	BOPD	API Gravity			\$/BBL	\$/Day	Remarks
Penrose Skelly	MATERN, H.T. (NCT-B) # 1	3	37.8		0.6089	22.28	66.84	Calculated gravity of commingled oil
Penrose Skelly	MATERN, H.T. (NCT-B) # 4	0	37.8		0.6089	22.28	0	Calculated gravity of commingled oil
Penrose Skelly	MATERN, H.T. (NCT-B) # 5	3	37.8		0.6089	22.28	66.84	Calculated gravity of commingled oil
Penrose Skelly	MATERN, H.T. (NCT-B) # 10	1	37.8		0.6089	22.28	22.28	Calculated gravity of commingled oil
Drinkard	MATERN, H.T. (NCT-B) # 14	0	37.8		0.6089	22.28	0	Currently SI
Drinkard	MATERN, H.T. (NCT-B) # 15	0	37.8		0.6089	22.28	0	Currently SI
Drinkard	MATERN, H.T. (NCT-B) # 16	3	37.8		0.6089	22.28	66.84	Calculated gravity of commingled oil
Drinkard	MATERN, H.T. (NCT-B) # 17	5	37.8		0.6089	22.28	111.4	Calculated gravity of commingled oil
Drinkard	MATERN, H.T. (NCT-B) # 18	5	37.8		0.6089	22.28	111.4	Calculated gravity of commingled oil
Drinkard	MATERN, H.T. (NCT-B) # 19	11	37.8		0.6089	22.28	245.08	Calculated gravity of commingled oil
Drinkard	MATERN, H.T. (NCT-B) # 20	6	37.8		0.6089	22.28	133.68	Calculated gravity of commingled oil
Drinkard	MATERN, H.T. (NCT-B) # 21	6	37.8		0.6089	22.28	133.68	Calculated gravity of commingled oil
Blinebry Oil	MATERN, H.T. (NCT-B) # 22	15	37.8		0.6089	22.28	334.2	Calculated gravity of commingled oil
Drinkard	MATERN, H.T. (NCT-B) # 23	8	37.8		0.6089	22.28	178.24	Calculated gravity of commingled oil
Drinkard	MATERN, H.T. (NCT-B) # 24	7	37.8		0.6089	22.28	155.96	Calculated gravity of commingled oil
Drinkard	MATERN, H.T. (NCT-B) # 25	12	37.8		0.6089	22.28	267.36	Calculated gravity of commingled oil
Totals		78					\$1,893.80	





H. T. Mattern B Property Code - 2682

BLINEBRY OIL - Oil Pool #06880
DRINKARD OIL - Oil Pool #19190
PENROSE SKELLY - Oil Pool # 50350

ChevronTexaco

H. T. MATTERN B-#1 AND B-#12
COMMINGLED BATTERY
PROCESS FLOW DIAGRAM

Section 30, T21S-R37E, Lea County, New Mexico
June 26, 2002