

Chevron USA Production Company Inc.
Carolyn J. Haynie
PE Technical Assistant
Eunice Waterflood
15 Smith Road
Midland, TX 79705

ChevronTexaco

September 5, 2002

New Mexico Oil Conservation Division
Attn: Lori Wrotenbery, Directory
1220 South St. Francis Drive
Santa Fe, NM 87504

Surface Commingling Request
New Mexico "EA" State # 2
Unit A, Section 24, T18S, R37E
Lea County, New Mexico

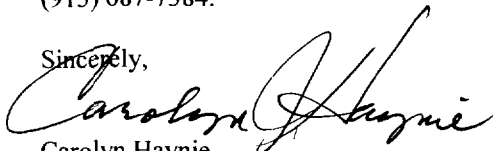
Dear Ms. Wrotenbery:

ChevronTexaco Exploration & Production Company, a division of Chevron U.S.A. Inc., respectfully requests administrative approval to pool surface commingle the New Mexico "EA" State wells # 1 & # 2, production. The NM "EA" State # 2 well is being drilled, therefore, actual production data is currently unavailable. ChevronTexaco is requesting approval based on data from the New Mexico EA State #1, which was drilled and completed December of 2001.

Three reservoirs are currently downhole commingled on Administrative Order DHC-2963-A, which allows for the NM "EA" State # 1 to commingle the production from the Wildcat Drinkard, the Wildcat Abo, and the Wildcat Tubb. The NM "EA" State #2 well is currently being drilled and a downhole commingling permit has been submitted for approval. It is proposed to surface commingle production from both wells in a common tank battery located at the NM "EA" State #1. The proposed facility will be equipped with a metering test separator for monthly allocation of production to each well.

Attached in support of this request is a proposed schematic diagram for the subject facility, and a lease plat., a copy of the letter to the Commissioner of Public Lands, State of New Mexico. Since both wells will ultimately be completed in the same pools, the production gravities and monetary values will be similar. ChevronTexaco has 100% working interest in both wells. Permission to commingle the wells would substantially lower operating costs to ChevronTexaco. If you have any questions concerning this application, please contact me, at (915) 687-7384.

Sincerely,

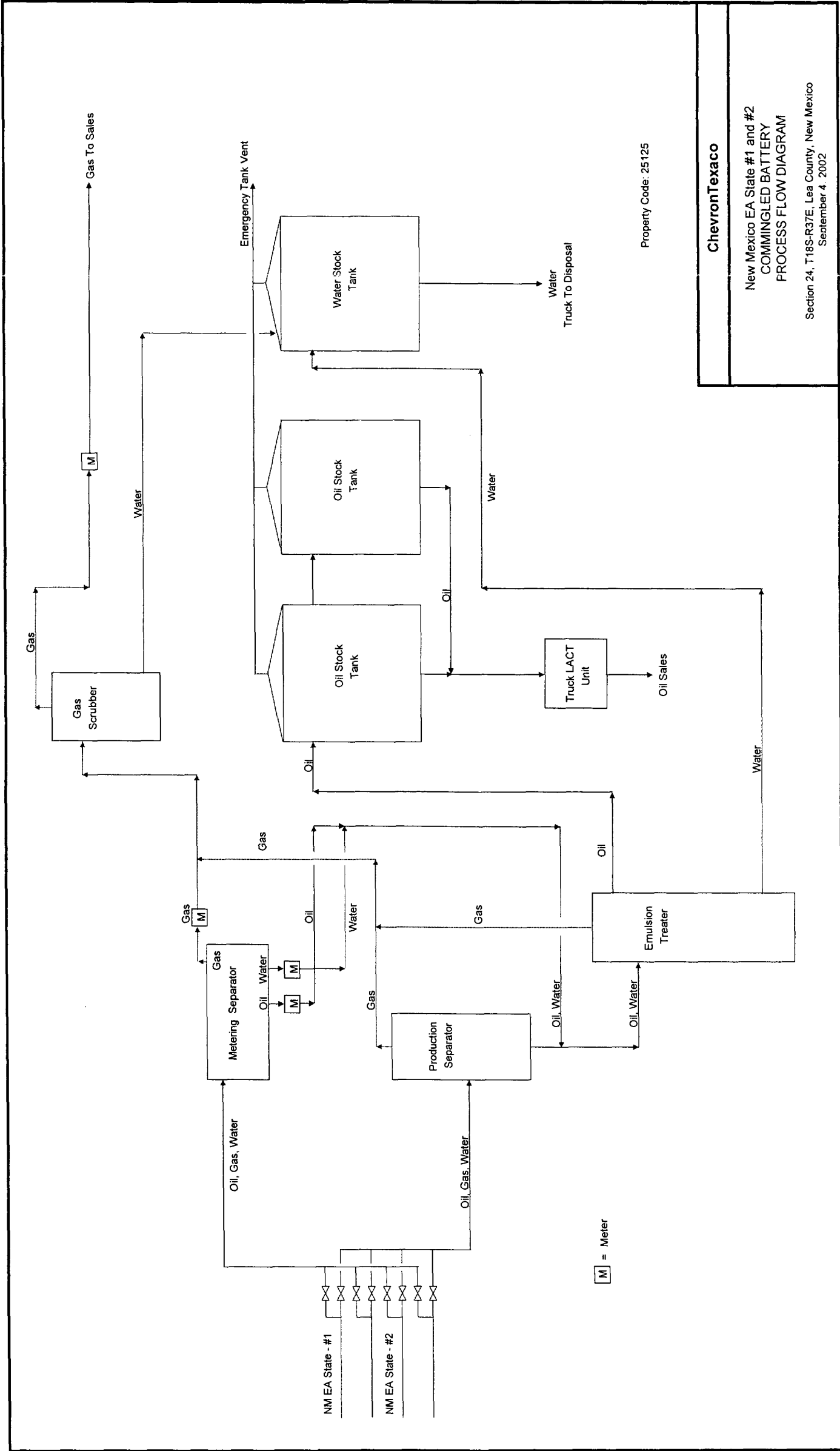


Carolyn Haynie
PE Technical Assistant

Cc: NMOCD – Hobbs District I
Commissioner of Public Lands
Lease File
Denise Leake
Reggie Holzer
Nathan Mouser
Kent Coggan

API	Well Name	Unit	Section	Location	Township	Range	County
30-025-34788	New Mexico "EA" State # 1	A	24	410' FNL & 610' FEL	18S	37E	LEA
30-025-35953	New Mexico "EA" State # 2	B	24	330' FNL & 1733' FEL	18S	37E	LEA

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ChevronTexaco

New Mexico EA State #1 and #2
COMMINGLED BATTERY
PROCESS FLOW DIAGRAM

Section 24, T18S-R37E, Lea County, New Mexico
September 4, 2002

Chevron U.S.A. Production Company
Carolyn J. Haynie
New Mexico Waterflood
Technical Assistant
15 Smith Road
Midland, TX 79705

ChevronTexaco

September 5, 2002

Commissioner of Public Lands,
State of New Mexico
P.O. Box 1148
Santa Fe, NM 87504

Re: Surface Commingling Request
New Mexico "EA" State #2
Unit A, Section 24, T18S, R37E
Lea County, New Mexico

Dear Mr. Martinez,

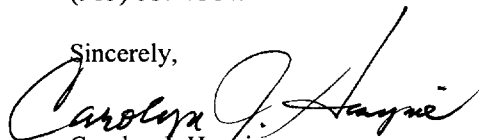
ChevronTexaco Exploration & Production Company, a division of Chevron U.S.A. Inc., is requesting approval from the Commissioner of Public Lands, State of New Mexico, to pool surface commingle the New Mexico "EA" State wells # 1 & # 2, production. The NM "EA" State # 2 well is being drilled, therefore, actual production data is currently unavailable. ChevronTexaco is requesting approval based on data from the New Mexico EA State #1, which was drilled and completed December of 2001.

Three reservoirs are currently downhole commingled on Administrative Order DHC-2963-A, which allows for the NM "EA" State # 1, API # 30-025-34788, to commingle the production from the Wildcat Drinkard, the Wildcat Abo, and the Wildcat Tubb. The NM "EA" State #2, API # 30-025-35953, is currently being drilled and a downhole commingling permit has been submitted for approval. It is proposed to surface commingle production from both wells in a common tank battery located at the NM "EA" State #1. The proposed facility will be equipped with a metering test separator for monthly allocation of production to each well.

Attached in support of this request is a proposed schematic diagram for the subject facility, and a lease plat, and the Commissioner of Public Lands, State of New Mexico, commingling filing fee, in the amount of \$30.00. Since both wells will ultimately be completed in the same pools, the production gravities and monetary values will be similar. ChevronTexaco has 100% working interest in both wells. Permission to commingle the wells would substantially lower operating costs to ChevronTexaco.

If you have any questions concerning this application, or need additional information, please contact me, at (915) 687-7384.

Sincerely,



Carolyn J. Haynie
New Mexico Waterflood
PE Technical Assistant

CC: NMOC Santa Fe, NM
Mike Howell
Reggie Holzer
Kent Coggan
Nathan Mouser