

Permian Basin Production Business Unit New Mexico District 10 04650 000000 0 0 0 00000 00000 0000

July 26, 1991

Surface Commingle Application W. A. Ramsay Not-C Section 36, T24S, R37E, Lea County, New Mexico

State of New Mexico Energy, Minerals & Natural Resources Dept. Oil Conservation Division P. O. Box 2088 Santa Fe, New Mexico 87504

Attention: Mr. William J. LeMay - Director

### Gentlemen:

Chevron U.S.A. Inc. respectfully requests an exception to Rules 303-A and 309-A to save considerable expense in maintaining separate batteries for the W. A. Ramsay NCT-C Lease. It is desired to commingle the W. A. Ramsay NCT-C  $\sharp 3$  well and the  $\sharp 5$  well into the existing battery located on Section 36, T24S, R37E. Lea County, New Mexico.

The W. A. Ramsay NCT-C #2 Battery (Surface Commingle Order PC-134) consists of the W. A. Ramsay NCT-C #2 well, producing an average of 5 BOPD from the North Justis Ellenburger, and the W. A. Ramsay NCT-C #4 well, producing an average of 50 BOPD from the North Justis Fusselman. We would like to add to this existing battery the W. A. Ramsay NCT-C #3 well, producing an average of 3 BOPD from the Justis Tubb Drinkard and the W. A. Ramsay NCT-C #5 well, producing an average of 3 BOPD from the Justis Blinebry.

On completion of the surface commingling of production from the subject lease, it should be noted that provisions will be incorporated to allow for individual well testing and proper allocation of production for each pool. Also, royalty interests within each pool underlying the lease will be maintained and the purchaser will accept the commingled production. Attached is a tabulation showing individual pool gravities, production and revenues along with the expected commingled values. Also attached are battery schematics, a brief production history of each well, and a lease plat.

Therefore, to avoid waste by maintaining separate facilities and avoid premature abandonment. Chevron respectfully requests the NMOCD grant approval of this application for exception to Rules 3C3-A and 3O9-A and allow Chevron to commingle production from the W. A. Ramsay NCT-C  $\sharp 3$  and  $\sharp 5$  wells with the existing battery.

Yours very truly,

Elin allen

E. L. ALLEN

MJW Attachments Enclosures

ce: NMOCD - Hobbs



Division Order Section

August 8, 1991

Mr. David Catanach State of New Mexico Dept. of Energy, Minerals & Natural Resources Oil Conservation Division P. O. Box 2088 Santa Fe, NM 87504

Dear Mr. Catanach:

This is to advise you that the following leases have common ownership at the described depths/formations, and commingling may occur within each lease:

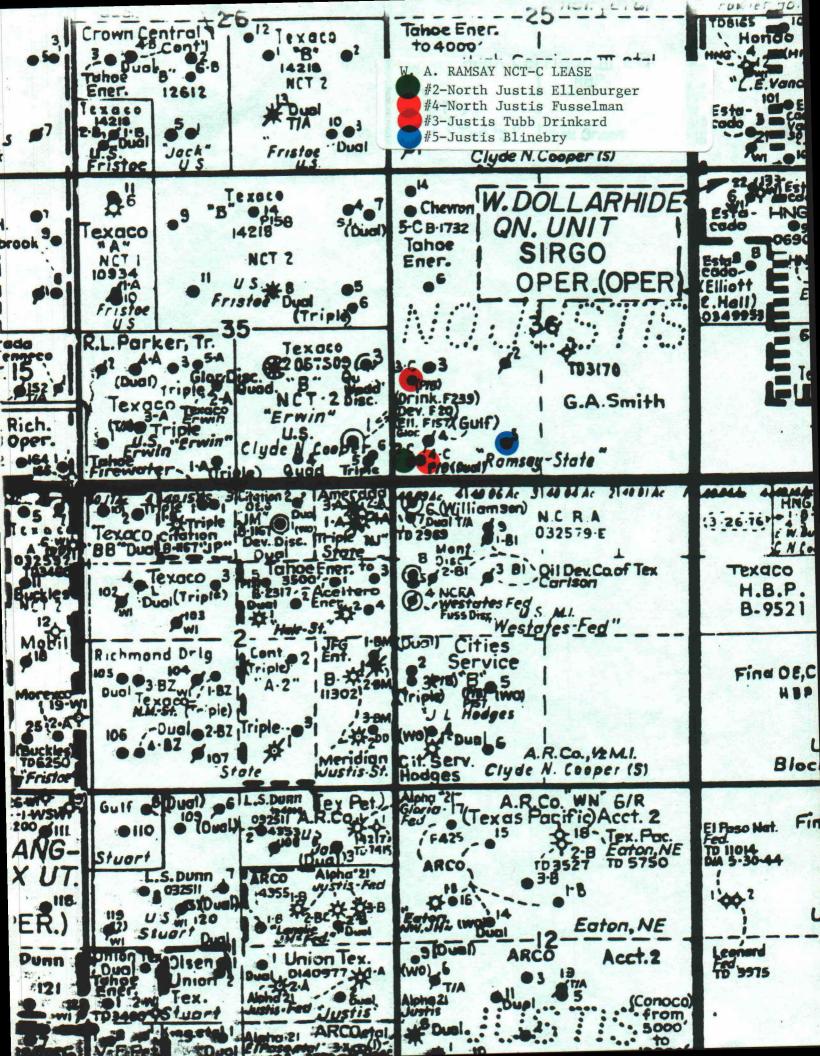
Lease	Commingled Wells
Plains Knight (Fowler) (Order TB-220)	#2 Tubb Drinkard #2 Upper Yeso #1 Ellenberger
Ella (Order PC-509)	#1 S. Brunson Drinkard Abo #1 Blinebry #2 S. Brunson Drinkard Abo #2 Watz Granite Wash
W. A. Ramsay, NCT-C	#2 Battery:

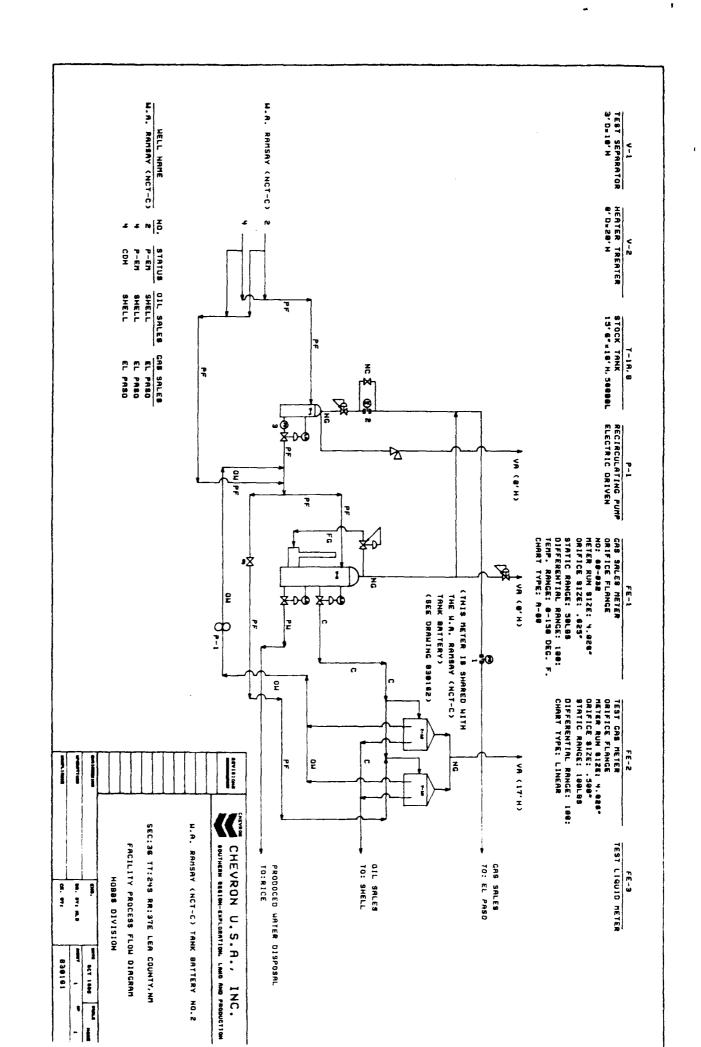
If you have further questions, please feel free to call me at (713) 754-2415.

Mary n. Olice

Mary N. Oberle Land Representative

cc: Ms. Minnie Woolley





### SURFACE COMMINGLE APPLICATION W. A. RAMSAY NCT-C LEASE SEC. 36, T24S, R37E LEA COUNTY, NEW MEXICO

### PRODUCTION HISTORY

	4	LICDOOI.	ion mistori			AVG.
LEASE	WELL	STATUS	1009	MO/YR	ВОРМ	
W.A.RAMSAY NCT-C	3	PR	JUSTIS TUBB			
			DRINKARD	06/90 07/90 08/90 09/90 10/90 11/90 12/90 01/91 02/91 03/91 04/91 05/91	83 80 71 53 58 56 43 58	3 3 3 2 2
	5	PR	JUSTIS BLINEBRY	06/90 07/90 08/90 09/90 10/90 11/90 12/90 01/91 02/91 03/91 04/91 05/91	80 95 110 116 111 74 77	3 3 4 4 4

## SURFACE COMMINGLE APPLICATION W. A. RAMSAY NCT-C LEASE SEC. 36, T24S, R37E LEA COUNTY, NEW MEXICO

### PRODUCTION HISTORY

		ì	PRODUCT	ION HISTORY			A 1.7.C
LEASE		WELL	STATUS	POOL	MO/YR	BOPM	AVG. BOPD
W.A.RAMSAY	NCT-C	2	PR	NORTH JUSTIS ELLENBURGER	06/90 07/90 08/90 09/90 10/90 11/90 12/90 01/91 02/91 03/91 04/91	273 670 583 350 408 564 520 229 263 186	17 8
		4	PR	NORTH JUSTIS FUSSELMAN	11/90 12/90 01/91 02/91 03/91	91 223	3 7 8 15 34 65

# SURFACE COMMINGLE APPLICATION W. A. RAMSAY NCT-C LEASE SEC.36-T24S-R37E LEA COUNTY, NEW MEXICO

# PRODUCTION VALUES

WELL		GRAVIT	CURRENT PRICE (\$/BBL) (	VALUE \$/DAY)		GLED VALUE (\$/DAY)
W. A. RAMSAY NCT-C #2 BATTERY:		1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1	4 ( ) 4 ( )			1                   
W. A. RAMSAY NCT-C #2 NORTH JUSTIS ELLENBURGER W. A. RAMSAY NCT-C #4 NORTH JUSTIS FUSSELMAN	GER 5 N 50	36.9 36.9	\$20.92 \$20.92	\$20.92 \$104.60 \$20.92 \$1,046.00	\$20.92 \$20.92	\$20.92 \$104.60 \$20.92 \$1,046.00
W. A. RAMSAY NOT-C #3 JUSTIS TUBB DRINKARD	w	3 3 5	\$20.86	\$62.58	\$20.92	\$62.76
RAMEAY NCT-C #5 JUSTIS BLINEB	w	ය ය ො	\$20.86	<b>\$</b> 62.58	\$20.92	\$62.76
CURRENT VALUE:				77 1		
GLED	:			1		\$1,276.12
DIFFERENCE IN VALUE:  WII Prices effective 07/18/91.  W A Pamesy NCT-C # 2 Battery is sutherized to sumface comminded another from the	1	th			th	\$0.36

W.A. Ramsay NCT-C # 2 Battery is authorized to surface commingle production from the North Justis Ellenburger and North Justis Fusselman pools by Commingling Order PC-134.

Current gravity at the W.A. Ramsay NCT-C # 2 Battery = 36.9

(API)	Commingled Gravity =	Proposed
61	36.6	$(55 \text{ BOPD } \times 36.9) + (6 \text{ BOPD } \times 33.5)$

ROYALTY INTEREST OWNERS

W. A. RAMSAY NCT-C LEASE

SECTION 36, T24S, R37E

LEA COUNTY, NEW MEXICO

State of New Mexico Office of Commissioner of Public Lands Oil Payments P. O. Box 2308 Santa Fe, NM 87501

### CHEVRON U.S.A. INC.

Application to Surface Commingle W. A. Ramsay NCT-C #3 & #5 into the W. A. Ramsay NCT-C #2 Battery

### WAIVER TO OBJECTION

We, the undersigned, as a royalty interest owner, waive any objection to Chevron U.S.A. Inc.'s application to surface commingle the W. A. Ramsay NCT-C #3 (Justis Tubb Drinkard) and #5 (Justis Blinebry) into the existing W. A. Ramsay NCT-C #2 Tank Battery with production from the W. A. Ramsay NCT-C #2 (North Justis Ellenburger) and #4 (North Justis Fusselman), Section 36, T24S, R37E, Lea County, New Mexico.

Company:	
Representative:	
Signature:	
Title:	
Date:	

Please send an approved copy to:

State of New Mexico Energy, Minerals & Natural Resources Department Oil Conservation Division P. O. Box 2088 Santa Fe, New Mexico 87504

P 755 739 842

	Certified M No Insurance Co Do not use for in (See Reverse)	overage Provided Iternational Mail
	<b>Box</b> 2308 P.O., State & ZIP Code	fice of wollichards
	Santa Fe, N.M.	\$ . 29
	Certified Fee Special Delivery Fee	1.00
	Restricted Delivery Fee	
1990	Return Receipt Showing to Whom & Date Delivered	1.00
June	Return Receipt Showing to Whom, Date, & Address of Delivery TOTAL Postage	\$ 4 00
PS Form <b>3800</b> , June 1990	& Fees Postmark or Date	\$ 2.29

Fold at line over top of envelope to the right of the return address.



Permian Basin Production Business Unit New Mexico District

July 25, 1991

- DIVISION

Surface Commingle Notice W. A. Ramsay NCT-C Section 36, T24S. R37E. Lea County, New Mexico

State of New Mexico Office of Commissioner of Public Lands Oil Payments P. O. Box 2308 Santa Fe. NM 87501

### Gentlemen:

This letter is to inform you, as a royalty interest owner in the subject lease, that Chevron USA. Inc. is applying for New Mexico Oil Conservation Division approval to surface commingle production from the W. A. Ramsay NCT-C #3 well (Justis Tubb Drinkard) and the W. A. Ramsay NCT-C #5 well (Justis Blinebry) into the W. A. Ramsay NCT-C #2 Battery with the W. A. Ramsay NCT-C #2 well (North Justis Ellenburger) and the W. A. Ramsay NCT-C #4 well (North Justis Fusselman).

Surface commingling of production will occur at the existing battery located in Section 36, T24S. R37E, Lea County, New Mexico.

On completion of the surface commingling of production from the subject leases, it should be noted that provisions will be incorporated to allow for individual well testing and proper allocation of production for each pool.

This action will prevent premature abandonment of wells, prolong revenues from production, and should have no adverse affects to involved interested parties.

Yours very truly,

E. L. ALLEN

MJW Attachments

#### CHEVRON U.S.A. INC.

Application to Surface Commingle W. A. Ramsay NCT-C #3 & #5 into the W. A. Ramsay NCT-C #2 Battery

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	Company:
	Representative:
· · · · · · · · · · · · · · · · · · ·	Signature:
	Title:
	Date:

Please send an approved copy to:

State of New Mexico Energy, Minerals & Natural Resources Department Oil Conservation Division P. O. Box 2088 Santa Fe. New Mexico 87504