

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

N.M. Oil Cons. Division
811 S. 1st Street
Artesia, NM 88210-2834

FORM APPROVED
Budget Bureau No. 1004-0135
Expires: March 31, 1993

C15F

SUNDRY NOTICES AND REPORTS ON WELLS

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

Use "APPLICATION FOR PERMIT-" for such proposals

5. Lease Designation and Serial No.
NM 070522

6. If Indian, Allottee or Tribe Name

7. If Unit or CA, Agreement Designation
SW 303

8. Well Name and No.
Federal 33 Com Well No. 2

9. API Well No.
API No. 30-015-28953

10. Field and Pool, or Exploratory Area
Indian Basin

11. County or Parish, State
Eddy County, NM

SUBMIT IN TRIPLICATE

DEC 05 '96

O. C. D.
ARTESIA OFFICE

1. Type of well
 Oil Gas Other

2. Name of Operator
CHEVRON U.S.A. PRODUCTION CO., INC.

3. Address and Telephone No.
P. O. BOX 1150, MIDLAND, TX 79702 Attn: Reggie Holzer (915) 687-7182

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
Section 33, T21S - R23E
1,959' FNL - 1,802' FEL
Unit G

CHECK APPROPRIATE BOX(S) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

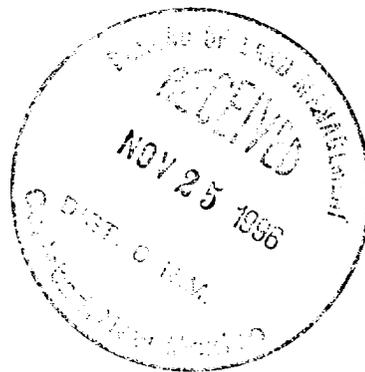
12. TYPE OF SUBMISSION	TYPE OF ACTION		
<input checked="" type="checkbox"/> Notice of Intent	<input type="checkbox"/> Abandonment	<input type="checkbox"/> Change of Plans	<input type="checkbox"/> New Construction
<input type="checkbox"/> Subsequent Report	<input type="checkbox"/> Recompletion	<input type="checkbox"/> Non-Routine Fracturing	<input type="checkbox"/> Water Shut-Off
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Plugging Back	<input type="checkbox"/> Conversion to Injection	<input type="checkbox"/> Dispose Water
	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> Other Measurement/comingle	
	<input type="checkbox"/> Altering Casing		
	<input type="checkbox"/> Other Measurement/comingle		

(Note: Report results of multiple completion on Well Completion or Recompletion Report and Log form.)

13. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimate date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)*

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 application 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.

SEE ATTACHED APPLICATION FOR CONDITIONS OF APPROVAL



14. I hereby certify that the foregoing is true and correct.
Signed Reggie Holzer

Title Sr. Facilities Engineer

Date November 22, 1996

(This space for Federal or State office use)

Approved by ADRIAN LOPEZ
Conditions of approval, if any:

Title **PETROLEUM ENGINEER**

Date 12/4/96

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
Carlsbad Resource Area Headquarters
620 E. Greene Street
Carlsbad, New Mexico 88220-6292

Chevron U. S. A. Production Company is requesting approval for surface commingling and off lease storage and measurement of hydrocarbon production from the following formations(s) and well(s) on;
Lease name: **Federal 33 Com,**

<u>Well No.</u>	<u>Location</u>	<u>Section</u>	<u>Township</u>	<u>Range</u>	<u>Formation</u>
2	1,959' FNL -1,802' FEL	33	21S	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 new well involved is as follows:

<u>Well Name and Number</u>	<u>BOPD</u>	<u>Oil Gravity</u>	<u>MCFPD</u>
Federal 33 Com Well No. 2	9	60° API	3,569

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 and 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, T21S-R23E, 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 pipelines. After processing the gas it 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 salt water disposal wells adjacent to the plant.

The proposed commingling of production is in the best 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.

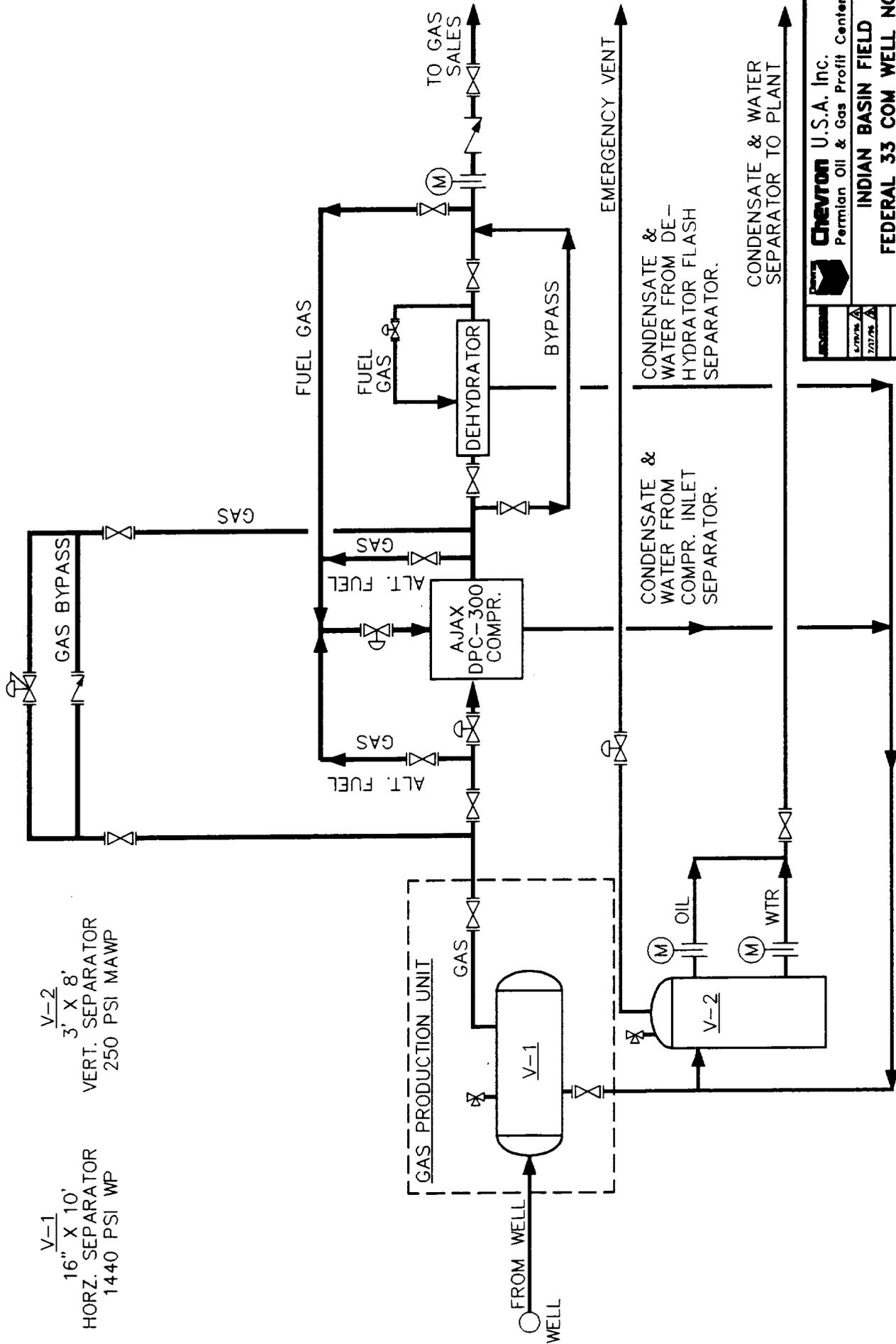
We understand that the requested approval will not constitute the granting of any right-of-way or construction rights not granted by the lease instrument. And, we will submit within 30 days an application for right-of-way approval to the BLM's Realty Section in your office if we have not already done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

Additional wells require additional commingling approvals.

Signature: RA Holzer
Name: R. A. HOLZER
Title: SR. FACILITIES ENGR
Date: 11-22-96

V-1
16" X 10'
HORZ. SEPARATOR
1440 PSI WP

V-2
3' X 8'
VERT. SEPARATOR
250 PSI MAWP



NOTE: SEE PAGE 2 FOR DEHYDRATOR PFD

Operator: Chevron USA, Inc.
P. O. Box 1150
Midland, TX 79702

NM 070522
UNIT #8910086550



Perman Oil & Gas Profit Center

INDIAN BASIN FIELD

FEDERAL 33 COM WELL NO.2

PROCESS FLOW DIAGRAM

SECTION 33, T21S, R23E

1959 FNL, 1802 FEL, UNIT G

Eddy County, New Mexico

DATE	6/19/96	BY	NTS.
REV.	RMH	CHK.	FLM/TP/CDS
APP.	RMH	DES.	RMH
ACC.	INDIAN-F-IND0003	DRAWN	D-IND-00-03

