

Order Number

DHC  
40B-524

API Number

30-025-10260

Operator

Chevron USA INC

County

Lea

Order Date

8/5/13

Well Name

Hugh

Number

4

Location

A

UL

14

Sec

22s

T (+Dir)

37e

R (+Dir)

Oil %

62

Gas %

40

WTR%

50

Pool 1

49210

Paddock

Pool 2

06660

Blindbry O&amp;G (D.I.)

38

60

50

Pool 3

Pool 4

Comments:

Posted to RBDms 11/1/13 du

NOV 04 2013

DHC-40B

API# 30-025-10260

DOWNHOLE COMMINGLE CALCULATIONS:OPERATOR: Chevron USA INCPROPERTY NAME: HughWNULSTR: #4-A, 14-225-37eSECTION I: ALLOWABLE AMOUNT  
POOL NO. 1 Paddock <49210> 107 642 MCFPOOL NO. 2 Blinebry <06660> 107 428 MCF

POOL NO. 3 \_\_\_\_\_ MCF

POOL NO. 4 \_\_\_\_\_ MCF

POOL TOTALS 214 1070SECTION II: Oil Gas  
POOL NO. 1 Paddock 62% 40%POOL NO. 2 Blinebry 38% 60%

POOL NO. 3 \_\_\_\_\_

POOL NO. 4 \_\_\_\_\_

 $38\% \times 214 =$   
81.32  
<81>OILGASSECTION III:  
38% ÷ 107 = 281.58 <282>SECTION IV:  
62% × 282 = 174.84 <175>  
38% × 282 = 107.16 <107>

District I - (575) 393-6161  
1625 N. French Dr., Hobbs, NM 88240  
District II - (575) 748-1283  
811 S. First St., Artesia, NM 88210  
District III - (505) 334-6178  
1000 Rio Brazos Rd., Aztec, NM 87410  
District IV - (505) 476-3460  
1220 S. St. Francis Dr., Santa Fe, NM 87505

**HOBBES OIL CONSERVATION DIVISION**  
1220 South St. Francis Dr.  
Santa Fe, NM 87505

JUL 17 2013

WELL API NO. 30-025-10260
5. Indicate Type of Lease STATE <input type="checkbox"/> FEE <input checked="" type="checkbox"/>
6. State Oil & Gas Lease No.
7. Lease Name or Unit Agreement Name HUGH
8. Well Number 4
9. OGRID Number 4323
10. Pool name or Wildcat BLINEBRY/PADDOCK

<b>SUNDRY NOTICES AND REPORTS ON WELLS</b> (DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH PROPOSALS.)	
1. Type of Well: Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other <input type="checkbox"/>	
2. Name of Operator CHEVRON U.S.A. INC..	
3. Address of Operator 15 SMITH ROAD, MIDLAND, TEXAS 79705	
4. Well Location Unit Letter: A 660 feet from the NORTH line and 660 feet from the EAST line Section 14 Township 22S Range 37E NMPM County LEA	
11. Elevation (Show whether DR, RKB, RT, GR, etc.)	

12. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data

NOTICE OF INTENTION TO:

PERFORM REMEDIAL WORK ☐ PLUG AND ABANDON ☐  
 TEMPORARILY ABANDON ☐ CHANGE PLANS ☐  
 PULL OR ALTER CASING ☐ MULTIPLE COMPL ☐  
 DOWNHOLE COMMINGLE ☐

SUBSEQUENT REPORT OF:

REMEDIAL WORK ☐ ALTERING CASING ☐  
 COMMENCE DRILLING OPNS. ☐ P AND A ☐  
 CASING/CEMENT JOB ☐

OTHER: INTENT TO DHC BLINEBRY & PADDOCK

OTHER:

13. Describe proposed or completed operations. (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work). SEE RULE 19.15.7.14 NMAC. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

UNDER THE PROVISIONS OF RULE 303 C(5), IT IS PROPOSED TO DOWNHOLE COMMINGLE PRE-APPROVED POOLS UNDER DIVISION ORDER R-11363, BLINEBRY OIL & GAS (PERFS 5402-5822), AND PADDOCK (PERFS 5060-5170) IN THE SUBJECT WELL. CURRENTLY THIS WELL IS PRODUCING FROM THE BLINEBRY PERFS. IT IS PROPOSED TO RECOMPLETE THE SUBJECT WELL TO THE PADDOCK POOL (49210) AND THEN DHC WITH THE BLINEBRY PERFS.

PLEASE FIND ATTACHED SUPPORTING DATA

Spud Date:

Rig Release Date:

I hereby certify that the information above is true and complete to the best of my knowledge and belief.

SIGNATURE

*Denise Pinkerton*

TITLE: REGULATORY SPECIALIST

DATE: 07/12/2013

Type or print name: DENISE PINKERTON

E-mail address: [leakejd@chevron.com](mailto:leakejd@chevron.com)

PHONE: 432-687-7375

**For State Use Only**

APPROVED BY:

*[Signature]*

TITLE

Petroleum Engineer

DATE

NOV 04 2013

Conditions of Approval (if any):

DHC - HOB - 524

NOV 04 2013

District I  
1625 N. French Dr., Hobbs, NM 88240  
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Phone: (505) 334-6178 Fax: (505) 334-6170  
District IV  
1220 S. St. Francis Dr., Santa Fe, NM 87505  
Phone: (505) 476-3460 Fax: (505) 476-3462

State of New Mexico

HOBBS OGD

JUL 17 2013

RECEIVED

Energy, Minerals & Natural Resources Department

OIL CONSERVATION DIVISION

1220 South St. Francis Dr.

Santa Fe, NM 87505

Form C-102

Revised August 1, 2011

Submit one copy to appropriate

District Office

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

<sup>1</sup> API Number 30-025-10260	<sup>2</sup> Pool Code 6660	<sup>3</sup> Pool Name BLINEBRY OIL & GAS
<sup>4</sup> Property Code	<sup>5</sup> Property Name HUGH	<sup>6</sup> Well Number 4
<sup>7</sup> OGRID No. 4323	<sup>8</sup> Operator Name CHEVRON U.S.A. INC.	<sup>9</sup> Elevation 3336'

<sup>10</sup> Surface Location

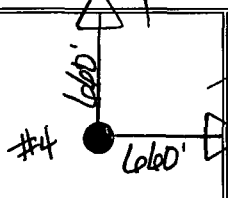
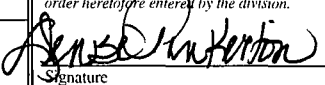
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
A	14	22S	37E		660	NORTH	660	EAST	LEA

<sup>11</sup> Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
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<sup>12</sup> Dedicated Acres 40	<sup>13</sup> Joint or Infill	<sup>14</sup> Consolidation Code	<sup>15</sup> Order No. DHC-HOB-524
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No allowable will be assigned to this completion until all interests have been consolidated or a non-standard unit has been approved by the division.

<sup>16</sup>				<p><b><sup>17</sup> OPERATOR CERTIFICATION</b></p> <p>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.</p> <p> 07/12/2013 Signature Date</p> <p>DENISE PINKERTON REGULATORY SPECIALIST Printed Name</p> <p>leakcid@chevron.com E-mail Address</p>
				<p><b><sup>18</sup> SURVEYOR CERTIFICATION</b></p> <p>I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.</p> <p>Date of Survey</p> <p>Signature and Seal of Professional Surveyor:</p> <p>Certificate Number</p>

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State of New Mexico

Form C-102

HOBBS OCD

Energy, Minerals & Natural Resources Department

Revised August 1, 2011

OIL CONSERVATION DIVISION

Submit one copy to appropriate

District Office

1220 South St. Francis Dr.

Santa Fe, NM 87505

☐ AMENDED REPORT

JUL 17 2013

RECEIVED

WELL LOCATION AND ACREAGE DEDICATION PLAT

<sup>1</sup> API Number 30-025-10260	<sup>2</sup> Pool Code 49210	<sup>3</sup> Pool Name PADDOCK
<sup>4</sup> Property Code	<sup>5</sup> Property Name HUGH	<sup>6</sup> Well Number 4
<sup>7</sup> OGRID No. 4323	<sup>8</sup> Operator Name CHEVRON U.S.A. INC.	<sup>9</sup> Elevation 3336'

<sup>10</sup> Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
A	14	22S	37E		660	NORTH	660	EAST	LEA

<sup>11</sup> Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County

<sup>12</sup> Dedicated Acres 40	<sup>13</sup> Joint or Infill	<sup>14</sup> Consolidation Code	<sup>15</sup> Order No. DHC-HOB-524
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No allowable will be assigned to this completion until all interests have been consolidated or a non-standard unit has been approved by the division.

<div data-bbox="776 940 1068 1144" data-label="Diagram"> </div>	<p><b><sup>17</sup> OPERATOR CERTIFICATION</b></p> <p>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.</p> <p><i>Denise Pinkerton</i> 07/12/2013 Signature Date</p> <p>DENISE PINKERTON REGULATORY SPECIALIST Printed Name</p> <p>leakejd@chevron.com E-mail Address</p>	
	<p><b><sup>18</sup> SURVEYOR CERTIFICATION</b></p> <p>I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.</p>	
	<p>Date of Survey</p> <p>Signature and Seal of Professional Surveyor:</p>	
	<p>Certificate Number</p>	

**Request for exemption to rule 303-A**  
**FOR WELLS LOCATED IN PRE-APPROVED POOLS OR AREAS**

**Operator**

Chevron U.S.A., Inc.  
15 Smith Road  
Midland, TX 79705

**Lease Name and Well Number**

Hugh #4  
API #30-025-10260  
660 FNL & 660 FEL, Unit Letter A  
Section 14, T22S, R37E  
Lea County, New Mexico

**Division Order**

Pre-approved Pools or Areas established by division order # R-11363

**Pools To Be Commingled In Hugh #4**

(06660) Blinebry Oil and Gas  
(49210) Paddock

**Perforated Intervals**

Blinebry existing perms: 5402-5822  
Paddock: 5060'-5170' (to be added)

**Location Plat**

Attached

**Well Test Report & Production Plots**

Attached.

**Product Characteristics And Value**

Previous commingling of these zones by Chevron and other operators in the area have shown that the produced fluids are compatible and commingling will not cause formation damage or producing problems. Also, the price received by Chevron for products from these zones is very similar, so value will not be adversely affected.

**Production Allocation**

<u>Pool</u>	<u>BOPD</u>	<u>BWPD</u>	<u>MCFPD</u>	<u>Remarks</u>
(06660) Blinebry Oil and Gas	3	5	45	Calculated on existing production
(49210) Paddock	5	5	30	Based on estimate and will test Paddock upon reco
<b>Totals</b>	<b>8</b>	<b>10</b>	<b>75</b>	

<u>Allocated %</u>	<u>Oil %</u>	<u>Water %</u>	<u>Gas %</u>	<u>Remarks</u>
(06660) Blinebry Oil and Gas	37.5%	50%	60%	Calculated on existing production
(49210) Paddock	62.5%	50%	40%	Based on estimate and will test Paddock upon reco
<b>Totals</b>	<b>1</b>	<b>1</b>	<b>1</b>	

**Ownership**

Ownership of all zones is identical so correlative rights will not be compromised.

**State / Federal Land Notification**

This is a FEE lease

Well: **Hugh # 4**Field: **Blinebry**Reservoir: **Blinebry****Location:**

660' FNL & 660' FEL  
 Section: 14  
 Township: 22S  
 Range: 37E  
 County: Lea State: NM

**Elevations:**

GL: 3336'  
 KB: 3348'  
 DF: 3347'

**Tbg Detail:**

BP @ 5803'  
 1 jt. 2 3/8" tbg  
 2 3/8" x 4' perf sub  
 SN @ 5762'  
 18 jts. 2 3/8" EUE 8R J-55 tbg  
 TAC @ 5200'  
 167 jts. 2 3/8" EUE 8R J-55 tbg

CICR @ 5830'

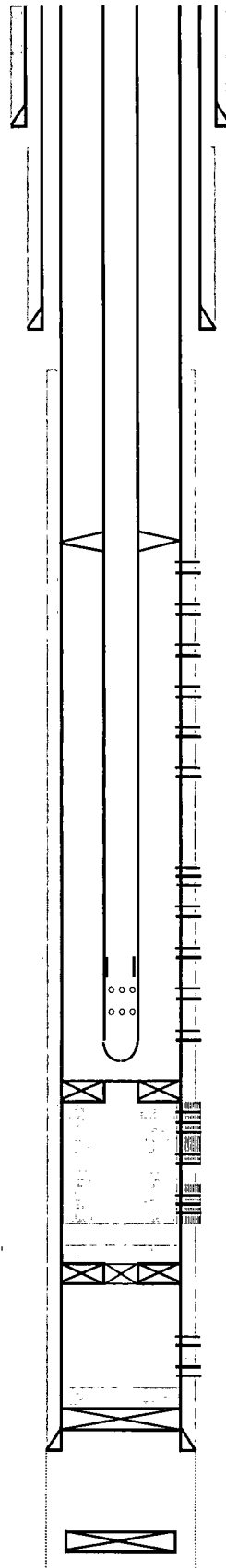
Model D pkr w/ DR plug @ 6225'  
 (35' cement on top)

CIBP @ 6363'  
 (15' cement on top)

COTD: 5830'  
 PBTD: 5830'  
 TD: 6540'

Updated: 5/14/2013

**Current**  
**Wellbore Diagram**

**Well ID Info:**

Chevno: FB1256  
 API No: 30-025-10260  
 L5/L6: U462100  
 Spud Date: 11/27/47  
 Compl. Date: 2/16/48

Surf. Csg: 13 3/8", 48#, SS

Set: @ 302' w/ 300 sks

Hole Size: 17 1/2"

Circ: Yes TOC: Surface

TOC By: Circulated

Prod. Csg: 9 5/8", 36#, H-40

Set: @ 2874' w/ 1300 sks

Hole Size: 12 1/4"

Circ: No TOC: 910'

TOC By: Temperature Survey

**Perfs:****Status**

5402'	5464'	Blinebry - Open
5406'	5471'	Blinebry - Open
5408'	5480'	Blinebry - Open
5418'	5486'	Blinebry - Open
5420'	5494'	Blinebry - Open
5426'	5509'	Blinebry - Open
5436'	5516'	Blinebry - Open
5438'	5536'	Blinebry - Open
5442'	5539'	Blinebry - Open
5446'	5542'	Blinebry - Open
5453'		Blinebry - Open
5602'	5700'	Blinebry - Open
5612'	5711'	Blinebry - Open
5622'	5721'	Blinebry - Open
5632'	5727'	Blinebry - Open
5642'	5734'	Blinebry - Open
5654'	5746'	Blinebry - Open
5661'	5794'	Blinebry - Open
5672'	5805'	Blinebry - Open
5681'	5814'	Blinebry - Open
5682'	5706'	Blinebry - Cmt Sqzd
5690'	5822'	Blinebry - Open

5903-05' Tubb - Cmt Sqzd  
 5916-18' Tubb - Cmt Sqzd  
 5946-48' Tubb - Cmt Sqzd  
 5993-95' Tubb - Cmt Sqzd  
 6014-16' Tubb - Cmt Sqzd  
 6035-75' Tubb - Cmt Sqzd  
 6100-20' Tubb - Cmt Sqzd  
 6130-40' Tubb - Cmt Sqzd

6274-76' Drinkard Gas - Below Plug  
 6300-02' Drinkard Gas - Below Plug  
 6326-28' Drinkard Gas - Below Plug

Prod. Csg: 7", 23#, J-55

Set: @ 6397' w/ 504 sks

Hole Size: 8 3/4"

Circ: No TOC: 3420'

TOC By: Temperature Survey

OH fr/ 6397-6540' (Drinkard)

CIBP In OH @ 6414'

By: John Taxiarchou

Well: **Hugh # 4**Field: **Blinebry**Reservoir: **Blinebry / Paddock****Location:**

660' FNL & 660' FEL  
 Section: 14  
 Township: 22S  
 Range: 37E  
 County: Lea State: NM

**Elevations:**

GL: 3336'  
 KB: 3348'  
 DF: 3347'

**Tbg Detail:**

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CICR @ 5830'

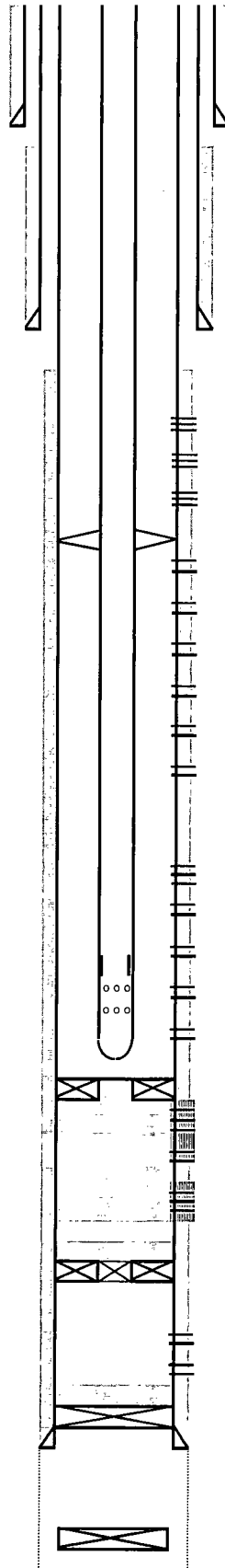
Model D pkr w/ DR plug @ 6225'  
 (35' cement on top)

CIBP @ 6363'  
 (15' cement on top)

COTD: 5830'  
 PBSD: 5830'  
 TD: 6540'

Updated: 5/14/2013

**Proposed**  
**Wellbore Diagram**

**Well ID Info:**

Cheveno: FB1256  
 API No: 30-025-10260  
 L5/L6: U462100  
 Spud Date: 11/27/47  
 Compl. Date: 2/16/48

**Surf. Csg:** 13 3/8", 48#, SS  
**Set:** @ 302' w/ 300 sks  
**Hole Size:** 17 1/2"  
**Circ:** Yes **TOC:** Surface  
**TOC By:** Circulated

**Prod. Csg:** 9 5/8", 36#, H-40  
**Set:** @ 2874' w/ 1300 sks  
**Hole Size:** 12 1/4"  
**Circ:** No **TOC:** 910'  
**TOC By:** Temperature Survey

Perfs	Status
5060'	5070' Paddock - Proposed
5080'	5088' Paddock - Proposed
5115'	5120' Paddock - Proposed
5124'	5130' Paddock - Proposed
5138'	5145' Paddock - Proposed
5160'	5170' Paddock - Proposed

Perfs:	Status
5402'	5464' Blinebry - Open
5406'	5471' Blinebry - Open
5408'	5480' Blinebry - Open
5418'	5486' Blinebry - Open
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5438'	5536' Blinebry - Open
5442'	5539' Blinebry - Open
5446'	5542' Blinebry - Open
5453'	Blinebry - Open
5602'	5700' Blinebry - Open
5612'	5711' Blinebry - Open
5622'	5721' Blinebry - Open
5632'	5727' Blinebry - Open
5642'	5734' Blinebry - Open
5654'	5746' Blinebry - Open
5661'	5794' Blinebry - Open
5672'	5805' Blinebry - Open
5681'	5814' Blinebry - Open
5682'	5706' Blinebry - Cmt Sqzd
5690'	5822' Blinebry - Open

5903-05'	Tubb - Cmt Sqzd
5916-18'	Tubb - Cmt Sqzd
5946-48'	Tubb - Cmt Sqzd
5993-95'	Tubb - Cmt Sqzd
6014-16'	Tubb - Cmt Sqzd
6035-75'	Tubb - Cmt Sqzd
6100-20'	Tubb - Cmt Sqzd
6130-40'	Tubb - Cmt Sqzd

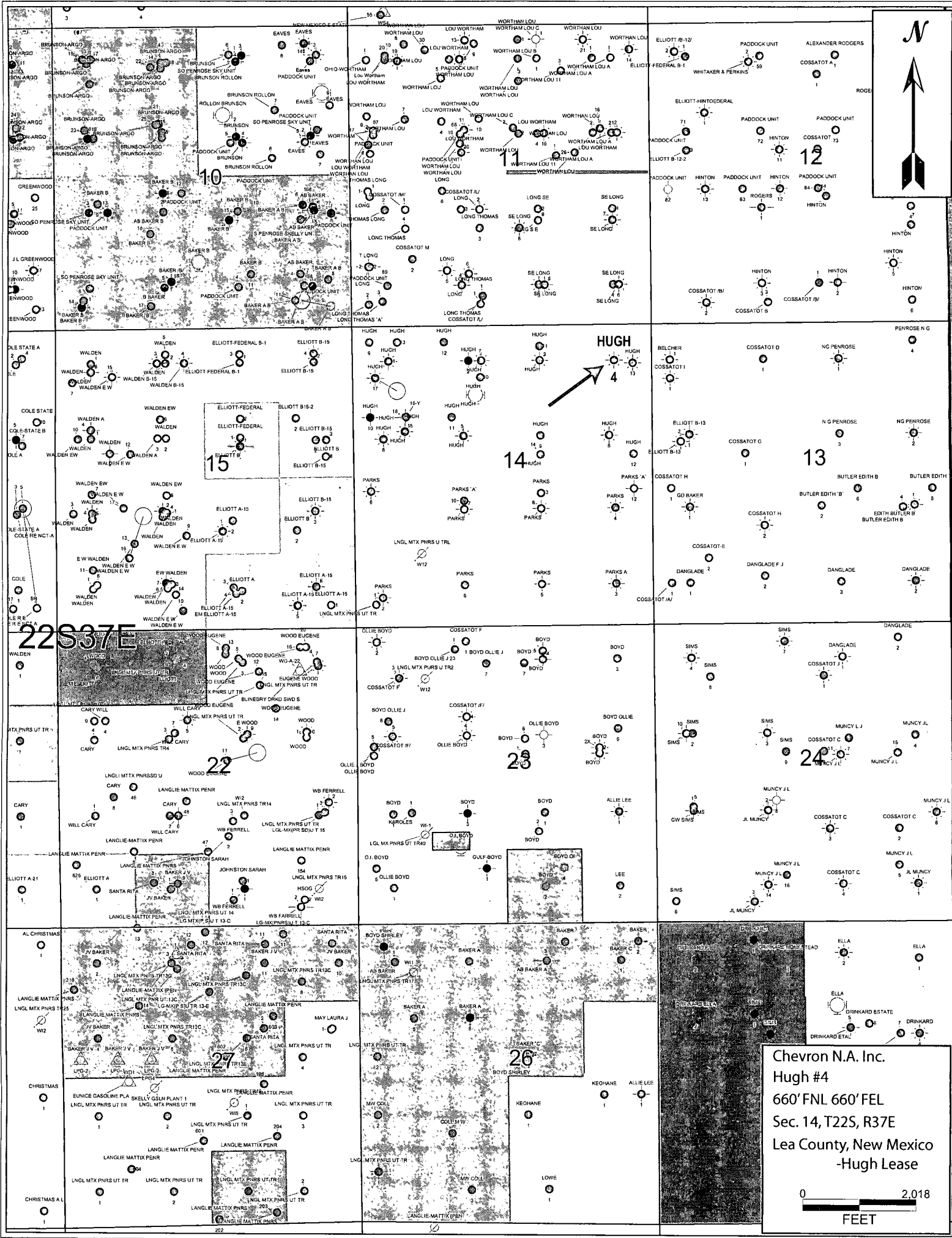
6274-76'	Drinkard Gas - Below Plug
6300-02'	Drinkard Gas - Below Plug
6326-28'	Drinkard Gas - Below Plug

**Prod. Csg:** 7", 23#, J-55  
**Set:** @ 6397' w/ 504 sks  
**Hole Size:** 8 3/4"  
**Circ:** No **TOC:** 3420'  
**TOC By:** Temperature Survey

OH fr/ 6397-6540' (Drinkard)

CIBP In OH @ 6414'

By: John Taxiarchou



Chevron N.A. Inc.  
Hugh #4  
660' FNL 660' FEL  
Sec. 14, T22S, R37E  
Lea County, New Mexico  
-Hugh Lease

0 2,018  
FEET