



Chevron U.S.A. Inc.
P.O. Box 688, Eunice, NM 88231

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Permian Basin Production Business Unit
New Mexico District

July 25, 1991

Surface Commingle Application
Ella Lease
Section 25, 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 building and maintaining a new battery for the Ella #1 well recently recompleted in the Blinebry as a dual completion with the existing South Brunson Drinkard Abo. It is desired to commingle the Blinebry production into the existing battery located on Section 25, T22S, R37E, Lea County, New Mexico.

The existing battery has production from the Ella #1 well completed in the South Brunson Drinkard Abo, and producing an average of 7 BOPD, and the Ella #2 well completed in the South Brunson Drinkard Abo, and producing an average of 12 BOPD. The Ella #2 was previously commingled downhole with the Wantz Granite Wash, (Commingling Order # PC-509) that has been temporarily abandoned. We would like to surface commingle the production from the Ella #1 well, completed in the Blinebry with an average production of 102 BOPD, into this battery.

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 building separate facilities for the Ella #1 well and avoid premature abandonment of the well, 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 from the Ella #1 well with the existing battery.

Yours very truly,

A handwritten signature in cursive script, reading "E. L. Allen".

E. L. ALLEN

MJW
Attachments
Enclosures

cc: NMOCD - Hobbs

9 J.O. Parks-Dual (DD)
Ruby Boyd, etal, (S) (P/B)

1-F Dual
Sun
3
4 Sun
3
J.H. Hendrix
(P/B)
Sinc. ARCO 6
3781
O.I. Boyd
2

2 J.H. Hendrix
Samedan
J.H. Hendrix
TIA 7835
2 J.H. Hendrix
Union Tex.
PanAm
"Leo"
2
J.L. Muncy
Disc.

1 Texaco
B.A. Wilbanks
3-A
Skelly
Baker
Kaiser-Francis
TD 8154
DIA 12-30-45
Tex. Pac.
5-22-72
"Baker"
Ruby Boyd, etal
Lowe
12 M.

26 Armer
(Petro-Search Exp.)
to 7000
Petro-Search
Kashane
Anna Myers
C.W.
4 M.I.
Seely
Southland
Roy, etal
R. D. Sims

4-A
p3
Aqua, Inc.
Blaine-Drink
Area
TD 5250
35
R.D. Sims, etal
C.W. Stumhoffer
Shipman

35
Humble
Boyd
TD 3706
Petro-Search
Fluor
Fluor
E. Boyd, M.I.
W. Sims, etal (S)

12-E
Dual
J.H. Hendrix
Triple
Sun-Danglade
F.J. Danglade

Phillips (Triple)
7 Cross
(Dual) (wo) Timbers
4 (Hendrix)
Prod
Dual (D/R)

#1 Well - Blinebry - Dual completion with South Brunson Drinkard Abo.

#2 Well - South Brunson Drinkard Abo

O.W. Sims P224
Dual
5
(wo)
J.H. Hendrix
(P/B)
Marathon Muncy
TD 3840
Dual
5
Dual
5
J.L. Muncy
Dual
Pat Sims (S) etal

D. Hartman etal
(Gulf)
Sun Drinkard
2
Dual
Ella
Winnie
McKernan, etal (S)
Disc
F30
J.H. Hendrix
TIA 5
(P/B) (P/B)
7
4
D. Hartman etal
25
Ella Drinkard
Chevron
2
F41
J.H. Hendrix
Plg. 4-2-54
Blanco Eng--
Amanda
Sims
Amanda Sims F101
Sims

Summit Energy
B-1410
Shelt
State
B-1732
HBP
Westn Oil Fields
Cont'l
E-1733
Dual
V.M.
Aztec
Bravo
St.
HBP
E-6143
V-1780
Amerada
HBP
1040
Stafel
Tom Linebery, (S)

Summit Energy
B-1410
Shelt
State
B-1732
HBP
Westn Oil Fields
Cont'l
E-1733
Dual
V.M.
Aztec
Bravo
St.
HBP
E-6143
V-1780
Amerada
HBP
1040
Stafel
Tom Linebery, (S)

Summit Energy
B-1410
Shelt
State
B-1732
HBP
Westn Oil Fields
Cont'l
E-1733
Dual
V.M.
Aztec
Bravo
St.
HBP
E-6143
V-1780
Amerada
HBP
1040
Stafel
Tom Linebery, (S)

1 Dual
(wo)
3
Edith Butler

Hanson Oper. S.I.
7
Dual
(Dual)
Chevron
8
(P/B)
(3)
4
10
Dual
9
Dual
6
Dual
5
(Gr. Wash Disc)
Blin
3
Disc
5
Chevron
1
Dual
2
80
Max Gutman Est.

Dual
(wo)
Chevron
5
2
12
10
6
(P/B)
G.P. Sims, (P/B)
Est.
Vivian
Gulf 3
(P/B)
Dual
3
Vivian
Drinkard

J.H. Hendrix
2
Amer. Exp.
7-B
2
Chevron
Drinkard
J.H. Hendrix
Dual
8-B
3
TIA
Gulf
Vivian
Allen M. Drinkard

5
032104
NCT-3
2
Blainebry
Fed
Triple
31
Gulf
Scar.
Borough
Est.
Dual
(P/B)
Dual
(P/B)
Scarborough
4
Texaco
Dual
U.S.
Tom & Evelyn Linebery Fdn.

5
032104
NCT-3
2
Blainebry
Fed
Triple
31
Gulf
Scar.
Borough
Est.
Dual
(P/B)
Dual
(P/B)
Scarborough
4
Texaco
Dual
U.S.
Tom & Evelyn Linebery Fdn.

5
032104
NCT-3
2
Blainebry
Fed
Triple
31
Gulf
Scar.
Borough
Est.
Dual
(P/B)
Dual
(P/B)
Scarborough
4
Texaco
Dual
U.S.
Tom & Evelyn Linebery Fdn.

SURFACE COMMINGLE APPLICATION
 ELLA LEASE
 SEC. 25, T22S, R37E
 LEA COUNTY, NEW MEXICO

PRODUCTION HISTORY

LEASE	WELL	STATUS	POOL	MO/YR	BOPM	AVG. BOPD
ELLA	1	PR	SOUTH BRUNSON DRINKARD ABO	06/90	124	4
				07/90	165	5
				08/90	151	5
				09/90	122	4
				10/90	373	12
				11/90	119	4
				12/90	151	5
				01/91	147	5
				02/91	587	21
				03/91	287	9
				04/91	226	8
				05/91	206	7
				02/91	1339	48
				03/91	3781	122
				04/91	3277	109
				05/91	3170	102
ELLA	2	PR	SOUTH BRUNSON DRINKARD ABO	10/90	602	19
				11/90	532	18
				12/90	353	11
				01/91	228	7
				02/91	948	34
				03/91	414	13
				04/91	364	12
				05/91	372	12

SURFACE COMMINGLE APPLICATION
 ELIA LEASE
 SEC.25-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)

ELIA BATTERY:

ELIA #1	SOUTH BRUNSON DRINKARD ABO	7	36.3	\$20.90	\$146.30	\$21.00	\$147.00
ELIA #2	SOUTH BRUNSON DRINKARD ABO	12	37.6	\$20.94	\$251.28	\$21.00	\$252.00
ELIA #2	WANTZ GRANITE WASH (ZONE TA)	0					

ELIA #1	BLINEERY	102	40.5	\$21.00	\$2,142.00	\$21.00	\$2,142.00
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CURRENT VALUE: \$2,539.58

COMMINGLED VALUE: \$2,541.00

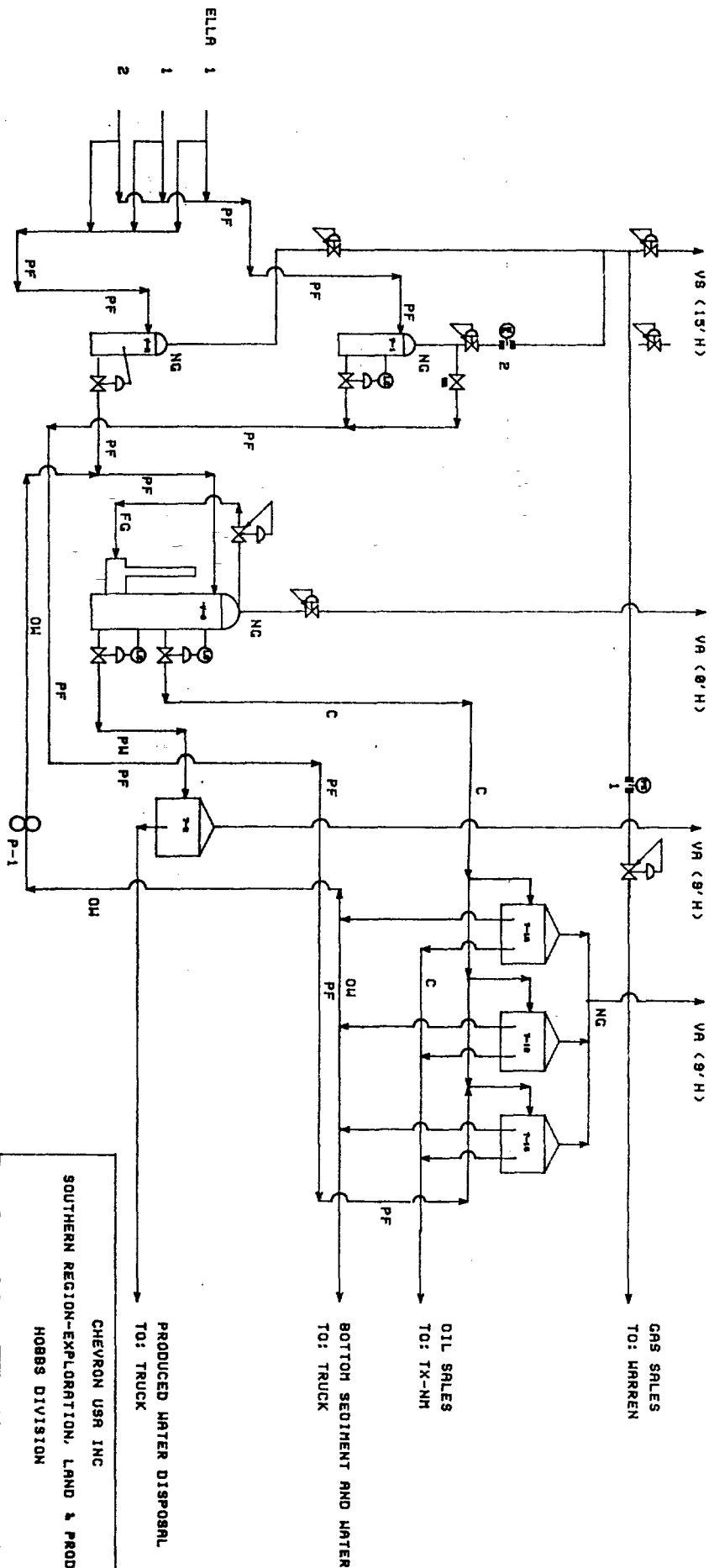
DIFFERENCE IN VALUE: \$1.42

WTI Prices effective 07/18/91.

The South Brunson Drinkard Abo and Wantz Granite Wash have expressed surface commingle approval through Commingling order # PC-509.

Current commingled gravity at ELIA Battery = 39.0
 Proposed (7 BOPD X 36.3) + (12 BOPD X 37.6) + (102 BOPD X 40.5)
 Commingled Graviti ----- = 39.97
 (API) 121

V-1	V-2	V-3	T-1A, B, C	T-2	P-1	FE-1	FE-2
TEST SEPARATOR 3' D x 10' H	BULK SEPARATOR 3' D x 10' H	HEATER TREATER 3' D x 15' H 234,000 BTU/HR	STOCK TANK 15' 6" D x 8' H, 2688BL	WATER TANK 15' 6" D x 8' H, 2688BL	RECIRCULATING PUMP GASOLINE DRIVEN NO: 880988	GAS SALES METER ORIFICE FLANGE	TEST GAS METER ORIFICE FLANGE



WELL NAME	NO.	STATUS	OIL SALES	GAS SALES	ENGINE TYPE	SIZE	RPM
ELLA	1	FLOW	TX-NH	WARREN	FOR MORE INFORMATION (SEE DRAWING 880141A)		
	2	P-CE	TX-NH	WARREN	AJRX	CHR	8.5" x 18" 300 TO 520

ELLA TRANK BATTERY NO.1
SEC: 25 TT: 229 RR: 97E LEN. COUNTY N.M.
FACILITY PROCESS FLOW DIAGRAM

880141

ROYALTY INTEREST OWNERS

ELLA LEASE

SECTION 25, T22S, R37E

LEA COUNTY, NEW MEXICO

Leo V. Sims
423 East Baja
Hobbs, New Mexico 88240

George Patrick Sims
P. O. Box 1046
Eunice, New Mexico 88231

Ellie Sims Spear
P. O. Drawer 309
Hobbs, New Mexico 88240

Winnie L. Kennann
P. O. Box 186
Eunice, New Mexico 88231

Elizabeth Sims Daugherty Estate
United New Mexico Bank, Lea County,
Personal Representative
P. O. Box 5614
Hobbs, New Mexico 88241

CHEVRON U.S.A. INC.

Application to Surface Commingle
Ella #1 Well, Blinebry
into the Ella 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 Ella #1 well (Blinebry) into the existing Ella Tank Battery with production from the Ella #1 and #2 (South Brunson Drinkard Abo), Section 25, T22S, 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 755 739 818

Certified Mail Receipt

No Insurance Coverage Provided
Do not use for International Mail
(See Reverse)

Sent to <i>Miss Sims Spear</i>	
Street & No. <i>P. Drawer 309</i>	
P.O., State & ZIP Code <i>Hobbs, NM 88240</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 <i>JUL 1991</i>	

Draw a line over top of envelope to the right of the return address.

P 755 739 819

Certified Mail Receipt

No Insurance Coverage Provided
Do not use for International Mail
(See Reverse)

Sent to <i>Leo F. Sims</i>	
Street & No. <i>423 East Baja</i>	
P.O., State & ZIP Code <i>Hobbs, N. M. 88240</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 <i>JUL 1991</i>	

PS Form 3800, June 1990

P 755 739 820

Certified Mail Receipt

No Insurance Coverage Provided
Do not use for International Mail
(See Reverse)

Sent to <i>Elizabeth Sims Daugherty Estate</i>	
Street & No. <i>P.O. Box 5614</i>	
P.O., State & ZIP Code <i>Hobbs, N. M. 88240</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 <i>JUL 1991</i>	

PS Form 3800, June 1990

P 755 739 817



Certified Mail Receipt

No Insurance Coverage Provided
Do not use for International Mail
(See Reverse)

Sent to	
<i>George Patrick Sims</i>	
Street & No.	
<i>P.O. Box 1046</i>	
P.O., State & ZIP Code	
<i>Eunice, N.M. 88231</i>	
Postage	\$.29
Certified Fee	1.00
Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt Showing to Whom & Date Delivered	
Return Receipt Showing to Whom, Date, & Address of Delivery	1.00
TOTAL Postage & Fees	\$ 2.29
Postmark or Date	

PS Form 3800, June 1990

Fold at line near top of envelope to the return address.

P 755 739 816



Certified Mail Receipt

No Insurance Coverage Provided
Do not use for International Mail
(See Reverse)

Sent to	
<i>Winnie L. Kennann</i>	
Street & No.	
<i>P.O. Box 186</i>	
P.O., State & ZIP Code	
<i>Eunice, NM 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	

PS Form 3800, June 1990

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



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

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:

<u>Lease</u>	<u>Commingled Wells</u>
Plains Knight (Fowler) (Order TB-220)	#2 Tubb Drinkard #2 Upper Yeso #1 Ellenberger
Ella (Order PC-509)	#1 S. Brunson Drinkard Abo #1 Blinbry #2 S. Brunson Drinkard Abo #2 Watz Granite Wash
W. A. Ramsay, NCT-C	#2 Battery: #2 N. Justis Ellenb. #4 N. Justis Fusselman #2 Battery: #3 Justis Tubb Drinkard #5 Justis Blinbry

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

Sincerely,

A handwritten signature in cursive script that reads "Mary N. Oberle".

Mary N. Oberle
Land Representative

cc: Ms. Minnie Woolley
Eunice, NM

OIL CONSERVATION DIVISION
RECEIVED

'91 AUG 5 AM 9 27

PC-509

CHEVRON U.S.A. INC.

Application to Surface Commingle
Ella #1 Well, Blinebry
into the Ella 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 Ella #1 well (Blinebry) into the existing Ella Tank Battery with production from the Ella #1 and #2 (South Brunson Drinkard Abo), Section 25, T22S, R37E, Lea County, New Mexico.

Company: Elizabeth Sims Daugherty Estate

Representative: United New Mexico Bank at Lea County, Personal Representative

Signature: by: *Winnie Kelly*

Title: Trust Officer

Date: July 30, 1991

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