

## Goetze, Phillip, EMNRD

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**From:** Iorn painter <cordpainter@gmail.com>  
**Sent:** Friday, March 13, 2015 4:16 PM  
**To:** Catanach, David, EMNRD  
**Cc:** Goetze, Phillip, EMNRD; pamc@chienergyinc.com; johnq@chienergyinc.com; William Bergman  
**Subject:** Fwd: Benson Delaware Unit No. 10; API 30-015-35085; Application for Extension of WFX-898-A  
**Attachments:** BDU 23 WBD LATEST.xls; BDU 24 WBD LATEST.xls

Resend with revisions:

Cord Painter  
Consulting Engineer Representing Chi Energy  
212 N. Main St., Ste. 200  
Midland, TX 79701  
[\(325\) 792-7255](tel:3257927255)

March 13, 2015

David Catanach  
Director  
Engineering and Geological Services Bureau, Oil Conservation Division

1220 South St. Francis Drive

Santa Fe, NM 87505

RE: Benson Delaware Unit No. 10; API 30-015-35085; Application for Extension of WFX-898-A

Mr. Catanach:

Please, consider this letter our application for an extension of the orders for expansion of the Benson Delaware Unit (WFX-898-A).

This request is made due to a delay in the processing of our permitting through the BLM. An excessive work load has resulted in a major back-log in the BLM's system. We ask that the extension be granted for a period of one year. The Benson Delaware Unit No. 10 well will be converted to injection as outlined in the form C-108. Since the initial review in early 2013, two new producers have penetrated the intervals of interest in the AOR: the Benson Delaware Unit wells No. 23 and No. 24. I've attached well bore diagrams detailing the completions of both wells as well as the casing and cement details to the email in which this letter was sent.

Please, feel free to contact me with any questions or concerns you may have regarding this matter.

Sincerely,

***Cord Painter***  
Consulting Petroleum Engineer

(325) 792-7255  
cordpainter@gmail.com

## Goetze, Phillip, EMNRD

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**From:** John Qualls <JohnQ@chienergyinc.com>  
**Sent:** Monday, March 16, 2015 7:55 AM  
**To:** Goetze, Phillip, EMNRD  
**Cc:** Cord Painter (cordpainter@gmail.com)  
**Subject:** RE: Benson Delaware Unit No. 10; API 30-015-35085; Application for Extension of WFX-898-A

He is a consulting engineer working for Chi.

*Chi Energy, Inc.*

**John W. Qualls**

432-685-5001  
432-557-8774

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**From:** Goetze, Phillip, EMNRD [<mailto:Phillip.Goetze@state.nm.us>]  
**Sent:** Friday, March 13, 2015 4:52 PM  
**To:** lorn painter  
**Cc:** Pam Corbett; John Qualls; Bill Bergman  
**Subject:** RE: Benson Delaware Unit No. 10; API 30-015-35085; Application for Extension of WFX-898-A

Cord:

Sorry for the delay in response. Always busy here. I'm going to ask you to resend your e-mail – the content is fine and approval will not be an issue based on your explanation. However, I do need for you to identify your relationship with Chi – i.e. “consult for” or “agent of” - since you are not technically “Chi Energy”. This to satisfy the legal side. Thanks.  
PRG

Phillip R. Goetze, P.G.  
Engineering and Geological Services Bureau, Oil Conservation Division  
1220 South St. Francis Drive, Santa Fe, NM 87505  
O: 505.476.3466 F: 505.476.3462  
[phillip.goetze@state.nm.us](mailto:phillip.goetze@state.nm.us)

**From:** lorn painter [<mailto:cordpainter@gmail.com>]  
**Sent:** Friday, March 13, 2015 10:44 AM  
**To:** Catanach, David, EMNRD  
**Cc:** Goetze, Phillip, EMNRD; [pamc@chienergyinc.com](mailto:pamc@chienergyinc.com); [johnq@chienergyinc.com](mailto:johnq@chienergyinc.com); William Bergman  
**Subject:** Benson Delaware Unit No. 10; API 30-015-35085; Application for Extension of WFX-898-A

Cord Painter  
212 N. Main St., Ste. 200  
Midland, TX 79701  
(325) 792-7255

March 13, 2015

**PROPOSED WELLBORE SCHEMATIC**

**LEASE:** Benson Delaware Unit **WELL NO.:** 23

**DATE:** 2/6/2015

**OPER:** Chi Energy **API:** 30-015-42566

**LOCATION:** 990 FNL 150 FEL SEC 11 19S 30E EDDY CO., NM

|           |              |           |           |
|-----------|--------------|-----------|-----------|
| TD 5,265' | PBD 5220 EST | KB 3,481' | DF 3,480' |
| COD       | DOD          | GL 3,465' |           |

8 5/8" 32# J-55 TOC 500' 2,064'

| CASING/TBG:                  | DEPTH  | CMT.   | ID     | DRIFT | BURST  | TENS' |
|------------------------------|--------|--------|--------|-------|--------|-------|
| SURF. 13 3/8" 54.5# J-55 STC | 493'   | CIRC   | 12.615 | 12.46 | 2,730  | 853.0 |
| INTER. 8 5/8" 32# J-55       | 2,064' | CIRC   | 7.921  | 7.796 | 3,930  | 417.0 |
| PROD. 5 1/2" 15.5# J-55      | 5,265' | T/500' | 4.95   | 4.825 | 4,810  | 329.0 |
| LINER                        |        |        |        |       |        |       |
| TBG 2 7/8" 6.5# L-80         |        |        | 2.441  | 2.347 | 10,570 | 145.0 |

**PERFS:**  
 4534-54, 72-90 2 SPF  
 4852-58, 82-88, 4898-4904, 4912-16, 20-24, 28-30, 34-38 2 SPF

**TUBING BREAKDOWN**

**ROD BREAKDOWN**

138 jts 2 7/8" J-55  
 TAC  
 3 jts 2 7/8" J-55  
 Standard SN @ 4,426'  
 4' Perf'd Sub  
 3 1/2" MH  
 BP  
 SN @ 4,426'

26' x 1 1/4" PR  
 2', 6', & 8' Subs  
 51 - 7/8" Grd "D" Stl Rods  
 117 - 3/4" Grd "D" Stl Rods  
 5 - 1.5" K Bars  
 26k Shear Tool  
 1 - 1.5" K Bar  
 2 1/2" x 1.75" x 24' RHBC Insert Pump  
 27' x 1" GA

**Wellhead:** 7 1/16" 5k

**ART. LIFT**

|              |  |            |  |             |  |
|--------------|--|------------|--|-------------|--|
| <b>UNIT</b>  |  | <b>SPM</b> |  | <b>RT</b>   |  |
| <b>MOTOR</b> |  | <b>SL</b>  |  | <b>Cond</b> |  |

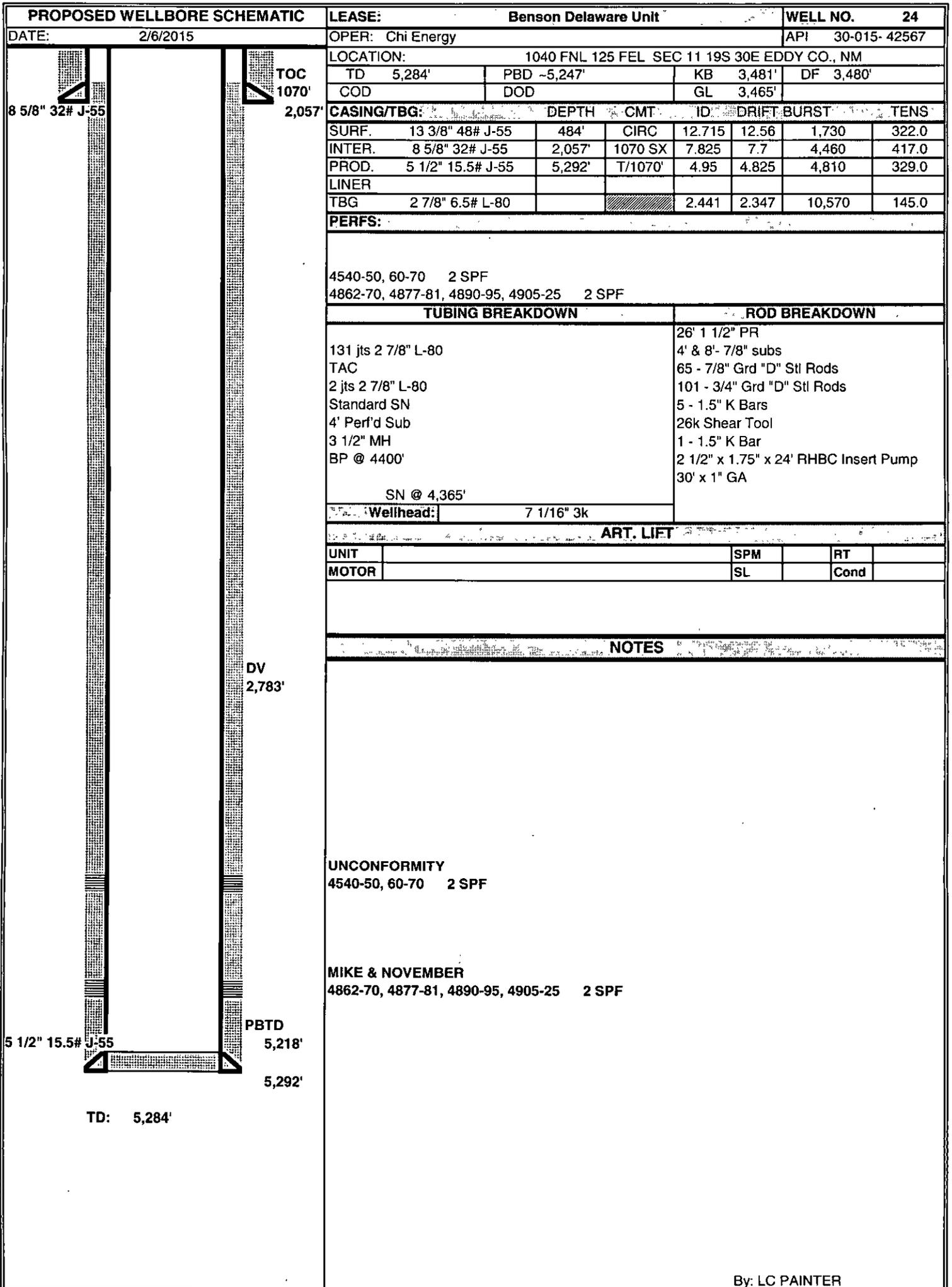
**NOTES**

**UNCONFORMITY**  
 4534-54, 72-90 2 SPF

**MIKE & NOVEMBER**  
 4852-58, 82-88, 4898-4904, 4912-16, 20-24, 28-30, 34-38 2 SPF

5 1/2" 15.5# J-55 PBTB 5,213' 5,265'

**TD:** 5,265'



**PROPOSED WELLBORE SCHEMATIC**

**LEASE:** Benson Delaware Unit **WELL NO.** 24

**DATE:** 2/6/2015

**OPER:** Chi Energy **API:** 30-015-42567

**LOCATION:** 1040 FNL 125 FEL SEC 11 19S 30E EDDY CO., NM

|           |             |           |           |
|-----------|-------------|-----------|-----------|
| TD 5,284' | PBD ~5,247' | KB 3,481' | DF 3,480' |
| COD       | DOD         | GL 3,465' |           |

| CASING/TBG:             | DEPTH  | CMT     | ID     | DRIFT | BURST  | TENS  |
|-------------------------|--------|---------|--------|-------|--------|-------|
| SURF. 13 3/8" 48# J-55  | 484'   | CIRC    | 12.715 | 12.56 | 1,730  | 322.0 |
| INTER. 8 5/8" 32# J-55  | 2,057' | 1070 SX | 7.825  | 7.7   | 4,460  | 417.0 |
| PROD. 5 1/2" 15.5# J-55 | 5,292' | T/1070' | 4.95   | 4.825 | 4,810  | 329.0 |
| LINER                   |        |         |        |       |        |       |
| TBG 2 7/8" 6.5# L-80    |        |         | 2.441  | 2.347 | 10,570 | 145.0 |

**PERFS:**

4540-50, 60-70 2 SPF  
 4862-70, 4877-81, 4890-95, 4905-25 2 SPF

**TUBING BREAKDOWN**

131 jts 2 7/8" L-80  
 TAC  
 2 jts 2 7/8" L-80  
 Standard SN  
 4' Perf'd Sub  
 3 1/2" MH  
 BP @ 4400'

SN @ 4,365'

Wellhead: 7 1/16" 3k

**ROD BREAKDOWN**

26' 1 1/2" PR  
 4' & 8'- 7/8" subs  
 65 - 7/8" Grd "D" Stl Rods  
 101 - 3/4" Grd "D" Stl Rods  
 5 - 1.5" K Bars  
 26k Shear Tool  
 1 - 1.5" K Bar  
 2 1/2" x 1.75" x 24' RHBC Insert Pump  
 30' x 1" GA

**ART. LIFT**

|       |     |      |
|-------|-----|------|
| UNIT  | SPM | RT   |
| MOTOR | SL  | Cond |

**NOTES**

**UNCONFORMITY**  
 4540-50, 60-70 2 SPF

**MIKE & NOVEMBER**  
 4862-70, 4877-81, 4890-95, 4905-25 2 SPF

DV  
2,783'

PBTD  
5,218'  
5,292'

TD: 5,284'

David Catanach  
Director  
Engineering and Geological Services Bureau, Oil Conservation Division

1220 South St. Francis Drive

Santa Fe, NM 87505

RE: Benson Delaware Unit No. 10; API 30-015-35085; Application for Extension of WFX-898-A

Mr. Catanach:

Please, consider this letter our application for an extension of the orders for expansion of the Benson Delaware Unit (WFX-898-A).

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Please, feel free to contact me with any questions or concerns you may have regarding this matter.

Sincerely,

***Cord Painter***

Consulting Petroleum Engineer

(325) 792-7255

[cordpainter@gmail.com](mailto:cordpainter@gmail.com)



Daniel Pequeno, CPL/ESA  
Senior Land Representative

North America Exploration  
and Production Company  
15 Smith Road, RM-2235  
Midland, Texas 79705  
Tel 432 687 7461  
Fax 432 687 7871  
peqd@chevron.com

RECEIVED OCD

2015 MAR 19 P 3: 17.

March 16, 2015

Mr. Pete Martinez  
State of New Mexico  
Commissioner of Public Lands  
P. O. Box 1148  
Santa Fe, New Mexico 87504-1148

**RE: DOWNHOLE COMMINGLING APPLICATION STATE "AN" WELL NO. 2H,  
API #30-025-03102, UNIT LETTER D, SECTION 7-T18S-35E  
VACUUM BLINEBRY POOL (61850) & VACUUM ABO REEF POOL (61780)  
LEA COUNTY, NEW MEXICO**

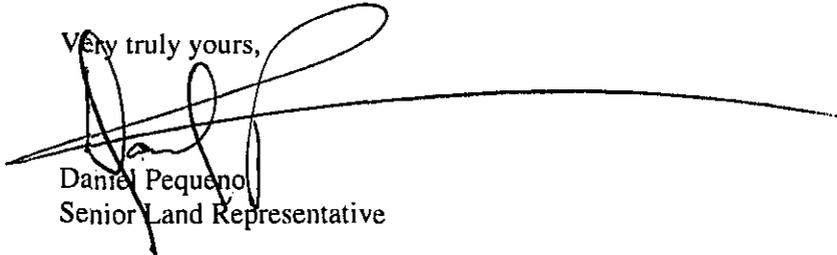
Dear Mr. Martinez,

We are in receipt of the letter from the State of New Mexico, Commissioner of Public Lands dated March 4, 2015 (attached) granting approval of the Application to downhole commingle the Vacuum Blinebry Pool (61850) & Vacuum Abo Reef Pool (61780) for the referenced well in Lea County, New Mexico. It is understood that approval is subject to the approval of the New Mexico Oil Conservation Division which we expect to be forthcoming.

In accordance with said letter, please find Chevron's check No. 0024066842 dated March 12, 2015 in the amount of \$30.00 for the filing fee for the application.

If I can be of assistance, please let me know by calling me at (432) 687-7461.

Very truly yours,

  
Daniel Pequeno  
Senior Land Representative

Cc: Mr. Michael McMillan  
Oil Conservation Division  
New Mexico Department of Energy,  
Minerals and Natural Resources  
1220 South St. Francis Drive  
Santa Fe, New Mexico 87505



**Aubrey Dunn**  
**COMMISSIONER**

*State of New Mexico*  
*Commissioner of Public Lands*

310 OLD SANTA FE TRAIL  
P.O. BOX 1148  
SANTA FE, NEW MEXICO 87504-1148

**COMMISSIONER'S OFFICE**

Phone (505) 827-5760  
Fax (505) 827-5766  
[www.nmstatelands.org](http://www.nmstatelands.org)

March 4, 2015

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

Attn: Mr. Daniel Pequeno

Re: Downhole Commingling Application  
State "AN" #2H Well API #30-025-03102  
Unit Letter D, Sec 07-18S-35E  
Vacuum Blinebry Pool (61850) & Vacuum Abo Reef Pool (61780)  
Lea County, New Mexico

Dear Mr. Pequeno:

Thank you for your application to downhole commingle the Vacuum Blinebry Pool (61850) & Vacuum Abo Reef Pool (61780) from the referenced well in Lea County, New Mexico.

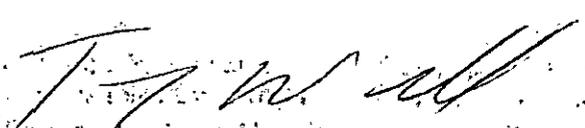
Since it appears that all the New Mexico Oil Conservation's (OCD) rules and regulations have been complied with, and there will be no loss of revenue to the State of New Mexico as a result of your proposed operation, your application is approved. Any deviation from the substance of your application will be cause for rescinding our approval, and approval is subject to like approval by the OCD.

The filing fee in the amount of \$30.00 is due. When you provide a check as payment, you authorize the State of New Mexico to either use information from your check to make a one-time electronic fund transfer from your account or to process the payment as a check transaction.

If you have any questions or if we may be of further help, please contact Pete Martinez at (505) 827-5791.

Very truly yours,

AUBREY DUNN  
COMMISSIONER OF PUBLIC LANDS

BY:   
TERRY WARNELL, Director  
Oil, Gas and Minerals Division  
AD/TW/sk  
Enclosure  
xc: Reader File  
OCD-Daniel Sanchez