Form 3160-5 (June 1990

UNITED STATES DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT

awer DD tesia, NM 88210

FORM APPROVED

Budget Bureau No. 1004-0135

Expires: March 31, 199

<u>Ex</u>	pires:	March	31,	1993	
Lease	Design	ation	and	Serial	No.

Do not use this form for proposals to drill or deepen or reentry to a different reser

NM 068032

	FOR PERMIT-* for such proposals	onc. If Indian, Allottee or Tribe Name
SU	7. If Unit or CA, Agreement Designation	
1. Type of well Oil X Gas Other	SW 326 8. Well Name and No.	
2. Name of Operator CHEVRON U.S.A. PRODUCTION CO., IN	Helbing Gas Com Well No. 1 9. API Well No. 7	
3. Address and Telephone No.		API No. 300151009000
P. O. BOX 1150, MIDLAND, TX 79702 4. Location of Well (Pootage, Sec., T., R., 1	10. Field and Pool, or Exploratory Area Indian Basin	
Section 15, T22S - R23E 1,8 5 0' FNL - 1,700' F E L Unit F W		11. County or Parish, State Eddy County, NM
	BOX(S) TO INDICATE NATURE OF NOTICE, R	EPORT, OR OTHER DATA
12 TYPE OF SUBMISSION	TYPE OF ACTION	
X Notice of Intent	Abandonment Recompletion	Change of Plans New Construction
Subsequent Report	Plugging Back	Non-Routine Fracturing
Final Abandonment Notice	Casing Repair Altering Casing	Water Shut-Off Conversion to Injection
Decribe Proposed or Completed Operations (Clearly state all perting)	Other Measurement/comingle	Dispose Water (Note: Report results of multiple completion on Well Completion or Recompletion Report and Log form.)
give subsurface locations and measured and true vertical depths	for all markers and zones pertinent to this work)*	rupused work. If well is directionally diffied,

As required by 43 CFR 3162.7-2 and Onshore Oil and Gas Order No. 4, we are requesting approval of off-lease measurement, alternate measurement method, and commingling of condensate. Attached is a copy of the BLM approval for alternate measurement of condensate in the Indian Basin field. Also as required by 43 CFR 3162.7-3 and Onshore Oil and Gas Order No. 4, we are requesting approval of off-lease measurement and commingling of gas.

Both condensate and gas is transported to the Marathon Gas Plant located, at SW/NE, Section 23, T-21-S, R-23-E in Eddy County, by separate steel pipelines. The routing of these pipelines is shown in Figure 1. An application is attached showing the affected leases in the Indian Basin field.

MMR 20 1935

OIL COST TO

FEB 23 7005

14.	I hereby certify that the forgeing is	is Que and correct	Sr. Facilities Engineer	Date	February 23, 1995	
	(This space for Federal or State off Approved by rig Signed by Shann Conditions of approval, if any:	fice use) non J Shaw Title	Petreleum Engineer	Date	3/20/95	

Title 18 U.S.C. Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

APPLICATION FOR SURFACE COMMINGLING OFF LEASE STORAGE AND MEASUREMENT APPROVAL

TO: Bureau of Land Management
P.O. Box 1778
Carlsbad, New Mexico 88221-1778

Chevron U.S.A. Production Company is requesting approval for surface commingling and off-lease storage and measurement of hydrocarbon production from the following formation(s) and well(s) on Federal Lease No. SW 236; Lease Name: Helbing Gas COM.

Well No.	Location	Section	<u>Township</u>	Range	Formation
1	1860' FNL, 1700' FEL	15	22 S	23E	Upper Penn

with hydrocarbon production from other Federal Leases connected to the Marathon gas gathering and oil and water gathering systems.

Production from the wells involved are as follows:

Well Name and No.	BOPD	Oil Gravity	MCFPD
Helbing Gas COM Well No. 1	23	60° API	7600

The proposed operation is described in detail on the attached diagrams.

A map is enclosed showing the lease numbers and location of all leases and wells that will contribute production to the proposed commingling/common storage facility. All unitized/communitized areas, producing zones/pools are also clearly illustrated.

A schematic diagram is also attached which clearly identifies all equipment that will be utilized.

The storage and measuring facility is located at SW/NE, Section 23, T-21-S, R-23-E, Eddy County, New Mexico. BLM will be notified if there is any future change in the facility location

Details of the proposed method for allocating production to contributing sources is as follows:

The gas and oil are measured at each site utilizing allocation meters. The gas and oil with water is transported to the Marathon Gas Plant in two separate steel pipelines. After processing the gas is metered at the tail-gate of the plant and sold. The oil is also processed and sold through a LACT Unit at the plant. The produced water is injected into SWD wells adjacent to the plant.

The proposed commingling of production is the interest of conservation and will not result in reduced royalty or improper measurement of production.

The proposed commingling is necessary for continued operation of the above referenced Federal leases.

We understand that the requested approval will not constitute the granting of any right-of-way or construction rights not granted by the lease instrument. And, we will submit within 30 days an application for right-of-way approval to the BLM's Realty Section in your office if we have not already done so.

Additional wells require additional commingling approvals.

Signature:_	K	O	Lasa	
		_	11	

Name: R. A. Holzere

Title Sp. FACILITIES ENGR

Date: 2 - 23 - 95

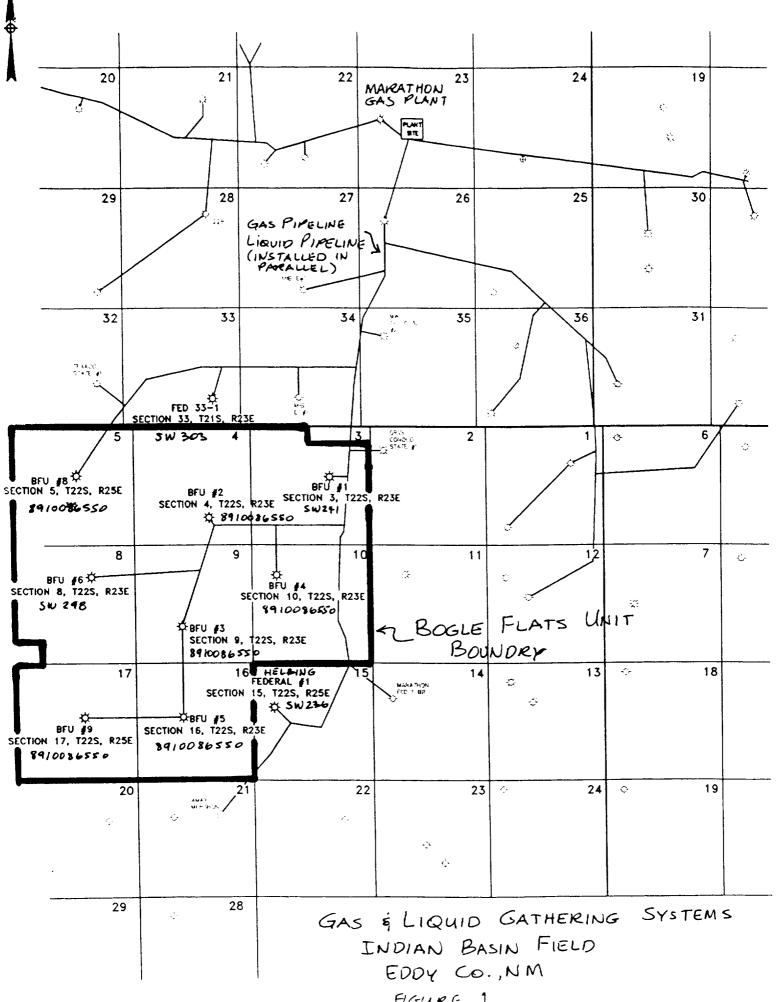


FIGURE 1



United States Department of the Interior



BUREAU OF LAND MANAGEMENT Carlsbad Resource Area Headquarters P.O. Box 1778 Carlsbad, New Mexico 88221-1778

JAN 2 6 1993

3162 (067)

CERTIFIED--RETURN RECEIPT REQUESTED P 864 873 119

Marathon Oil Company Attention: R.F. Unger P.O. Box 552 Midland, TX 79702

RE: Condensate Measurement, Indian Basin Field

Dear Mr. Unger:

After reviewing your submittal of October 13, 1992, the Bureau of Land Management (BLM), Steve Salzman (NMSO), Armando Lopez (RDO), Adam Salameh and Jim Amos (CRA) are in agreement with your findings.

At this time we are ready to approve your alternate method of measurement and off-lease measurement request. All operators in the Indian Basin field who are presently delivering condensate to the Marathon Indian Basin Gas Plant and are utilizing the existing method of measurement must submit a written request.

This request must address off-lease measurment of oil and gas, and a variance to Onshore Order No. 4 for an alternate method of measurement, showing the present method. This request should show operator, lease and well number, and location.

If you have any questions feel free to contact Jim Amos at (505) 887-6544.

Sincerely,

Richard L. Manus Area Manager RECEIVED

MARATHON OIL CO.

FEB 0 1 1993

Region Counsel
Mid-Continent Region Law Dept.
Midlend, Texas

RECEIVED MARATHON OIL COMPANY

FPP1 6 2 NAL

PRODUCTION MANAGER MIDLAND OPERATIONS MIDLAND, TEXAS



United States Department of the Interior



BUREAU OF LAND MANAGEMENT

Carlsbad Resource Area Headquarters P.O. Box 1778 Carlsbad, New Mexico 88221-1778

3162(067) LC064391B, etal MAR 2 3 1993

CERTIFIED--RETURN RECEIPT REQUESTED P 864 875 285

Marathon Oil Company P. O. Box 552 Midland, TX 79702

RE: Indian Basin Wells (See Attached)

Gentlemen:

Your application of March 3, 1993 requesting approval for off-lease measurement (LACT unit at tailgate of plant) and commingling of both oil and gas, and for an alternate method of oil measurement (allocation meters on lease) is hereby approved subject to the following conditions of approval.

- That this agency be notified of any changes in your method of oil measurement.
- That all wells delivering condensate to the Indian Basin Gas Plant have like method of measurement as per request.
- 3. This agency reserves the right to modify or rescind approval whenever it determines continued use of the approved method may adversely affect federal royalties.
- That site security meet all requirements of Onshore Order No. 3 (non-resettable totalizers).

If you have any questions contact Jim Amos at (505) 887-6544.

Sincerely,

Richard L. Manus

Area Manager

1 enclosure

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MAR 25 1933

TECH OF TECH STREET

ATTACHMENT

Marathon Oil Company

Lease No.	Lease Name	Location
LC064391B	Indian Hills Unit #6	SWSE, SEC.20, T21S, R24E
8910085010	Indian Hills Unit Gas Com #3	SENW, SEC.29, T21S, R24E
8910085080	North Indian Basin Gas Com #3	NESW, SEC.03, T21S, R23E
891008508A	North Indian Basin Unit #8	SESW, SEC.09, T21S, R23E
8910085080	North Indian Basin Unit #8	SESW, SEC.09, T215, R23E
891008508 A	North Indian Basin Unit #1	SWSW, SEC.10, T215, R23E
SW280	Fed. IBA Gas Com #1	NESW, SEC.15, T21S, R23E
8910085080	North Indian Basin Unit #4	NWSE, SEC.16, T21S, R23E
S W 305	J. C. Williamson Std Fed Gas Com	SWNE, SEC.19, T21S, R23E
NM05612A	Indian Basin A #2	NESW, SEC.22, T21S, R23E
NM070522A	Indian Basin C #1	SENW, SEC.26, T21S, R23E
NM070522A	Indian Basin E #1	NESW, SEC.27, T21S, R23E
SW342	Federal IBC Gas Com #1	NWSE, SEC.29, T21S. R23E
NM034446	Indian Basin D #1	NESW, SEC.34, T21S, R23E
SW338	Federal IBB Gas Com #1	SENW, SEC.14, T22S, R23E