



Chevron U.S.A. Inc.

P.O. Box 688, Eunice, NM 88231

CONSERVATION DIVISION
RECEIVED
JUN 23 1992

Permian Basin Production Business Unit
New Mexico District

June 22, 1992

Surface Commingle Application
Mark Lease
Section 03, T22S, 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 two batteries. It is desired to commingle the Penrose Skelly production from the Mark #1 Battery into a common battery located in Section 03, T22S, R37E, Lea County, New Mexico, with the Drinkard, Blinebry, Tubb and Wantz-Abo production from the Mark #2 Battery. (The Mark #2 Battery has commingling approval for production from Blinebry, Tubb, Drinkard, Wantz-Abo and Wantz Granite Wash by Amended Commingling Order PC-506.)

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 for the Mark Lease and avoid premature abandonment of the wells, Chevron respectfully requests the NMOCD grant approval of this application for exception to Rules 303-A and 309-A and allow Chevron to commingle production at the batteries.

Yours very truly,

E. L. ALLEN

MJW
Attachments
cc: NMOCD - Hobbs

SURFACE COMMINGLE APPLICATION
 MARK LEASE
 SEC. 03, T22S, R37E
 LEA COUNTY, NEW MEXICO

PRODUCTION HISTORY

LEASE	WELL	STATUS	POOL	MO/YR	BOPM	AVG. BOPD
MARK	1	PR	PENROSE SKELLY	05/91	53	2
				06/91	56	2
				07/91	49	2
				08/91	53	2
				09/91	56	2
				10/91	65	2
				11/91	55	2
				12/91	35	1
				01/92	24	1
				02/92	38	1
				03/92	23	1
				04/92	23	1
MARK	2	PR	DRINKARD	05/91	19	1
				06/91	27	1
				07/91	26	1
				08/91	28	1
				09/91	25	1
				10/91	29	1
				11/91	26	1
				12/91	33	1
				01/92	30	1
				02/92	29	1
				03/92	29	1
				04/92	29	1
MARK	3	PR	BLINEBRY	05/91	124	4
				06/91	0	0
				07/91	0	0
				08/91	94	3
				09/91	178	6
				10/91	203	7
				11/91	135	5
				12/91	164	5
				01/92	128	4
				02/92	144	5
				03/92	144	5
				04/92	143	5

MARK	5 PR	TUBB	05/91	57	2
			06/91	54	2
			07/91	76	3
			08/91	83	3
			09/91	63	2
			10/91	87	3
			11/91	71	2
			12/91	98	3
			01/92	91	3
			02/92	86	3
			03/92	86	3
			04/92	86	3
MARK	7 PR	BLINEBRY	05/91	59	2
			06/91	82	3
			07/91	79	3
			08/91	107	4
			09/91	101	3
			10/91	116	4
			11/91	104	3
			12/91	131	4
			01/92	122	4
			02/92	115	4
			03/92	115	4
			04/92	115	4
MARK	8 PR	WANTZ-ABO	05/91	36	1
			06/91	55	2
			07/91	52	2
			08/91	56	2
			09/91	51	2
			10/91	58	2
			11/91	52	2
			12/91	66	2
			01/92	36	1
			02/92	29	1
			03/92	29	1
			04/92	29	1
MARK	9 PR	PENROSE SKELLY	05/91	211	7
			06/91	168	6
			07/91	146	5
			08/91	158	5
			09/91	141	5
			10/91	162	5
			11/91	137	5
			12/91	105	4
			01/92	106	4
			02/92	179	6
			03/92	113	4
			04/92	130	4

MARK	10 PR	WANTZ-ABO	05/91	34	1
			06/91	55	2
			07/91	52	2
			08/91	56	2
			09/91	51	2
			10/91	58	2
			11/91	52	2
			12/91	66	2
			01/92	61	2
			02/92	58	2
			03/92	58	2
			04/92	57	2
MARK	11 PR	BLINEBRY	05/91	188	6
			06/91	274	9
			07/91	262	9
			08/91	278	9
			09/91	165	6
			10/91	206	7
			11/91	207	7
			12/91	263	9
			01/92	243	8
			02/92	230	8
			03/92	261	9
			04/92	187	6
MARK	12 PR	WANTZ-ABO	05/91	130	4
			06/91	192	6
			07/91	184	6
			08/91	175	6
			09/91	101	3
			10/91	146	5
			11/91	156	5
			12/91	197	7
			01/92	183	6
			02/92	173	6
			03/92	173	6
			04/92	152	5

10 (P/B)
10 (P/B)
10 (P/B)

Amerado
101 (P/B)
101 (P/B)
101 (P/B)

Base of 5.5
101 (P/B)
101 (P/B)
101 (P/B)

Cit. Serv
101 (P/B)
101 (P/B)
101 (P/B)

101 (P/B)
101 (P/B)
101 (P/B)

Mobil
101 (P/B)
101 (P/B)
101 (P/B)

Mark Owen, Est
101 (P/B)
101 (P/B)
101 (P/B)

J.H. Hendrix
101 (P/B)
101 (P/B)
101 (P/B)

Bliss Ener.
101 (P/B)
101 (P/B)
101 (P/B)

Cities Serv.
101 (P/B)
101 (P/B)
101 (P/B)

101 (P/B)
101 (P/B)
101 (P/B)

Mobil
101 (P/B)
101 (P/B)
101 (P/B)

Dual
101 (P/B)
101 (P/B)
101 (P/B)

Drinkard
101 (P/B)
101 (P/B)
101 (P/B)

Penrose Skelly
101 (P/B)
101 (P/B)
101 (P/B)

Tubb
101 (P/B)
101 (P/B)
101 (P/B)

Wantz-Abo
101 (P/B)
101 (P/B)
101 (P/B)

101 (P/B)
101 (P/B)
101 (P/B)

SURFACE COMMINGLE APPLICATION
 MARK LEASE
 SEC.03-T22S-R37E
 LEA COUNTY, NEW MEXICO

PRODUCTION VALUES

WELL	POOL	OIL		CURRENT		COMMINGLED	
		PROD.	GRAVITY	PRICE	VALUE	PRICE	VALUE
		(BOPD)	(API)	(\$/BBL)	(\$/DAY)	(\$/BBL)	(\$/DAY)
=====							
MARK #1 BATTERY:							
MARK # 1	PENROSE SKELLY	2	34.3	\$21.62	\$43.24	\$21.65	\$43.30
MARK # 9	PENROSE SKELLY	5	34.3	\$21.62	\$108.10	\$21.65	\$108.25
=====							
MARK #2 BATTERY							
MARK # 2	DRINKARD	1	36.1	\$21.65	\$21.65	\$21.65	\$21.65
MARK # 3	BLINEBRY	5	36.1	\$21.65	\$108.25	\$21.65	\$108.25
MARK # 5	TUBB	3	36.1	\$21.65	\$64.95	\$21.65	\$64.95
MARK # 7	BLINEBRY	3	36.1	\$21.65	\$64.95	\$21.65	\$64.95
MARK # 8	WANTZ ABO	2	36.1	\$21.65	\$43.30	\$21.65	\$43.30
MARK #10	WANTZ ABO	2	36.1	\$21.65	\$43.30	\$21.65	\$43.30
MARK #11	BLINEBRY	7	36.1	\$21.65	\$151.55	\$21.65	\$151.55
MARK #12	WANTZ ABO	5	36.1	\$21.65	\$108.25	\$21.65	\$108.25
=====							
CURRENT VALUE:					\$757.54		
=====							

COMMINGLED VALUE: \$757.75

DIFFERENCE IN VALUE: \$0.21

WTI Prices effective 06/04/92

The Mark #2 Battery has approval to commingle production from Blinebry, Tubb
 Drinkard, Wantz-Abo and Wantz Granite Wash by Amended Commingling Order PC-506.

Current commingled gravity at Mark #1 Battery = 34.3

Current commingled gravity at Mark #2 Battery = 36.1

Proposed (7 BOPD X 34.3) + (28 BOPD X 36.1)

Commingled Gravity 35.74

(API)

V-1
TEST SEPARATOR
3' D x 11' H

V-2
HEATER TREATER
4' D x 20' H
350,000 BTU/HR

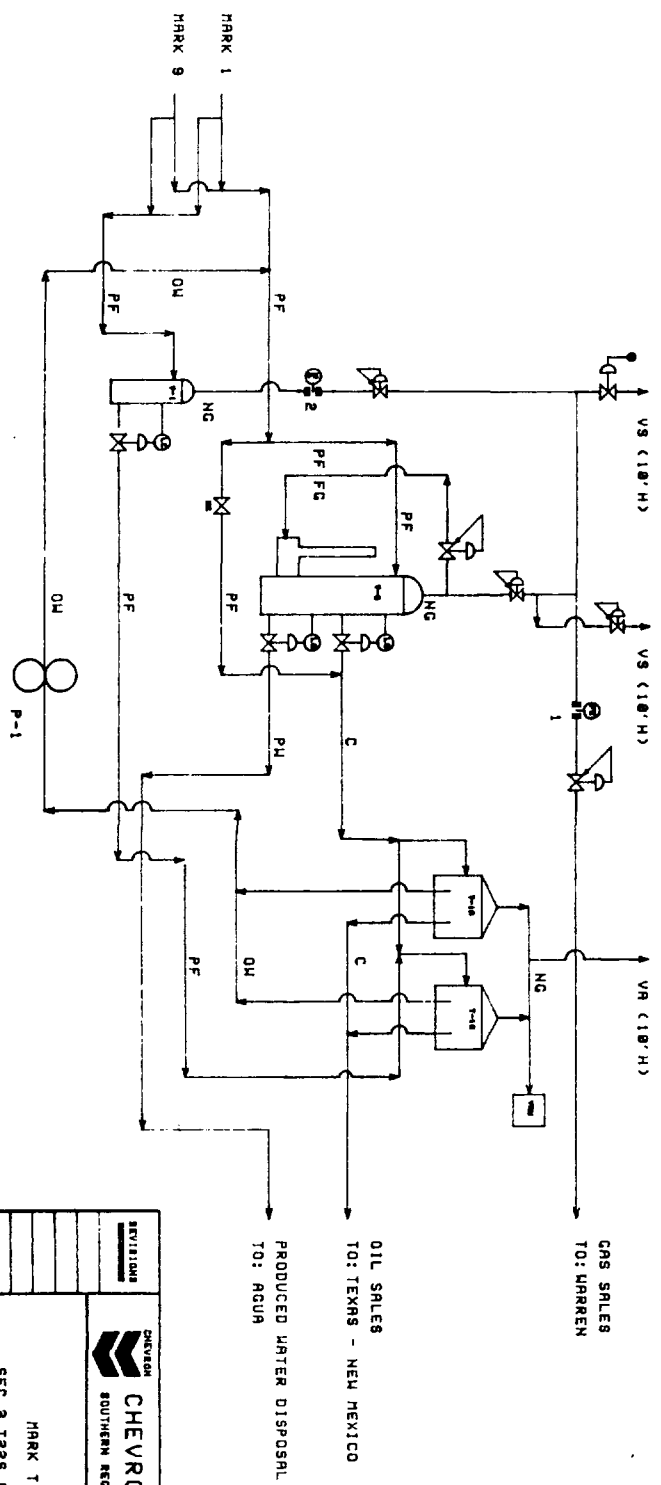
T-1A, B, C
STOCK TANKS
21' 7" D x 8' H
520 BBLs

P-1
RECIRCULATING PUMP
ELECTRIC DRIVEN

FE-1
GAS SALES METER 800190
ORIFICE 9.125"
METER RUN 6.065"
STATIC RANGE 50 LBS
DIFFERENTIAL RANGE 50"
METER CONX FLANGE
CHART TYPE L-10

FE-2
GAS TEST METER
ORIFICE 2.000"
METER RUN 4.020"
STATIC RANGE 100 LBS
DIFFERENTIAL RANGE 100"
METER CONX FLANGE
CHART TYPE LINEAR

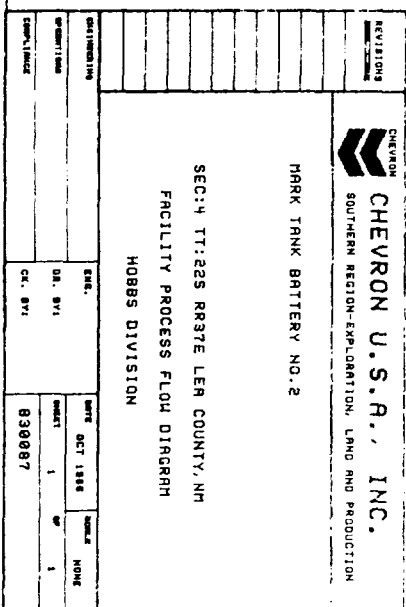
VRU
VAPOR RECOVERY UNIT
(INACTIVE)



WELL NAME	NO.	STATUS	OIL SALES	GAS SALES
MARK 1	1	P-EN	TX-NH	WARREN
MARK 9	9	P-EN	TX-NH	WARREN

CHEVRON U.S.A., INC. SOUTHERN REGION-EXPLORATION, LAND AND PRODUCTION	
MARK TANK BATTERY NO. 1 SEC. 8 T22S R37E LER COUNTY, N.M. FACILITY PROCESS FLOW DIAGRAM HOBBS DIVISION	
DATE: NOV 1988 BY: M.L.D. CHECKED: BVS	SCALE: 1"=100' SHEET: 1 OF 1 PROJECT: 890805

TEST LIQUID METER



ROYALTY INTEREST OWNERS

MARK LEASE

SECTION 03, T22S, R37E

LEA COUNTY, NEW MEXICO

AMOCO PRODUCTION COMPANY
P. O. BOX 299419
HOUSTON, TEXAS 77299-0419

NADINE OWEN
909 WEST TAOS
HOBBS, NEW MEXICO 88240

RUBIE C. BELL
1331 THIRD STREET
NEW ORLEANS, LOUISIANA 70130

SUE SAUNDERS GRAHAM
P. O. BOX 987
ROSWELL, NEW MEXICO 88201

JOHNNY M. OWEN
P. O. BOX 1013
JAL, NEW MEXICO 88252

DELROSE OWEN SCOTT
2000 NORTH FOWLER
HOBBS, NEW MEXICO 88240

F. M. STEPHENS
ROUTE 1
PADEN, OKLAHOMA 74860

WAYNE STEPHENS
10928 GARY PLAYER
EL PASO, TEXAS 79935

WILLIAM OWEN STEPHENS
P. O. BOX 115
EUNICE, NEW MEXICO 88231

STANLEY W. CROSBY III
P. O. BOX 2346
ROSWELL, NEW MEXICO 88202

THE TOLES COMPANY
P. O. BOX 1300
ROSWELL, NEW MEXICO 88202

ESTATE OF ELYSE S. PATTERSON
COMMERCE BANK OF KANSAS CITY
PERSONAL REPRESENTATIVE
P. O. BOX 419248
KANSAS CITY, MO 64141-6248

TOUSSAINT FAMILY 1989 TRUST
FRANCIS J. TOUSSAINT AND EVA
M. TOUSSAINT TRTS DTED 6/27/89
P. O. BOX 9047
INCLINE VILLA, NEVADA 89450



Chevron U.S.A. Inc.
P.O. Box 4538, Houston, TX 77210-4538

Royalties, Valuation and Compliance

June 9, 1992

Commingle Request
Mark Lease
NE/4 Sec. 3, T22S-R37E
Lea County, New Mexico

Mr. David Catanach
State of New Mexico
Oil Conservation Division
P. O. Box 2088
Santa Fe, NM 87504

Dear Mr. Catanach:

This is to let you know that ownership is common among the Blinebry, Drinkard, and Penrose-Skelly Fields of the Mark Lease, and production can therefore be commingled.

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

Very truly yours,

A handwritten signature in cursive script, reading "Mary N. Oberle".

Mary N. Oberle

MNO:fhb390926

cc: Ms. Minnie J. Woolley
Eunice

Mr. Edgar Yzquierdo
Midland

Ms. Jo Ann Howard
Houston

P 755 739 854



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Sent to	
Sue Saunders-Graham	
Street & No.	
P.O. Box 987	
P.O., State & ZIP Code	
Roswell, NM 88201	
Postage	\$.29
Certified Fee	1.00
Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt Showing to Whom & Date Delivered	1.00
Return Receipt Showing to Whom, Date, & Address of Delivery	
TOTAL Postage & Fees	\$ 2.29
Postmark or Date	JUN 25 1992 USPS

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Sent to	
William Owen Stephens	
Street & No.	
P.O. Box 115	
P.O., State & ZIP Code	
Sunrise, NM 88231	
Postage	\$.24
Certified Fee	1.00
Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt Showing to Whom & Date Delivered	1.00
Return Receipt Showing to Whom, Date, & Address of Delivery	
TOTAL Postage & Fees	\$ 2.29
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Sent to	
Amoco Prod. Co.	
Street & No.	
P.O. Box 299419	
P.O., State & ZIP Code	
Houston, TX 77299-0419	
Postage	\$.29
Certified Fee	1.00
Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt Showing to Whom & Date Delivered	1.00
Return Receipt Showing to Whom, Date, & Address of Delivery	
TOTAL Postage & Fees	\$ 2.29
Postmark or Date	JUN 25 1992 USPS

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Sent to	
Nadine Owen	
Street & No.	
909 West Jaas	
P.O., State & ZIP Code	
Hobbs, NM 88240	
Postage	\$.29
Certified Fee	1.00
Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt Showing to Whom & Date Delivered	1.00
Return Receipt Showing to Whom, Date, & Address of Delivery	
TOTAL Postage & Fees	\$ 2.29
Postmark or Date	JUN 25 1992 USPS

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Sent to	
Wayne Stephens	
Street & No.	
10928 Gary Player	
P.O., State & ZIP Code	
El Paso, TX 79935	
Postage	\$.29
Certified Fee	1.00
Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt Showing to Whom & Date Delivered	1.00
Return Receipt Showing to Whom, Date, & Address of Delivery	
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Sent to	
Debrae Owen Scott	
Street & No.	
2000 N. Fowler	
P.O., State & ZIP Code	
Hobbs, NM 88240	
Postage	\$.29
Certified Fee	1.00
Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt Showing to Whom & Date Delivered	1.00
Return Receipt Showing to Whom, Date, & Address of Delivery	
TOTAL Postage & Fees	\$ 2.29
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Sent to	
<i>A. M. Stephens</i>	
Street & No.	
<i>Route 1</i>	
P.O., State & ZIP Code	
<i>Paden, OK 74860</i>	
Postage	\$ <i>.29</i>
Certified Fee	<i>1.00</i>
Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt Showing... to Whom & Date Delivered	<i>1.00</i>
Return Receipt Showing to Whom, Date, & Address of Delivery	
TOTAL Postage & Fees	\$ <i>2.29</i>
Postmark or Date	

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Certified Mail Receipt

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Sent to <i>Joussaint Family</i>	
Street & No. <i>Francis J & Eva M. Joussaint</i>	
P.O. Box <i>9047</i>	
P.O., State & ZIP Code <i>Incline Villa, Nevada 89450</i>	
Postage	\$.29
Certified Fee	1.00
Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt Showing to Whom & Date Delivered	1.00
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Sent to <i>Est. of Eugene S. Patterson</i>	
Street & No. <i>Lawrence B. of KC - Pm. Exp.</i>	
P.O. Box <i>419248</i>	
P.O., State & ZIP Code <i>Kansas City, Mo 64141-6248</i>	
Postage	\$.29
Certified Fee	1.00
Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt Showing to Whom & Date Delivered	1.00
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Sent to <i>Stanley W. Crosby III</i>	
Street & No. <i>P.O. Box 2346</i>	
P.O., State & ZIP Code <i>Roswell, NM 88202</i>	
Postage	\$.29
Certified Fee	1.00
Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt Showing to Whom & Date Delivered	1.00
Return Receipt Showing to Whom, Date, & Address of Delivery	
TOTAL Postage & Fees	\$ 2.29
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Sent to <i>Rubie C. Bell</i>	
Street & No. <i>1331 Third St</i>	
P.O., State & ZIP Code <i>New Orleans, LA 70130</i>	
Postage	\$.29
Certified Fee	1.00
Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt Showing to Whom & Date Delivered	1.00
Return Receipt Showing to Whom, Date, & Address of Delivery	
TOTAL Postage & Fees	\$ 2.29
Postmark or Date	JUN 25 1992 USPS

PS Form 3800, June 1990

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Sent to <i>Johnny M. Deven</i>	
Street & No. <i>P.O. Box 1013</i>	
P.O., State & ZIP Code <i>Del., N.M. 88231</i>	
Postage	\$.29
Certified Fee	1.00
Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt Showing to Whom & Date Delivered	1.00
Return Receipt Showing to Whom, Date, & Address of Delivery	
TOTAL Postage & Fees	\$ 2.29
Postmark or Date	JUN 25 1992 USPS

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Sent to <i>The Tales Co.</i>	
Street & No. <i>P.O. Box 1300</i>	
P.O., State & ZIP Code <i>Roswell, NM 88202</i>	
Postage	\$.29
Certified Fee	1.00
Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt Showing to Whom & Date Delivered	1.00
Return Receipt Showing to Whom, Date, & Address of Delivery	
TOTAL Postage & Fees	\$ 2.29
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