

DATE IN 8/19/2014	SUSPENSE	ENGINEER MAM	LOGGED IN 8/19/2014	TYPE SD	APP NO. PMH143146862
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ABOVE THIS LINE FOR DIVISION USE ONLY

NEW MEXICO OIL CONSERVATION DIVISION
- Engineering Bureau -
1220 South St. Francis Drive, Santa Fe, NM 87505



ADMINISTRATIVE APPLICATION CHECKLIST

THIS CHECKLIST IS MANDATORY FOR ALL ADMINISTRATIVE APPLICATIONS FOR EXCEPTIONS TO DIVISION RULES AND REGULATIONS WHICH REQUIRE PROCESSING AT THE DIVISION LEVEL IN SANTA FE

Application Acronyms:

[NSL-Non-Standard Location] [NSP-Non-Standard Proration Unit] [SD-Simultaneous Dedication] -SD
 [DHC-Downhole Commingling] [CTB-Lease Commingling] [PLC-Pool/Lease Commingling] -Chevron
 [PC-Pool Commingling] [OLS - Off-Lease Storage] [OLM-Off-Lease Measurement] USAFAC
 [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] 4323

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

[A] Location - Spacing Unit - Simultaneous Dedication
☐ NSL ☐ NSP ☒ SD

Check One Only for [B] or [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

[D] Other: Specify _____

[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] **SUBMIT ACCURATE AND COMPLETE INFORMATION REQUIRED TO PROCESS THE TYPE OF APPLICATION INDICATED ABOVE.**

[4] **CERTIFICATION:** I hereby certify that the information submitted with this application for administrative approval is **accurate** and **complete** to the best of my knowledge. I also understand that **no action** will be taken on this application until the required information and notifications are submitted to the Division.

Note: Statement must be completed by an individual with managerial and/or supervisory capacity.

Cindy Herrera-Murillo
Print or Type Name

Cindy Herrera-Murillo
Signature

Permitting Specialist
Title

08/19/2014
Date

Chereramurillo@chevron.com
e-mail Address



Cindy Herrera-Murillo
Regulatory Specialist
Midcontinent BU

**Chevron North America
Exploration and Production
Company**

1616 W. Bender Blvd Rm #121
Hobbs FMT, Hobbs, NM 88240
Tel 575-263-0431
Fax 575-263-0445
cherreramurillo@chevron.com

August 19, 2014

Mr. Michael McMillan
New Mexico Oil Conservation Division
1220 South San Francis Drive
Santa Fe, New Mexico 87504

Subject: Application to DHC State BA #14 (30-025-33570) in the Vacuum Abo, North, Vacuum Wolfcamp, and Vacuum Upper Penn pools.

Dear Mr. McMillan:

Chevron U.S.A. Inc. respectfully requests administrative approval to downhole commingle the State BA #14 in the Vacuum Abo North, Vacuum Wolfcamp, and Vacuum Upper Penn pools. The subject well is a marginal gas producer and is currently shut in due to a broken plunger lift. Earlier this year, the Vacuum technical team geologist identified an opportunity for an uphole recompletion. The workover will consist of abandoning the Atoka and recompleting uphole in the three identified zones. The work is expected to increase production and profitability of the well. The C-107A and additional supporting documentation submitted earlier describes how the production allocation will be distributed between the three zones.

If additional information is required, you may contact Sean Heaster at t 432-687-7366 or email him at SHeaster@chevron.com.

Sincerely,

A handwritten signature in cursive script that reads "Cindy Herrera-Murillo".

Cindy Herrera-Murillo
Regulatory Specialist

ATTACHMENT I

LAND OWNERSHIP STATUS

PREPARED BY Daniel Pequeno, Landman, CPL/ESA

June 24, 2014

Application of Chevron U.S.A. Inc. for Administrative Approval to Downhole Commingle the Abo, Wolfcamp and Upper Penn Pools:

Chevrons – State “BA” Well No. 14 – (API NO. 30-025-33570)
990' FNL & 330' FEL Section 36, T-17-S, R-34E, (Unit Letter A)
Lea County, New Mexico

N/2N/2 SECTION 36 – T17S-R34E, NMPM – STATE LEASE B-1565:

Lease Owner – 100% WI

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

Royalty Owner – 1/8 Royalty

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

Well located on the Lease is the State “BA” #14 currently an Atoka well – Atoka to be abandon and the well will be recompleted in the (proposed Abo, Wolfcamp and Upper Penn pools and down hole commingle)

Surface Owner for Section 36, T17S-R34E, N.M.P.M.:

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

Signed By: _____


Daniel Pequeno, Landman

Date: June 24, 2014

DISTRICT I
P. O. Box 1985, Hobbs, NM 88240

DISTRICT II
P. O. Drawer 80, Artesia, NM 88210

DISTRICT III
1000 Rio Grande Rd., Aztec, NM 87410

DISTRICT IV
P. O. Box 2088, Santa Fe, NM 87504-2088

State of New Mexico
Energy, Minerals and Natural Resources Department

OIL CONSERVATION DIVISION
PO Box 2088
Santa Fe, NM 87504-2088

Form C-102
Revised February 10, 1994

Instructions on back

Submit to Appropriate District Office

State Lease-4 copies
Fee Lease-3 copies

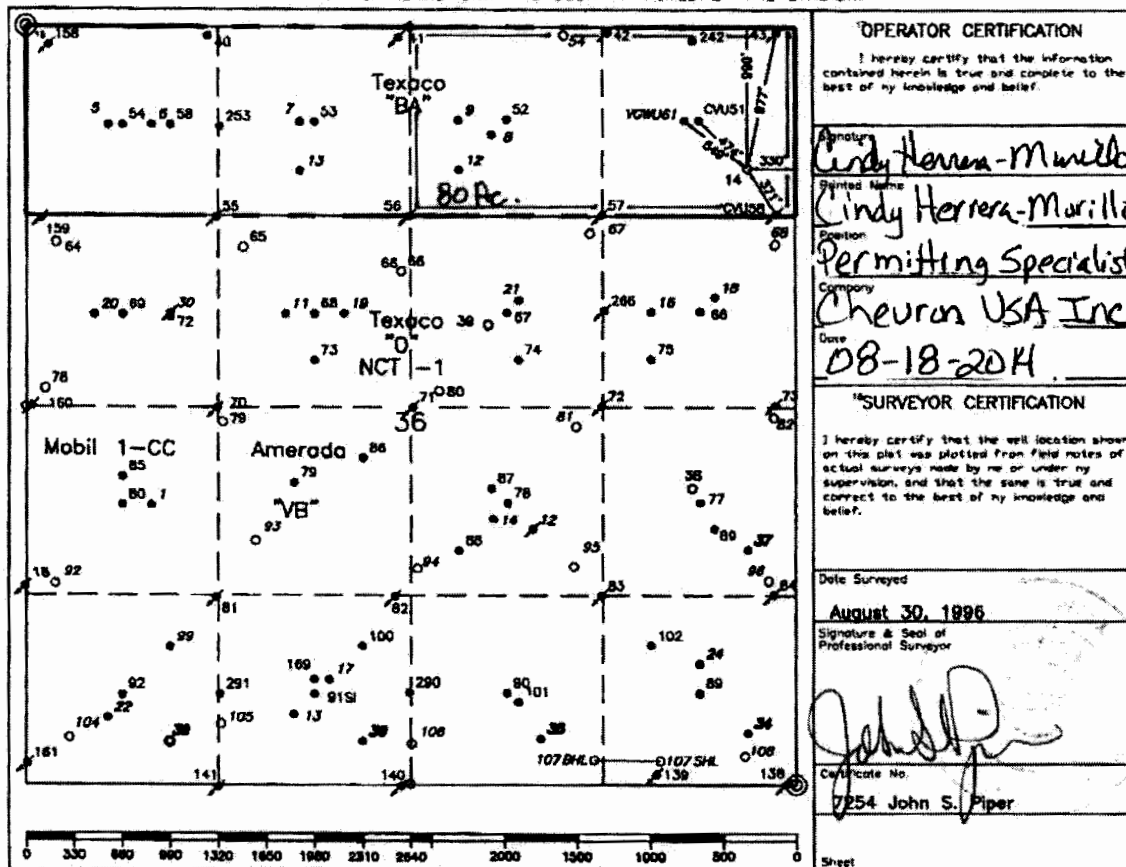
WELL LOCATION AND ACREAGE DEDICATION PLAT

☐ AMENDED REPORT

1 API Number 30-025-33570		2 Pool Code 62340		3 Pool Name Vacuum Wolfcamp	
4 Property Code 30006		5 Property Name State "BA"		6 Well Number 14	
7 DECID No. 4323		8 CHEVRON		9 USA INC	
10 Elevation 3991'					

11 Surface Location									
12 UL or lot no. A	13 Section 36	14 Township 17-S	15 Range 34-E	16 Lot Idn	17 Feet from the 990'	18 North/South line North	19 Feet from the 330'	20 East/West line East	21 County Lea
11 Bottom Hole Location If Different From Surface									
12 UL or lot no.	13 Section	14 Township	15 Range	16 Lot Idn	17 Feet from the	18 North/South line	19 Feet from the	20 East/West line	21 County
22 Dedicated Acres 80		23 Joint or Infill		24 Consolidation Code		25 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.



○ = Staked Location ● = Producing Well ● = Injection Well ⊕ = Water Supply Well ⊕ = Plugged & Abandon Well
⊙ = Found Section Corner, 2 or 3" Iron Pipe & GLO B.C. ○ = Found 1/4 Section Corner, 1" Iron Pipe & GLO B.C.

ADDITIONAL INFORMATION ON THE LOCATION

State Plane Coordinates			
Northing 654344.83		Easting 795410.37	
Latitude 32°47'45.943"		Longitude 103°30'23.400"	
Zone	North American Datum	Combined Grid Factor	Coordinate File
East	1983	0.9997915	Buckeye.cr5
Drawing File		Field Book	
BA14ST80.dwg		Lea County 15, Pg. 51	

DISTRICT I
P. O. Box 1980, Hobbs, NM 88240

DISTRICT II
P. O. Drawer 10, Artesia, NM 88210

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

DISTRICT IV
P. O. Box 2088, Santa Fe, NM 87504-2088

State of New Mexico
Energy, Minerals and Natural Resources Department

OIL CONSERVATION DIVISION
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Santa Fe, NM 87504-2088

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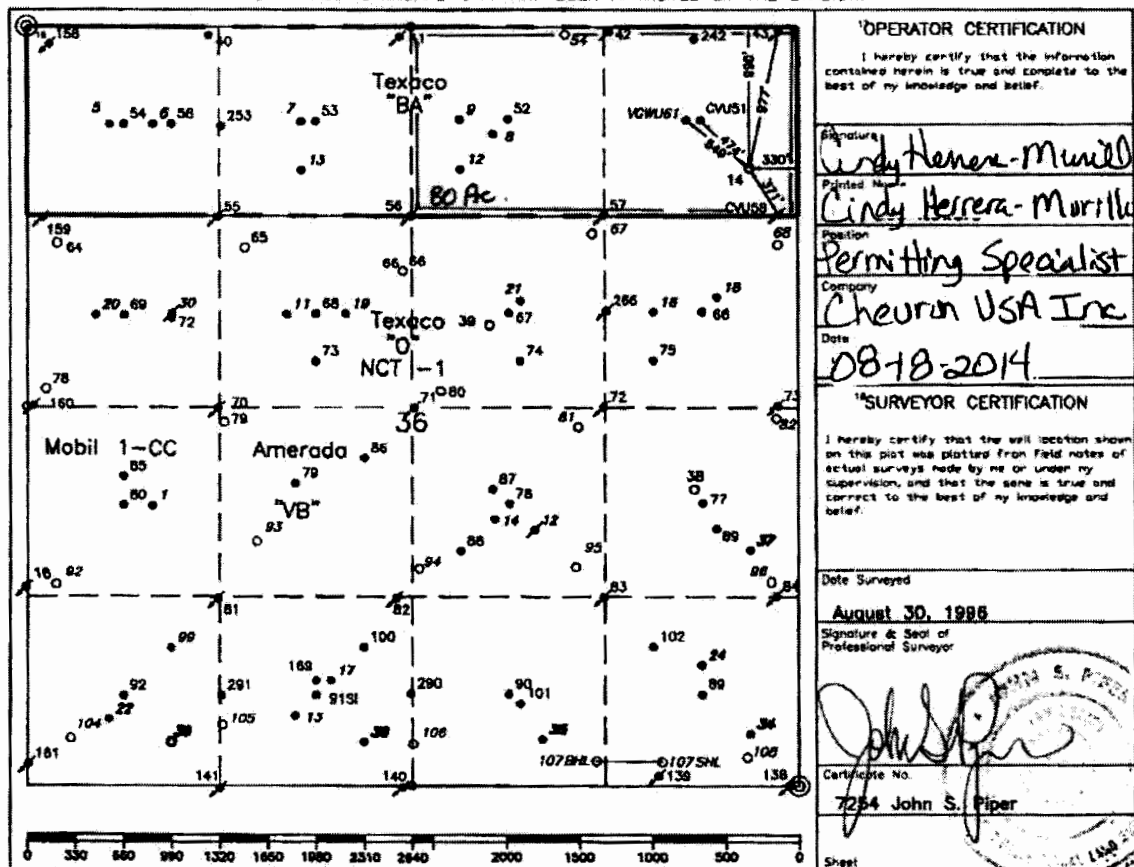
State Lease-4 copies
Fee Lease-3 copies

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

APN Number 30-025-33570		Pool Code 401760		Pool Name Vacuum, Abo North	
Property Code 30006		Property Name State "BA"		Well Number 14	
Operator No. 4323		Operator Name CHEVRON USA INC		Elevation 3991'	
10 Surface					
UL or lot no. A	Section 36	Township 17-S	Range 34-E	Lot Idn 990'	North/South line North
				Feet from the 330'	East/West line East
				County Lea	
Bottom Hole Location If Different From Surface					
UL or lot no.	Section	Township	Range	Lot Idn	North/South line
				Feet from the	East/West line
				County	
Dedicated Acres 80		Joint or Infill		Consolidation Code	
				Order No.	

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East	1983	0.9997915	Buckeye.cr5
Drawing File		Field Book	
BA14ST80.dwg		Lea County 15, Pg. 51	

DISTRICT I
P. O. Box 1900, Hobbs, NM 88240

DISTRICT II
P. O. Drawer DD, Artesia, NM 88210

DISTRICT III
1000 N. Brazos Rd., Artesia, NM 87410

DISTRICT IV
P. O. Box 2068, Santa Fe, NM 87504-2068

State of New Mexico
Energy, Minerals and Natural Resources Department

OIL CONSERVATION DIVISION

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Santa Fe, NM 87504-2088

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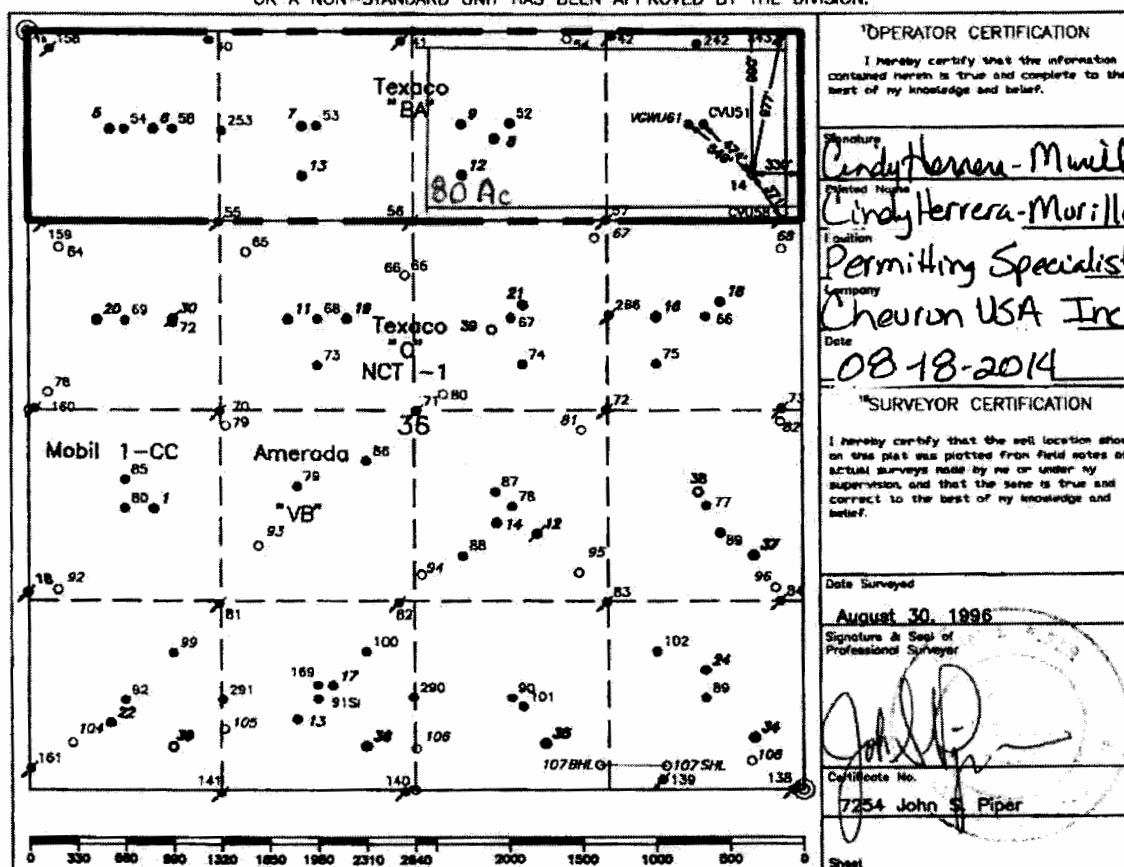
WELL LOCATION AND ACREAGE DEDICATION PLAT

1 API Number 30-025-33570		2 Pool Code 62320		3 Pool Name Vacuum, Upper Penn	
4 Property Code 30006		5 Property Name State "BA"			
6 OGRD No. 4323		7 CHEVRON		8 USA INC	
				9 Well Number 14	
				10 Elevation 3991'	

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
A	36	17-S	34-E		990'	North	330'	East	Lea

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 80		13 Joint or Infill		14 Consolidation Code		15 Order No.			

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OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION.



1 OPERATOR CERTIFICATION

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

Signature
Cindy Herrera-Morillo

Printed Name
Cindy Herrera-Morillo

Location
Permitting Specialist

Company
Chevron USA Inc

Date
08-18-2014

16 SURVEYOR CERTIFICATION

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 knowledge and belief.

Date Surveyed

August 30, 1998

Signature & Seal of Professional Surveyor

Certificate No.

7254 John S. Piper

Sheet

○ = Staked Location ● = Producing Well = Injection Well ◊ = Water Supply Well + = Plugged & Abandon Well
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Drawing File		Field Book	
BA14ST80.dwg		Lea County 15, Pg. 51	



Cindy Herrera-Murillo
Regulatory Specialist
Midcontinent BU

**Chevron North America
Exploration and Production
Company**
1616 W. Bender Blvd Rm #121
Hobbs FMT, Hobbs, NM 88240
Tel 575-263-0431
Fax 575-263-0445
cherreramurillo@chevron.com

August 19, 2014

Mr. Michael McMillan
New Mexico Oil Conservation Division
1220 South San Francis Drive
Santa Fe, New Mexico 87504

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If additional information is required, you may contact Sean Heaster at t 432-687-7366 or email him at SHeaster@chevron.com.

Sincerely,

A handwritten signature in black ink that reads "Cindy Herrera-Murillo". The signature is written in a cursive, flowing style.

Cindy Herrera-Murillo
Regulatory Specialist



Cindy Herrera-Murillo
Regulatory Specialist
Midcontinent BU

**Chevron North America
Exploration and Production
Company**
1616 W. Bender Blvd Room 121
Hobbs FMT, Hobbs, NM 88240
Tel 575-263-0431
Fax 575-263-0445
cherreramurillo@chevron.com

August 20, 2014

**Re: Downhole Commingling for
State BA #14
Section 36, T17S, R34E,
Lea County, New Mexico**

**Apache Corporation
303 Veterans Airpark Lane Suite 30000
Midland, TX 79705**

Dear Sirs,

Chevron U.S.A. Inc. respectfully gives notice of intent to Downhole Commingle the State BA # 14, located in Section 36, Township 17 South and Range 34 East. The State BA #14 is currently an Atoka well and Chevron plans on abandoning the Atoka and recomplete in the proposed zones; Vacuum Wolfcamp pool (62340) ; Vacuum Abo North pool (61760) and Vacuum Upper Penn pool (62320).

The downhole commingling work is expected to increase production and profitability of the well. Chevron has 100% Working interest and 1/8 Royalty interest.

Any objections to this commingle must be sent to the New Mexico Oil Conservation Division; 1220 South St. Francis Drive; Santa Fe, NM 87504, within 20 days of receipt of this notification. If you require additional information, please contact me at 575-263-0431, or by email at: cherreramurillo@chevron.com.

Sincerely,

Cindy Herrera-Murillo

Cindy Herrera-Murillo
Regulatory Specialist

7011 0110 0002 0279 9161

U.S. Postal Service	
CERTIFIED MAIL [®] RECEIPT	
(Domestic Mail Only; No Insurance Coverage Provided)	
For delivery information visit our website at www.usps.com	
OFFICIAL	
Postage	\$.48
Certified Fee	3.30
Return Receipt Fee (Endorsement Required)	2.70
Restricted Delivery Fee (Endorsement Required)	
Total Postage & Fees	\$ 6.48
RECEIVED AUG 10 2014 BY: _____	
Sent To Apache Corporation Street, Apt. No. or PO Box No. 303 Veterans Airpark Ln Ste 30000 City, State, ZIP+4 Midland TX 79705	