

| | | | | |
|-----------------|----------|---------------------|----------------|---------------------|
| DATE IN 7/28/06 | SUSPENSE | ENGINEER WILL JONES | LOGGED 7/28/06 | TYPE PTD50620955352 |
|-----------------|----------|---------------------|----------------|---------------------|

ABOVE THIS LINE FOR DIVISION USE ONLY

NEW MEXICO OIL CONSERVATION DIVISION
- Engineering Bureau -

ADMINISTRATIVE APPLICATION COVERSHEET

THIS COVERSHEET IS MANDATORY FOR ALL ADMINISTRATIVE APPLICATIONS FOR EXCEPTIONS TO DIVISION RULES AND REGULATIONS

Application Acronyms:

[NSP-Non-Standard Proration Unit] [NSL-Non-Standard Location]
[DD-Directional Drilling] [SD-Simultaneous Dedication]
[DHC-Downhole Commingling] [CTB-Lease Commingling] [PLC-Pool/Lease Commingling]
[PC-Pool Commingling] [OLS - Off-Lease Storage] [OLM-Off-Lease Measurement]
[WFX-Waterflood Expansion] [PMX-Pressure Maintenance Expansion]
[SWD-Salt Water Disposal] [IPI-Injection Pressure Increase]
[EOR-Qualified Enhanced Oil Recovery Certification] [PPR-Positive Production Response]

[1] **TYPE OF APPLICATION** - Check Those Which Apply for [A]

[A] Location - Spacing Unit - Directional Drilling
NSL NSP DD SD

Check One Only for [B] and [C]

[B] Commingling - Storage - Measurement

☒ DHC CTB PLC PC OLS OLM

[C] Injection - Disposal - Pressure Increase - Enhanced Oil Recovery

WFX PMX SWD IPI EOR PPR

[2] **NOTIFICATION REQUIRED TO:** - ☒ Check Those Which Apply, or Does Not Apply

[A] Working, Royalty or Overriding Royalty Interest Owners

[B] Offset Operators, Leaseholders or Surface Owner

[C] Application is One Which Requires Published Legal Notice

[D] Notification and/or Concurrent Approval by BLM or SLO

U.S. Bureau of Land Management - Commissioner of Public Lands, State Land Office

[E] For all of the above, Proof of Notification or Publication is Attached, and/or,

[F] Waivers are Attached

[3] **INFORMATION / DATA SUBMITTED IS COMPLETE** - Statement of Understanding

I hereby certify that I, or personnel under my supervision, have read and complied with all applicable Rules and Regulations of the Oil Conservation Division. Further, I assert that the attached application for administrative approval is accurate and complete to the best of my knowledge and where applicable, verify that all interest (WI, RI, ORRI) is common. I understand that any omission of data, information or notification is cause to have the application package returned with no action taken.

Note: Statement must be completed by an individual with supervisory capacity.

Keith Lopez

Signature

Petro. Engineer

Title

7/25/06

Date

Print or Type Name

District I
1625 N. French Drive, Hobbs, NM 88240

State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-107A
Revised June 10, 2003

District II
1301 W. Grand Avenue, Artesia, NM 88210

Oil Conservation Division
1220 South St. Francis Dr.
Santa Fe, New Mexico 87505

APPLICATION TYPE

District III
1000 Rio Brazos Road, Aztec, NM 87410

☒ X Single well
Establish Pre-Approved Pools

District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505

APPLICATION FOR DOWNHOLE COMMINGLING

EXISTING WELLBORE
☒ X Yes ☐ No

Chevron U.S.A. INC
Operator

15 Smith Road, Midland TX 79705
Address

24 DHC-2439-A

Mark #11 A-3-22S-37E United States
Lease Well No. Unit Letter-Section-Township-Range County

OGRID No. 4323 Property Code 2678 API No. 30-025-26051 Lease Type: ☐ Federal ☐ State ☒ Fee

| DATA ELEMENT | UPPER ZONE | INTERMEDIATE ZONE | LOWER ZONE |
|---|--|---|--|
| Pool Name | Penrose Skelly <i>GG</i> | Blinbry Oil & Gas <i>(DIL)</i> | Wantz Abo <i>DIL</i> |
| Pool Code | 50350 | 6660 | 62700 |
| Top and Bottom of Pay Section (Perforated or Open-Hole Interval) | 3644'-3856' | 5342'-5926' | 6630'-7223' |
| Method of Production (Flowing or Artificial Lift) | Artificial Lift | Artificial Lift, pending OCD approval | Artificial Lift, pending OCD approval |
| Bottomhole Pressure (Note: Pressure data will not be required if the bottom perforation in the lower zone is within 150% of the depth of the top perforation in the upper zone) | | | |
| Oil Gravity or Gas BTU (Degree API or Gas BTU) | 36° | 39.8° | 39.8° |
| Producing, Shut-In or New Zone | Producing | Shut-In | Shut-In |
| Date and Oil/Gas/Water Rates of Last Production. (Note: For new zones with no production history, applicant shall be required to attach production estimates and supporting data.) | Date: 7/3/2006 Rates: 30/38/156 Well Test | Date: 2/3/2005 Rates: 1BOPD 44 MCFD Allocated production from previous DHC | Date: 2/3/2005 Rates: 9BOPD 30MCFD Allocated production from previous DHC |
| Fixed Allocation Percentage (Note: If allocation is based upon something other than current or past production, supporting data or explanation will be required.) | Oil Gas 75% 68% | Oil Gas 3% 19% | Oil Gas 22% 13% |

ADDITIONAL DATA

Are all working, royalty and overriding royalty interests identical in all commingled zones? Yes ☒ X No ☐
If not, have all working, royalty and overriding royalty interest owners been notified by certified mail? Yes ☐ No ☐

Are all produced fluids from all commingled zones compatible with each other? Yes ☒ X No ☐

Will commingling decrease the value of production? Yes ☐ No ☒ X

If this well is on, or communitized with, state or federal lands, has either the Commissioner of Public Lands or the United States Bureau of Land Management been notified in writing of this application? Yes ☒ X No ☐

NMOCD Reference Case No. applicable to this well: _____

Attachments:

- C-102 for each zone to be commingled showing its spacing unit and acreage dedication.
- Production curve for each zone for at least one year. (If not available, attach explanation.)
- For zones with no production history, estimated production rates and supporting data.
- Data to support allocation method or formula.
- Notification list of working, royalty and overriding royalty interests for uncommon interest cases.
- Any additional statements, data or documents required to support commingling.

PRE-APPROVED POOLS

If application is to establish Pre-Approved Pools, the following additional information will be required:

- List of other orders approving downhole commingling within the proposed Pre-Approved Pools
- List of all operators within the proposed Pre-Approved Pools
- Proof that all operators within the proposed Pre-Approved Pools were provided notice of this application.
- Bottomhole pressure data.

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

SIGNATURE *Keith Lopez* TITLE Petroleum Engineer DATE 7/25/06

TYPE OR PRINT NAME Keith Lopez TELEPHONE NO. (432) 687-7120

E-MAIL ADDRESS lopk@chevron.com



Keith Lopez
Petroleum Engineer
Permian Basin

Mid-Continent Business Unit
Chevron U.S.A. Inc.
15 Smith Rd.
Midland, Texas 79705
Tel 432-687-7120
Fax 432-687-7871
lopk@chevron.com

July 25, 2006

State of New Mexico
Energy, Minerals, & Natural Resources Dept.
Oil Conservation Division
1220 South St. Francis Drive
Santa Fe, New Mexico 87504

Re: Request to DHC the Mark #11

Attn: Oil & Gas Regulatory Department

Chevron U.S.A respectfully requests administrative approval to Downhole Commingle the Penrose Skelly, Blinebry Oil & Gas, and the Wantz Abo in the Mark #11, API #30-025-26051. The #11 is located 430' FNL 960' FEL, Unit A, Section 3, T-22S, R-37E, Lea County, NM.

The Mark #11 was drilled and completed in the Granite Wash 1978. It was later plugged back to the Abo and Blinebry where it produced as a DHC (Administrative Order DHC-2439). In 2005 it was plugged back to the Grayburg. It is proposed to re-enter the Blinebry and Drinkard and DHC all three zones to increase productivity and begin producing this deferred production.

Attached in support of this request is a table showing production volumes for each of the pools proposed for commingling. Also, included is a proposed well schematic diagram for the Mark #11, well tests, C107A, a C102 for each zone, and a lease plat. As can be seen on the table, the value of the production will not be significantly impacted by the proposed action.

Chevron is the operator of these wells with 100% working interest, and the Royalty Interest Owners are the same on each lease. The Mark #11 facility will test monthly for allocation of production to the well.

If you have any questions concerning this application, please contact Keith Lopez at (432)-687-7120 or by email at LOPK@CHEVRON.COM.

Sincerely,

A handwritten signature in cursive script that reads "Keith Lopez".

Keith Lopez
Petroleum Engineer

REQUEST FOR EXCEPTION 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

Mark #11
430' FNL & 960' FEL, Unit Letter A
Section 3, T22S, R37E
Lea County, New Mexico

Division Order

Pre-approved pools or area established by Division Order No. R-11363.

Pools To Be Commingled In Jayhawk #1

(50350) Penrose Skelly
(6660) Blinebry Oil and Gas
(62700) Wantz Abo

Perforated Intervals

Penrose Skelly (3644'-3856') (Wellbore diagrams attached)
Blinebry Oil & Gas (5342'-5926')
Wantz Abo (6630'-7223')

Location Plat

Attached

Well Test Report & Production Plots

Attached.

Product Characteristics And Value

Analysis of the produced fluids by Chevron shows that the 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>Estimation Method</u> |
|--------------------|-------------|-------------|--------------|--|
| Penrose Skelly | 30 | | 156 | Well Test 7/3/06 |
| Blinebry Oil & Gas | 1 | | 44 | Allocated production from previous DHC |
| Wantz Abo | 9 | | 30 | Allocated production from previous DHC |
| Totals | 40 | | 230 | |

| <u>Allocated %</u> | <u>Oil %</u> | <u>Water %</u> | <u>Gas %</u> | <u>Remarks</u> |
|--------------------|---------------|----------------|---------------|--|
| Penrose Skelly | 75 | | 68 | Calculated using above production volumes. |
| Blinebry Oil & Gas | 3 | | 19 | Calculated using above production volumes. |
| Wantz Abo | 22 | | 13 | Calculated using above production volumes. |
| Totals | 100.00 | | 100.00 | |

Ownership

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

State / Federal Land Notification

Well is on a fee lease.

Attachments

cc: NMOCD District 1 – Hobbs, NM

Keith Lopez

Well File

Nathan Mouser

Vicki Duncan/Denise Pinkerton

District I
1625 N. French Dr., Hobbs, NM 88240

District II
811 South First, Artesia, NM 88210

District III
1000 Rio Brazos Rd., Aztec, NM 87410

District IV
2040 South Pacheco, Santa Fe, NM 87505

State of New Mexico
Energy, Minerals & Natural Resources Department

Form C-102
Revised March 17, 1999

OIL CONSERVATION DIVISION

2040 South Pacheco
Santa Fe, NM 87505

Submit to Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies

☐ **AMENDED REPORT**

WELL LOCATION AND ACREAGE DEDICATION PLAT

| | | |
|--|--|---|
| ¹ API Number 30-025-26051 | ² Pool Code 50350 | ³ Pool Name Penrose Skelly |
| ⁴ Property Code 2678 | ⁵ Property Name Mark | ⁶ Well Number 11 |
| ⁷ OGRID No. 4323 | ⁸ Operator Name Chevron Corporation | ⁹ Elevation 3393' |

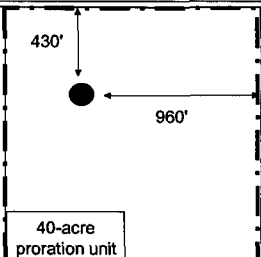
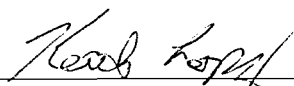
¹⁰ **Surface Location**

| | | | | | | | | | |
|---------------|----------|------------|------------|---------|---------------|------------------|---------------|----------------|------------|
| UL or Lot No. | Section | Township | Range | Lot Idn | Feet from the | North/South line | Feet from the | East/West line | County |
| A | 3 | 22S | 37E | | 430' | North | 960' | East | Lea |

¹¹ **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 |
| | | | | | | | | | |
| ¹² Dedicated Acres 40 | ¹³ Joint or Infill | ¹⁴ Consolidation Code | ¹⁵ Order No. | | | | | | |

**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><div>3</div><div></div></div> | OPERATOR CERTIFICATION <i>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.</i> <div>Signature </div> <div>Printed Name Keith Lopez</div> <div>Title Petr. Engineer</div> <div>July 25, 2006</div> | | |
| | 18 SURVEYOR CERTIFICATION <i>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.</i> Signature and Seal of Professional Surveyor: <div>Certificate Number</div> | | |
| | | | |
| | | | |

District I
1625 N. French Dr., Hobbs, NM 88240

District II
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2040 South Pacheco, Santa Fe, NM 87505

State of New Mexico
Energy, Minerals & Natural Resources Department

Form C-102
Revised March 17, 1999

OIL CONSERVATION DIVISION

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Santa Fe, NM 87505

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State Lease - 4 Copies
Fee Lease - 3 Copies

☐ **AMENDED REPORT**

WELL LOCATION AND ACREAGE DEDICATION PLAT

| | | | | | |
|--|--|--|--|---|--|
| ¹ API Number 30-025-26051 | | ² Pool Code 6660 | | ³ Pool Name Blinbery Oil and Gas | |
| ⁴ Property Code 2678 | | ⁵ Property Name Mark | | | ⁶ Well Number 11 |
| ⁷ OGRID No. 4323 | | ⁸ Operator Name Chevron Corporation | | | ⁹ Elevation 3393' |

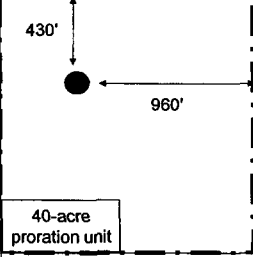
¹⁰ Surface Location

| | | | | | | | | | |
|---------------|----------|------------|------------|---------|---------------|------------------|---------------|----------------|------------|
| UL or Lot No. | Section | Township | Range | Lot Idn | Feet from the | North/South line | Feet from the | East/West line | County |
| A | 3 | 22S | 37E | | 430' | North | 960' | East | Lea |

¹¹ 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 |
| | | | | | | | | | |
| ¹² Dedicated Acres 40 | | ¹³ Joint or Infill | | ¹⁴ Consolidation Code | | ¹⁵ Order No. | | | |

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| | | | | | |
|----------|--|--|--|--|--|
| 3 |  | | | OPERATOR CERTIFICATION | |
| | | | | <i>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.</i> | |
| | | | | Signature <u>Keith Lopez</u> | |
| | | | | Printed Name Keith Lopez | |
| 3 | | | Title Petr. Engineer | | |
| | | | Title July 25, 2006 | | |
| | | | 18 | | |
| | | | SURVEYOR CERTIFICATION | | |
| 3 | | | <i>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.</i> | | |
| | | | Signature and Seal of Professional Surveyor: | | |
| | | | | | |
| | | | Certificate Number | | |

District I
1625 N. French Dr., Hobbs, NM 88240

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2040 South Pacheco, Santa Fe, NM 87505

State of New Mexico
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OIL CONSERVATION DIVISION

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Santa Fe, NM 87505

Submit to Appropriate District Office
State Lease - 4 Copies
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☐ **AMENDED REPORT**

WELL LOCATION AND ACREAGE DEDICATION PLAT

| | | |
|--|--|--|
| ¹ API Number 30-025-26051 | ² Pool Code 62700 | ³ Pool Name Wantz Abo |
| ⁴ Property Code 2678 | ⁵ Property Name Mark | ⁶ Well Number 11 |
| ⁷ OGRID No. 4323 | ⁸ Operator Name Chevron Corporation | ⁹ Elevation 3393' |

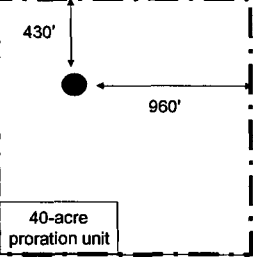
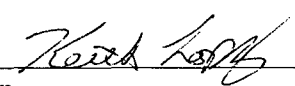
¹⁰ **Surface Location**

| | | | | | | | | | |
|---------------|----------|------------|------------|---------|---------------|------------------|---------------|----------------|------------|
| UL or Lot No. | Section | Township | Range | Lot Idn | Feet from the | North/South line | Feet from the | East/West line | County |
| A | 3 | 22S | 37E | | 430' | North | 960' | East | Lea |

¹¹ **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 |
| | | | | | | | | | |
| ¹² Dedicated Acres 40 | ¹³ Joint or Infill | ¹⁴ Consolidation Code | ¹⁵ Order No. | | | | | | |

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

| | | | | |
|----------|--|--|--|---|
| 3 | | |  40-acre proration unit | OPERATOR CERTIFICATION <i>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.</i>  Signature Keith Lopez Printed Name Petr. Engineer Title July 25, 2006 |
| | | | | 18 SURVEYOR CERTIFICATION <i>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.</i> Signature and Seal of Professional Surveyor: Certificate Number |

Well: **Mark # 11**

Field: **Penrose Skelly**

Reservoir: **Grayburg**

Location:

430' FNL & 960' FEL
Section: 3
Township: 22S
Range: 37E
County: Lea State: NM

Elevations:

GL: 3393'
KB: 3404'
DF: 3403'

Tbg Detail:

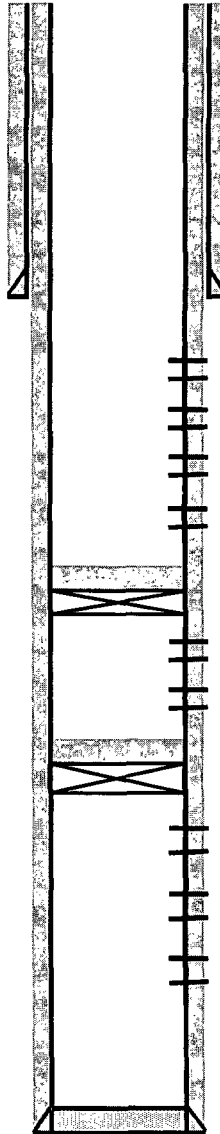
RBP @ 5310'
(20' sand on top)

CIBP @ 7275'
(35' cement on top)

COTD: 5290'
PBTD: 5290'
TD: 7618'

Updated: 6/16/06

Current
Wellbore Diagram



Well ID Info:

Chevno: EQ3250
API No: 30-025-26051
L5/L6: UCU490200
Spud Date: 8/16/78
Compl. Date: 9/23/78

Surf. Csg: 8 5/8", 24#, K-55
Set: @ 1143' w/ 550 sks
Hole Size: 12 1/4"
Circ: Yes **TOC:** Surface
TOC By: Circulated

| Perfs | Status |
|-----------|-------------------------|
| 3644'-47' | 3776'-84' Grayburg - Op |
| 3666'-71' | 3792'-95' Grayburg - Op |
| 3680'-89' | 3797'-00' Grayburg - Op |
| 3696'-99' | 3812'-21' Grayburg - Op |
| 3709'-13' | 3826'-30' Grayburg - Op |
| 3725'-27' | 3835'-38' Grayburg - Op |
| 3736'-43' | 3851'-56' Grayburg - Op |
| 3750'-58' | Grayburg - Op |

| Perfs | Status |
|-------------|-----------------|
| 5342'-5926' | Blinebry - Open |

| Perfs | Status |
|-------------|------------|
| 6630'-7223' | Abo - Open |

| Perfs | Status |
|-----------|--------------------------|
| 7279'-81' | Granite Wash - Below CIB |
| 7301'-03' | Granite Wash - Below CIB |
| 7319'-21' | Granite Wash - Below CIB |
| 7339'-41' | Granite Wash - Below CIB |
| 7358'-60' | Granite Wash - Below CIB |
| 7378'-80' | Granite Wash - Below CIB |

Prod. Csg: 5 1/2", 15.5#, K-55
Set: @ 7618' w/ 1875 sks
Hole Size: 7 7/8"
Circ: Yes **TOC:** Surface
TOC By: Circulated

By: Richard A. Jenkins

Well: **Mark # 11**

Field: **Penrose Skelly/Blinebry O&G, Wantz** Reservoir: **Grayburg/Blinebry/Abo**

Location:

430' FNL & 960' FEL
Section: 3
Township: 22S
Range: 37E
County: Lea State: NM

Elevations:

GL: 3393'
KB: 3404'
DF: 3403'

Tbg Detail:

CIBP @ 7275'

(35' cement on top)

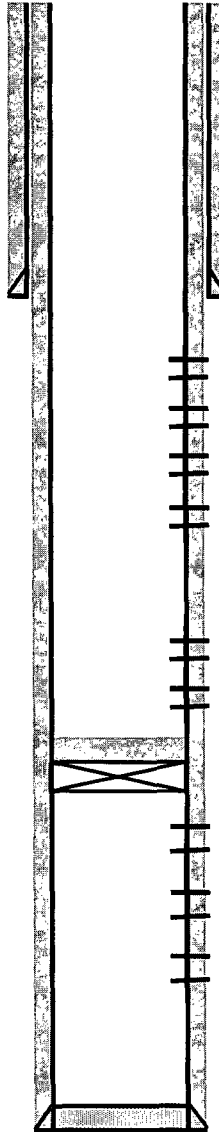
COTD: 7240'

PBTD: 7240'

TD: 7618'

Updated: 7/25/06

Proposed
Wellbore Diagram



By: LOPK

Well ID Info:

Chevno: EQ3250
API No: 30-025-26051
L5/L6: UCU490200
Spud Date: 8/16/78
Compl. Date: 9/23/78

Surf. Csg: 8 5/8", 24#, K-55

Set: @ 1143' w/ 550 sks

Hole Size: 12 1/4"

Circ: Yes **TOC:** Surface

TOC By: Circulated

Perfs

Status

| | | |
|-----------|-----------|---------------|
| 3644'-47' | 3776'-84' | Grayburg - Op |
| 3666'-71' | 3792'-95' | Grayburg - Op |
| 3680'-89' | 3797'-00' | Grayburg - Op |
| 3696'-99' | 3812'-21' | Grayburg - Op |
| 3709'-13' | 3826'-30' | Grayburg - Op |
| 3725'-27' | 3835'-38' | Grayburg - Op |
| 3736'-43' | 3851'-56' | Grayburg - Op |
| 3750'-58' | | Grayburg - Op |

Perfs

Status

5342'-5926' Blinebry - Open

Perfs

Status

6630'-7223' Abo - Open

Perfs

Status

| | |
|-----------|--------------------------|
| 7279'-81' | Granite Wash - Below CIB |
| 7301'-03' | Granite Wash - Below CIB |
| 7319'-21' | Granite Wash - Below CIB |
| 7339'-41' | Granite Wash - Below CIB |
| 7358'-60' | Granite Wash - Below CIB |
| 7378'-80' | Granite Wash - Below CIB |

Prod. Csg: 5 1/2", 15.5#, K-55

Set: @ 7618' w/ 1875 sks

Hole Size: 7 7/8"

Circ: Yes **TOC:** Surface

TOC By: Circulated

WELL TEST REPORT

Lease: **MARK**

Field: **WANTZ**

Reservoir: **ABO**

Well: **11**

Field Code: **U52**

Resv Code: **0000004042**

Unique Code: **UCU522300**

Battery: **MARK #2**

Wellbore: **047303**

API No: **300252605100**

| Test Date | BOPD | BWPD | MCFPD | Tbg PSI | GOR | % Oil | Comp No. | Status | Remarks | Fluid Level | Fld Lvl Date | BTFPD |
|-----------|------|------|-------|---------|------|-------|----------|--------|-------------------------------|-------------|--------------|-------|
| | 0 | 0 | 0 | 35 | | | 99 | PR | | 6882 | 8/26/01 | |
| | 0 | 0 | 0 | 35 | | | 01 | PR | | 2850 | 5/4/00 | |
| | 0 | 0 | 0 | 40 | | | 02 | PR | | | 1/1/85 | |
| | 0 | 0 | 0 | 40 | | | 02 | PR | | 2850 | 5/4/00 | |
| | 0 | 0 | 0 | 40 | | | 02 | PR | | | 1/1/85 | |
| | 0 | 0 | 0 | 220 | | | 03 | PR | | 3063 | 7/6/05 | |
| | 0 | 0 | 0 | 55 | | | 99 | PR | | 5479 | 8/16/02 | |
| | 0 | 0 | 0 | 55 | | | 99 | PR | | 7087 | 6/21/03 | |
| | 0 | 0 | 0 | 220 | | | 03 | PR | | 3640 | 5/24/06 | |
| 7/3/06 | 30 | 38 | 156 | 220 | 5200 | 44.1 | 03 | PR | | 3640 | 5/24/06 | 68 |
| 7/2/06 | 32 | 39 | 155 | 220 | 4844 | 45.1 | 03 | PR | | 3640 | 5/24/06 | 71 |
| 7/1/06 | 31 | 42 | 157 | 220 | 5065 | 42.5 | 03 | PR | | 3640 | 5/24/06 | 73 |
| 6/30/06 | 41 | 46 | 158 | 220 | 3837 | 47.3 | 03 | PR | | 3640 | 5/24/06 | 87 |
| 6/6/06 | 34 | 43 | 153 | 220 | 4500 | 44.2 | 03 | PR | | 3640 | 5/24/06 | 77 |
| 6/5/06 | 39 | 45 | 158 | 220 | 4024 | 46.6 | 03 | PR | | 3640 | 5/24/06 | 84 |
| 5/6/06 | 45 | 60 | 166 | 220 | 3689 | 42.9 | 03 | PR | | 3063 | 5/4/06 | 105 |
| 5/5/06 | 46 | 79 | 167 | 220 | 3625 | 36.9 | 03 | PR | | 3063 | 5/4/06 | 125 |
| 5/4/06 | 46 | 63 | 165 | 220 | 3591 | 42.3 | 03 | PR | | 3063 | 5/4/06 | 109 |
| 4/22/06 | 29 | 41 | 158 | 220 | 5448 | 41.4 | 03 | PR | | 3063 | 7/6/05 | 70 |
| 4/8/06 | 42 | 52 | 162 | 220 | 3875 | 44.4 | 03 | PR | | 3063 | 7/6/05 | 94 |
| 4/7/06 | 41 | 51 | 162 | 220 | 3974 | 44.3 | 03 | PR | | 3063 | 7/6/05 | 92 |
| 4/6/06 | 31 | 79 | 164 | 220 | 5290 | 28.2 | 03 | PR | | 3063 | 7/6/05 | 110 |
| 3/25/06 | 41 | 63 | 153 | 220 | 3769 | 39.4 | 03 | PR | | 3063 | 7/6/05 | 103 |
| 3/24/06 | 48 | 72 | 148 | 220 | 3083 | 40.0 | 03 | PR | | 3063 | 7/6/05 | 120 |
| 2/27/06 | 45 | 76 | 176 | 220 | 3911 | 37.2 | 03 | PR | | 3063 | 7/6/05 | 121 |
| 1/19/06 | 44 | 65 | 177 | 220 | 4033 | 40.4 | 03 | PR | | 3063 | 7/6/05 | 109 |
| 12/19/05 | 54 | 70 | 147 | 220 | 2723 | 43.5 | 03 | PR | | 3063 | 7/6/05 | 124 |
| 12/18/05 | 63 | 79 | 161 | 220 | 2552 | 44.4 | 03 | PR | | 3063 | 7/6/05 | 142 |
| 12/17/05 | 51 | 86 | 156 | 220 | 3056 | 37.2 | 03 | PR | | 3063 | 7/6/05 | 137 |
| 11/18/05 | 52 | 92 | 186 | 220 | 3582 | 36.1 | 03 | PR | | 3063 | 7/6/05 | 144 |
| 11/13/05 | 53 | 64 | 164 | 220 | 3089 | 45.3 | 03 | PR | | 3063 | 7/6/05 | 117 |
| 10/13/05 | 64 | 71 | 173 | 220 | 2696 | 47.4 | 03 | PR | | 3063 | 7/6/05 | 135 |
| 10/12/05 | 57 | 68 | 166 | 220 | 2907 | 45.6 | 03 | PR | | 3063 | 7/6/05 | 125 |
| 9/20/05 | 48 | 67 | 198 | 220 | 4126 | 41.7 | 03 | PR | | 3063 | 7/6/05 | 115 |
| 8/20/05 | 67 | 92 | 232 | 220 | 3468 | 42.1 | 03 | PR | | 3063 | 7/6/05 | 159 |
| 7/29/05 | 61 | 103 | 184 | 220 | 3021 | 37.2 | 03 | PR | | 3063 | 7/6/05 | 164 |
| 7/8/05 | 77 | 103 | 227 | 220 | 2954 | 42.8 | 03 | PR | | 3063 | 7/6/05 | 180 |
| 7/7/05 | 83 | 110 | 231 | 220 | 2788 | 43.0 | 03 | PR | | 3063 | 7/6/05 | 193 |
| 7/6/05 | 97 | 125 | 238 | 220 | 2456 | 43.7 | 03 | PR | | 3063 | 7/6/05 | 222 |
| 6/9/05 | 86 | 114 | 215 | 220 | 2497 | 43.0 | 03 | PR | | | | 200 |
| 6/8/05 | 100 | 136 | 241 | 220 | 2412 | 42.4 | 03 | PR | | | | 236 |
| 5/23/05 | 92 | 122 | 257 | 220 | 2792 | 43.0 | 03 | PR | | | | 214 |
| 5/17/05 | 136 | 192 | 312 | 220 | 2292 | 41.5 | 03 | PR | | | | 328 |
| 5/16/05 | 145 | 202 | 303 | 220 | 2089 | 41.8 | 03 | PR | | | | 347 |
| 5/15/05 | 156 | 215 | 319 | 220 | 2042 | 42.0 | 03 | PR | | | | 371 |
| 5/14/05 | 148 | 203 | 267 | 220 | 1802 | 42.2 | 03 | PR | CSG NOW HAS SEPERATE FLOWLINE | | | 351 |
| 5/13/05 | 138 | 262 | 232 | 220 | 1684 | 34.5 | 03 | PR | | | | 400 |
| 5/12/05 | 90 | 135 | 220 | 220 | 2440 | 40.0 | 03 | PR | | | | 225 |
| 5/11/05 | 100 | 580 | 211 | 220 | 2108 | 14.7 | 03 | PR | | | | 680 |
| 5/10/05 | 120 | 270 | 295 | 220 | 2459 | 30.8 | 03 | PR | | | | 390 |
| 5/9/05 | 129 | 229 | 316 | 220 | 2447 | 36.0 | 03 | PR | | | | 358 |
| 5/8/05 | 118 | 212 | 288 | 220 | 2443 | 35.8 | 03 | PR | | | | 330 |
| 5/7/05 | 116 | 207 | 280 | 220 | 2417 | 35.9 | 03 | PR | | | | 323 |

WELL TEST REPORT

Lease: **MARK**

Field: **WANTZ**

Reservoir: **ABO**

Well: **11**

Field Code: **U52**

Resv Code: **0000004042**

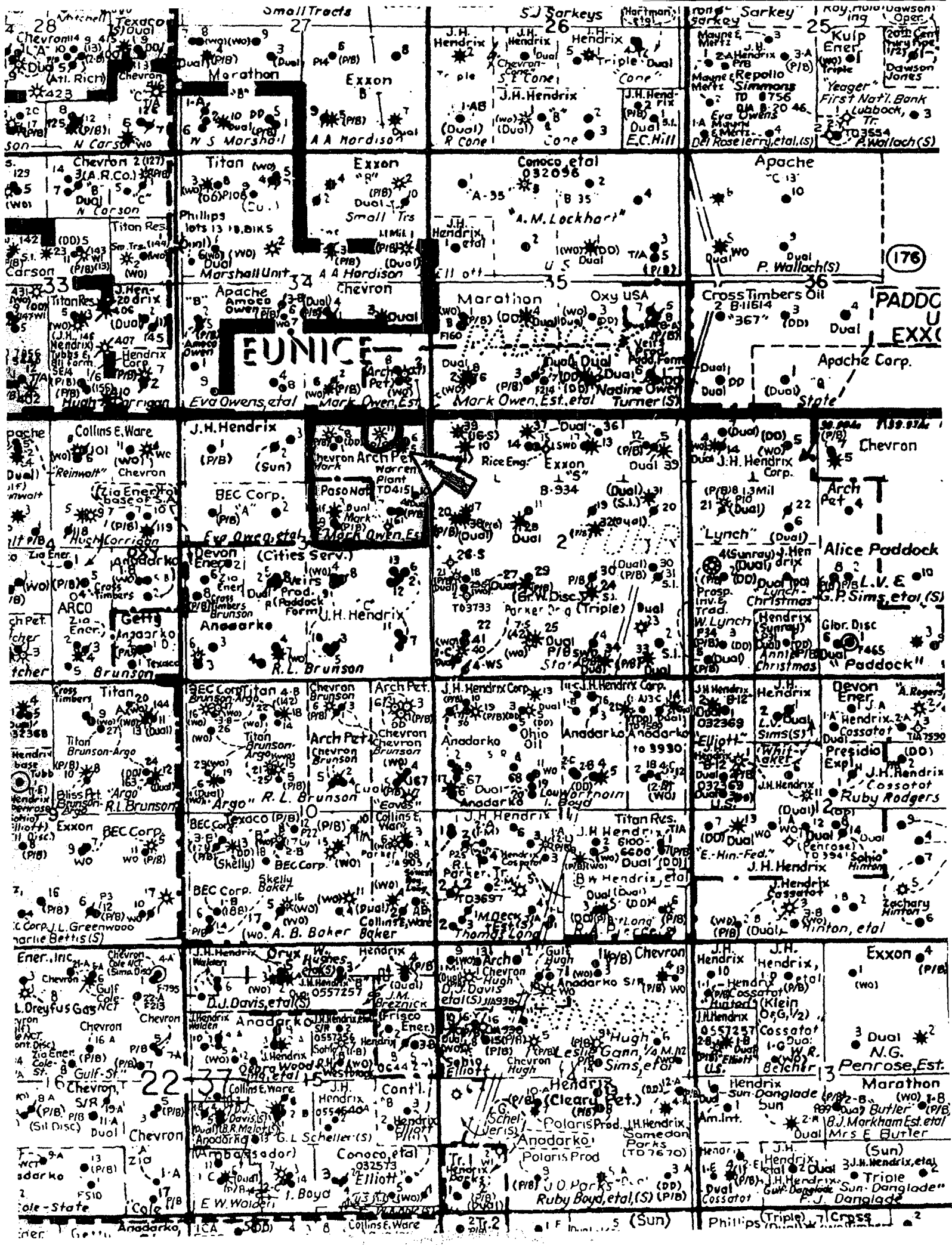
Unique Code: **UCU522300**

Battery: **MARK #2**

Wellbore: **047303**

API No: **300252605100**

| Test Date | BOPD | BWPD | MCFPD | Tbg PSI | GOR | % Oil | Comp No. | Status | Remarks | Fluid Level | Fld Lvl Date | BTFPD |
|-----------|------|------|-------|---------|---------|-------|----------|--------|--------------------------|-------------|--------------|-------|
| 5/6/05 | 120 | 208 | 296 | 220 | 2467 | 36.6 | 03 | PR | | | | 328 |
| 5/5/05 | 90 | 360 | 306 | 220 | 3399 | 20.0 | 03 | PR | | | | 450 |
| 5/2/05 | 95 | 398 | 401 | 220 | 4221 | 19.3 | 03 | PR | | | | 493 |
| 5/2/05 | 95 | 398 | 409 | 55 | 4305 | 19.3 | 99 | PR | | | 4/29/05 | 493 |
| 5/1/05 | 79 | 398 | 344 | 220 | 4356 | 16.6 | 03 | PR | | | | 477 |
| 4/30/05 | 115 | 438 | 419 | 220 | 3640 | 20.8 | 03 | PR | | | | 553 |
| 4/30/05 | 0 | 0 | 0 | 55 | #DIV/0! | ##### | 99 | PR | PUMP GAS LOCKED RESPACED | | 4/29/05 | 0 |
| 4/29/05 | 195 | 435 | 358 | 220 | 1835 | 31.0 | 03 | PR | | | | 630 |
| 4/29/05 | 0 | 0 | 0 | 55 | #DIV/0! | ##### | 99 | PR | | | 4/29/05 | 0 |
| 4/29/05 | 195 | 435 | 365 | 55 | 1872 | 31.0 | 99 | PR | | | 4/29/05 | 630 |
| 4/28/05 | 135 | 285 | 165 | | 1220 | 32.1 | 03 | PR | | | | 420 |
| 4/25/05 | 122 | 381 | 252 | | 2065 | 24.3 | 03 | PR | | | | 503 |
| 4/25/05 | 122 | 381 | 257 | 55 | 2107 | 24.3 | 99 | PR | | 7087 | 6/21/03 | 503 |
| 4/24/05 | 180 | 385 | 243 | | 1351 | 31.9 | 03 | PR | | | | 565 |
| 4/23/05 | 220 | 386 | 274 | | 1243 | 36.3 | 03 | PR | | | | 606 |
| 3/3/05 | 6 | 2 | 80 | 55 | 13333 | 75.0 | 99 | PR | | 7087 | 6/21/03 | 8 |
| 3/1/05 | 9 | 2 | 77 | 55 | 8556 | 81.8 | 99 | PR | | 7087 | 6/21/03 | 11 |
| 2/4/2005 | 5 | 6 | 66 | 55 | 13200 | 45.5 | 99 | PR | | 7087 | 6/21/2003 | 11 |
| 2/3/2005 | 10 | | 74 | 55 | 7400 | ##### | 99 | PR | | 7087 | 6/21/2003 | ##### |
| 2/1/2005 | 9 | 3 | 99 | 55 | 11000 | 75.0 | 99 | PR | | 7087 | 6/21/2003 | 12 |
| 10/28/200 | 6 | 2 | 95 | 55 | 15833 | 75.0 | 99 | PR | | 7087 | 6/21/2003 | 8 |





FILE ROOM

**NEW MEXICO ENERGY, MINERALS
& NATURAL RESOURCES DEPARTMENT**

OIL CONSERVATION DIVISION
2040 South Pacheco Street
Santa Fe, New Mexico 87505
(505) 827-7131

ADMINISTRATIVE ORDER DHC-2439

Chevron U.S.A. Production Company
P.O. Box 1150
Midland, Texas 79702

Attention: Mr. C.A. Wright

well file
Mark No. 11

API No. 30-025-26051

Unit A, Section 3, Township 22 South, Range 37 East, NMPM,
Lea County, New Mexico.

Blinbry Oil & Gas (Oil - 6660) and
Wantz-Abo (Oil - 62700) Pools

Dear Mr. Wright:

Reference is made to your recent application for an exception to Rule 303.A. of the Division Rules and Regulations to permit the above described well to commingle production from the subject pools in the wellbore.

It appearing that the subject well qualifies for approval for such exception pursuant to the provisions of Rule 303.C., and that reservoir damage or waste will not result from such downhole commingling, and correlative rights will not be violated thereby, you are hereby authorized to commingle the production as described above and any Division Order which authorized the dual completion and required separation of the zones is hereby placed in abeyance.

In accordance with the provisions of Rule 303.C., the daily allowable producing rates from the well are hereby established as follows:

Oil 107 B/D

Gas 428 MCF/D

Water 214 B/D

Assignment of allowable to the well and allocation of production from the well shall be on the following basis:

| | | |
|------------------------|---------|---------|
| Blinbry Oil & Gas Pool | Oil-10% | Gas-59% |
| Wantz-Abo Pool | Oil-90% | Gas-41% |

Administrative Order DHC-2439
Chevron U.S.A. Production Company
August 23, 1999
Page 2

REMARKS: The operator shall notify the Hobbs District Office of the Division upon implementation of the commingling process.

Pursuant to Rule 303.H., the commingling authority granted herein may be rescinded by the Division Director if conservation is not being best served by such commingling.

Approved at Santa Fe, New Mexico on this 23rd day of August, 1999.

STATE OF NEW MEXICO
OIL CONSERVATION DIVISION

Lori Wrotenbery by Dec
LORI WROTENBERY
Director

SEAL

LW/DRC

cc: Oil Conservation Division - Hobbs