

DATE IN 02/21/2013	SUSPENSE	ENGINEER RE	LOGGED IN 02/22/13	TYPE PLC	PPRG 1305353792
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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



30-025-03106-00  
 -00 State An #6  
 Chevron, USA

**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]**  
**[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 - 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 AMENDMENT
- [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.

Carolyn Havnie  
 Print or Type Name

*Carolyn Havnie*  
 Signature

NM Petro Eng Technical Assistant  
 Title

2-19-13  
 Date

chay@chevron.com  
 e-mail Address

PLC-103-F



**Carolyn Haynie**  
Production Engineering  
Technical Assistant

**MidContinent/Alaska SBU**  
Chevron North America  
Exploration and Production  
Company  
15 Smith Road  
Midland, TX 79705  
Tel 432-687-7261  
Fax 432-687-7558  
[chay@chevron.com](mailto:chay@chevron.com)

February 12, 2013

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

Re: Commingling Order PLC-103-E Amendment  
Oil and Gas Department

Chevron U.S.A. Inc. respectfully request administrative approval to amend Commingle Order PLC-103-E. Chevron plans to recomplete the TA'd well, State AN # 6, API # 30-025-03106 into the Bone Spring formation and add the production to the Abo Reef Consolidated Commingled Battery, located in Section 7, T18S, R35E, Lea County, New Mexico.

Chevron has 100% working interest in all the wells in the battery, and the royalty owner is the State of New Mexico, Commissioner of Public Lands. The royalty owner has been notified of Chevron's intend to amend this commingle and their current value will not be impacted by the proposed action. The attachments include the well list currently going in the battery and information needed for this commingle amendment.

If you require additional information, please contact me at 432-687-7261, or by email at: [chay@chevron.com](mailto:chay@chevron.com).

Sincerely,

A handwritten signature in cursive script, appearing to read "Carolyn Haynie".

Carolyn Haynie  
NM PE Technical Assistant  
Enclosure

cc: NMOCD – District 1, Hobbs  
Ryan Warmke  
Nick Moschetti  
Bliane Nickerson  
Denise Pinkerton

**ATTACHMENT I**

**LAND OWNERSHIP STATUS**

**PREPARED BY Daniel Pequeno, Landman, CPL/ESA**

**February 18, 2013**

Application of Chevron U.S.A. Inc. for Administrative Approval to amend existing Surface Pool Commingle to add Blinebry Pool:

**Chevron's Abo Reef Consolidated Battery**

Section 7, T-2518-S, R-35E  
Lea County, New Mexico

**E/2 SECTION 7 -T18S-R35, NMPM - STATE LEASE E-7653:**

**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

Wells located on the Lease are the NM "AN" State #1 (Blinebry Reservoir) & 5 (Abo Reservoir); NM "AN" State Com #2H (Abo Reservoir and Com with NM "R" State (NCT-1) Lease); NM "AN" State #11 (Blinebry Reservoir); NM "AN" State #4; State "AN" #13 (Blinbry Reservoir) and State "AN" #6 (currentlyTA'd to be recompleted in the Bone Springs Reservoir).

**N/2NW/4 SECTION 7 -T18S-R35, NMPM - STATE LEASE B-1306:**

**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

Wells located on the Lease are the NM "R" State #3, 4, 5, 6, 7 (to be new drills into the Blinebry Reservoir).

**SE/4 SECTION 6-T18S-R35E NMPM - STATE LEASE B-1031:**

**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

Wells located on the Lease are the NM "AB" State #2 & 9 (Abo Reservoir)

**LAND OWNERSHIP STATUS (CONTINUE)**

**N/2 SECTION 8-T18S-R35E – STATE LEASE E-6704:**

**Lease Owner – 100% WI**

Chevron U.S.A. Inc.  
15 Smith Road  
Midland, Texas 79705  
Chaparral Energy Inc. LLC  
701 Cedar Lake Boulevard  
Oklahoma, OK 73114

**Royalty Owner – 1/8 Royalty**

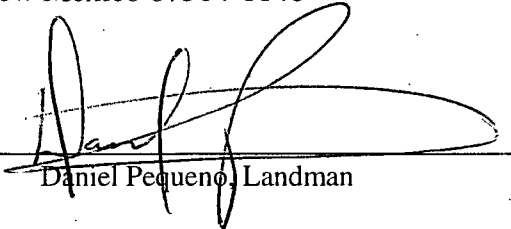
State of New Mexico  
Commissioner of Public Lands  
P. O. Box 1148

Wells located on the Lease are the Hobbs "N" State #5 (Abo Reservoir) and re-completion in progress of the Hobbs "N" #1 (Blinebry Reservoir) located in the NW/4NW/4 of Section 8; planned re-entry & recompletion of the Hobbs "N" State #2 (Blinebry Reservoir) located in the NE/4NW/4 of Section 8.

**Surface Owner for Sections 6, 7 & 8, T18S-R35E:**

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

Signed By: \_\_\_\_\_

  
Daniel Pequeno, Landman

Date: February 18, 2013

## **State AN #6 Recompletion Recommendation**

### **RECOMMENDATION:**

I recommend we reenter the AN #6, drill out the CIBP's @ 4370' and 5050', and production test including fracture stimulation, the Second Bone Spring Sands across the gross interval of 7990 to 8730'. The specific perf intervals and shot density can be adjusted to optimize the effectiveness of the frac design, however the general perf intervals proposed at this point are 7990-8000', 8075-85', 8210-20', 8320-30', 8590-8600', 8660-70', and 8720-30', then frac stimulate. Tie into Schlumberger's GR-Sonic log dated 9/17/1962 for correlation and run a GR-CNL-RAL from PBTD to 4800'. Note the Queen perfs from 4425 to 4670' remain open uphole so it will not be possible to run the RAL with pressure. Also note that the current version of the AN #6 wellbore diagram is missing any reference to the 2007 Queen recompletion attempt.

If successful, we have a similar reentry opportunity in the AN State #12 and then new drill opportunities on this property as well; the nearby AN #7, 8, 9 and 10 are not re-enterable due to the production casing having been cut and; in most cases, pulled. Further, success from this reentry would provide justification to further evaluate the possibility of similar potential on the 1600 acres of AE & AA leases to the west.

Please contact me with any questions related to this recommendation.

Scott Ingram X7212  
11/14/2012

# State AN 6 WELLBORE DIAGRAM

Created: 10/7/2005 By: Wannjd  
 Updated: 12/06/12 By: Chay  
 Lease: NM STATE AN  
 Field: VACUUM ABO REEF  
 Surf. Loc.: 990' FSL & 2310' FEL  
 Bot. Loc.:  
 County: Lea St.: NM  
 Status: TA'd well

Well #: 6 St. Lse:  
 API 30-025-03106  
 Unit Ltr.: O Section: 7  
 TSHP/Rng: T18S / R35E  
 Unit Ltr.: F Section:  
 TSHP/Rng:  
 Directions:  
 Chevno:

## Surface Casing

Size: 13-3/8"  
 Wt., Grd.: 25.6#  
 Depth: 337  
 Sxs Cmt: 2185 sxs +25 sx  
 Circulate: Yes  
 TOC: Surface  
 Hole Size: 17-1/4"

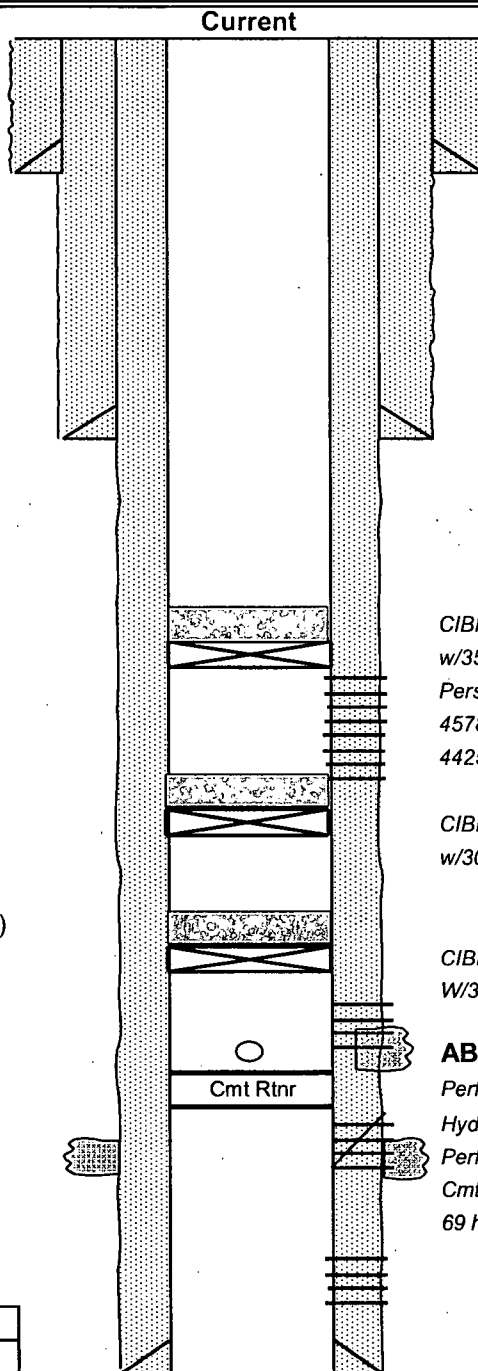
## Intermediate Casing

Size: 8-5/8"  
 Wt., Grd.: 24# & 32# J-55  
 Depth: 3316  
 Sxs Cmt: 1650 sx  
 Circulate: Yes  
 TOC: Surf  
 Hole Size: 11"

## Production Casing

Size: 5-1/2"  
 Wt., Grd.: 15.5 & 17#  
 Depth: 9025  
 Sxs Cmt: 827 sx; 700 sx (2007)  
 Circulate: No  
 TOC: 3600'; 620' (2007)  
 Hole Size: 7-7/8"

Formation Tops	
T/Salt	
B/Salt	
T/Yates	2990'
T/Queen	4080'
T/Grayburg	4440'
T/San Andres	4790'



KB: 3996'  
 DF:  
 GL: 3984'  
 Ini. Spud: 03/17/78  
 Ini. Comp.: 04/28/78

## History:

Check More History tab Below

## CIBP @ 4370'

w/35' cmt on top

Pers: 4642-46, 4660-70, 4615-21, 4554-58,  
 4578-82, 4494-98, 4534-38, 2261-72, 4484-88,  
 4425-29, 4436-40'

## CIBP @ 5050'

w/30' cmt on top

## CIBP @ 8750'

W/35' cmt on top

## ABO PERFORATIONS

Perf 8856-92, 8896-8925, 8930-68, 2 spf (7/1962)

Hydromite perfs 8931-8881 (1/1969)

Perf 8850-81, 31 holes (12/1982)

Cmt Sq 8850-80 w/ 50 sxs, Perf 8800-8834,  
 69 holes (Couldn't breakdown) (1/1983)

PBTD:

TD: 9025'

# State AN 6 WELLBORE DIAGRAM

Created: 10/7/2005 By: Wannjd  
 Updated: 01/18/13 By: Chay  
 Lease: NM STATE AN  
 Field: VACUUM ABO REEF  
 Surf. Loc.: 990' FSL & 2310' FEL  
 Bot. Loc.:  
 County: Lea St.: NM  
 Status: TA'd well

Well #: 6 St. Lse:  
 API 30-025-03106  
 Unit Ltr.: O Section: 7  
 TSHR/Rng: T18S / R35E  
 Unit Ltr.: F Section:  
 TSHR/Rng:  
 Directions:  
 Chevno:

## Surface Casing

Size: 13-3/8"  
 Wt., Grd.: 25.6#  
 Depth: 337  
 Sxs Cmt: 2185 sxs +25 sx  
 Circulate: Yes  
 TOC: Surface  
 Hole Size: 17-1/4"

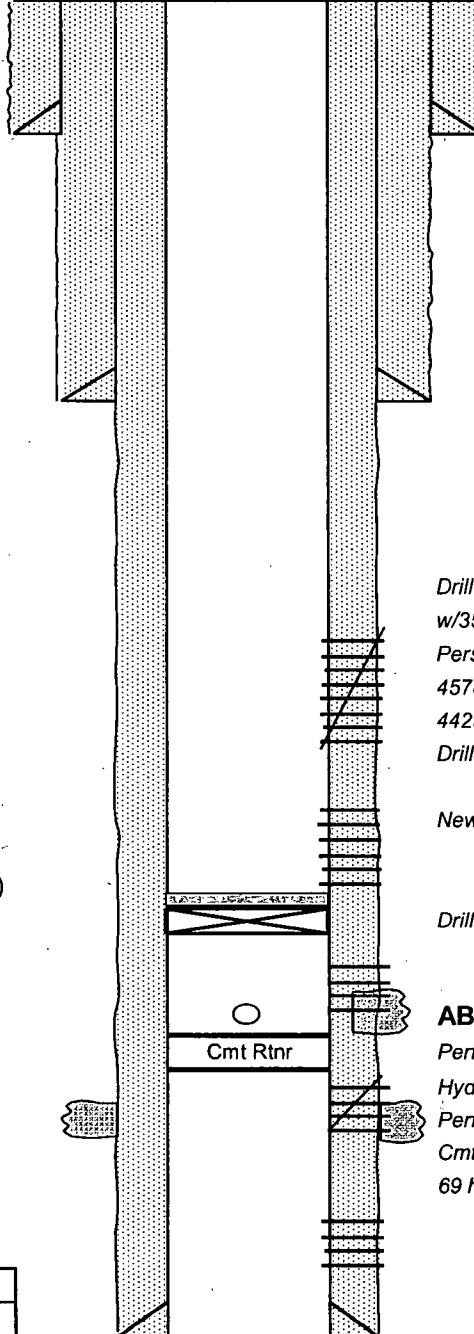
## Intermediate Casing

Size: 8-5/8"  
 Wt., Grd.: 24# & 32# J-55  
 Depth: 3316  
 Sxs Cmt: 1650 sx  
 Circulate: Yes  
 TOC: Surf  
 Hole Size: 11"

## Production Casing

Size: 5-1/2"  
 Wt., Grd.: 15.5 & 17#  
 Depth: 9025  
 Sxs Cmt: 827 sx; 700 sx (2007)  
 Circulate: No  
 TOC: 3600'; 620' (2007)  
 Hole Size: 7-7/8"

## Proposed



KB: 3996'

DF:

GL: 3984'

Ini. Spud: 03/17/78

Ini. Comp.: 04/28/78

## History:

Check More History tab Below

Drill out CIBP @ 4370'

w/35' cmt on top

Pers: 4642-46, 4660-70, 4615-21, 4554-58,  
 4578-82, 4494-98, 4534-38, 2261-72, 4484-88,  
 4425-29, 4436-40'

Drill out CIBP @ 5050'

New Perfs: 7990' - 8730'

Drill out to 8730'

## ABO PERFORATIONS

Perf 8856-92, 8896-8925, 8930-68, 2 spf (7/1962)

Hydromite perfs 8931-8881 (1/1969)

Perf 8850-81, 31 holes (12/1982)

Cmt Sq 8850-80 w/ 50 sxs, Perf 8800-8834,  
 69 holes (Couldn't breakdown) (1/1983)

Formation Tops	
T/Salt	
B/Salt	
T/Yates	2990'
T/Queen	4080'
T/Grayburg	4440'
T/San Andres	4790'

PBTD:  
 TD: 9025'

ABO Reef Consolidated Battery												
Section 7, & 8; T18S, R35E; Lea County, NM												
Well	API	Status	Lease	Pool	Pool #	Unit Letter	Sec	Location	Twtnshp	Rng	Co	TD
State AN 6 - Recompletion Well	30-025-03106	W/O Pending	State AN	Vacuum Bone Spring	61900	O	7	990' FSL & 2310' FEL	18S	35E	LEA	9025'
Hobbs N State # 1	30-025-03108	Active Oil	Hobbs N State	Vacuum Blinebry	61850	D	8	330' FNL & 358' FWL	18S	35E	LEA	9050'
Hobbs N State # 2	30-025-03109	Active Oil	Hobbs N State	Vacuum Blinebry	61850	C	8	330' FNL & 1650' FWL	18S	35E	LEA	8970'
Hobbs N State # 5	30-025-26604	Active-Gas	Hobbs N State	Vacuum Abo Reef	61780	H	8	1980' FNL & 330' FEL	18S	35E	LEA	9208'
NEW MEXICO "R" NCT-4 # 3	30-025-40060	Active Oil	NM "R" State NCT-4	Vacuum; Blinebry	61850	C	7	990' FNL & 2225' FWL	18S	35E	LEA	6489
NEW MEXICO "R" NCT-4 # 4	30-025-40061	Active Oil	NM "R" State NCT-4	Vacuum; Blinebry	61850	D	7	990' FNL & 1200' FWL	18S	35E	LEA	Proposed TD 6500'
NEW MEXICO "R" NCT-4 # 5	30-025-40062	Active Oil	NM "R" State NCT-4	Vacuum; Blinebry	61850	C	7	330' FNL & 1835' FWL	18S	35E	LEA	6220'
NEW MEXICO "R" NCT-4 # 6	30-025-40063	Active Oil	NM "R" State NCT-4	Vacuum; Bone Spring	61850	D	7	350' FNL & 470' FWL	18S	35E	LEA	Proposed TD 6500'
NEW MEXICO "R" NCT-4 # 7	30-025-40122	Active Oil	NM "R" State NCT-4	Vacuum; Blinebry	61850	D	7	990' FNL & 490' FWL	18S	35E	LEA	6500'
NM "AN" State # 2H	30-025-03102	Active Oil	State 'AN' COM	Vacuum Abo Reef	61780	B	7	330' FNL & 2100' FEL	18S	35E	LEA	11064'
NM AB State # 2	30-025-03085	Active Oil	New Mexico AB State	Vacuum Abo Reef	61780	P	6	660' FSL & 560' FEL	18S	35E	LEA	9050'
NM AB State # 4	30-025-03087	Active Oil	New Mexico AB State	Grayburg San Andres	61780	I	6	1650' FSL & 660' FEL	18S	35E	LEA	9097'
NM AB State # 9	30-025-30139	Active Oil	New Mexico AB State	Vacuum Abo Reef	61780	P	6	538' FSL & 818' FEL	18S	35E	LEA	10,413'
State AN # 1	30-025-03101	Active Oil	State AN	Vacuum; Blinebry	61850	A	7	330' FNL & 990' FEL	18S	35E	LEA	8945'
STATE AN # 13	30-025-40059	Active Oil	State 'AN'	Vacuum; Blinebry	61850	D	7	990' FNL & 2310' FEL	18S	35E	LEA	6500'
State AN 11B	30-025-34097	Active Oil	State AN	Vacuum Blinebry	61850	B	7	900' FNL & 1440' FEL	18S	35E	LEA	11681'
State AN 3 BLN	30-025-03103	Active Oil	State AN	Vacuum Blinebry	61850	G	7	1650' FNL & 2310' FEL	18S	35E	LEA	8993'
State AN 4	30-025-03104	Active Oil	State AN	Vacuum Blinebry	61850	H	7	1650' FNL & 990' FEL	18S	35E	LEA	9031'
State AN 5 H	30-025-03105	Active Oil	State AN	Vacuum Abo Reef	61780	J	7	2310' FSL & 2310' FEL	18S	35E	LEA	9882'





**Carolyn Haynie**  
Petroleum Engineering  
Technical Assistant

**MidContinent/Alaska SBU**  
Chevron North America  
Exploration and Production  
Company  
15 Smith Road  
Midland, TX 79705  
Tel 432-687-7261  
Fax 432-687-7558  
[chay@chevron.com](mailto:chay@chevron.com)

February 18, 2013

**Re: Commingling Order PLC-103-E  
Abo Reef Consolidated Tank Battery  
Section 7, T18S, R35E,  
Lea County, New Mexico**

**State Of New Mexico  
Commissioner of Public Lands  
Royalty Interest Owner,**

Chevron U.S.A. Inc. respectfully gives notice of intend to amend the Commingle Order PLC-103-E, by adding the State AN # 6 to the Abo Reef Consolidated commingled battery, located in section 7, township 18 south and range 35 east. The Vacuum Blinbry Oil pool, (61850) is currently approved for the battery, and this will add the Vacuum Bone Spring, (46195) formation.

State AN # 6, API # 30-025-03106, is currently TA'd and Chevron plans to recompleate the well in the Bone Spring Sands. Chevron has 100% working interest in all the wells in the battery.

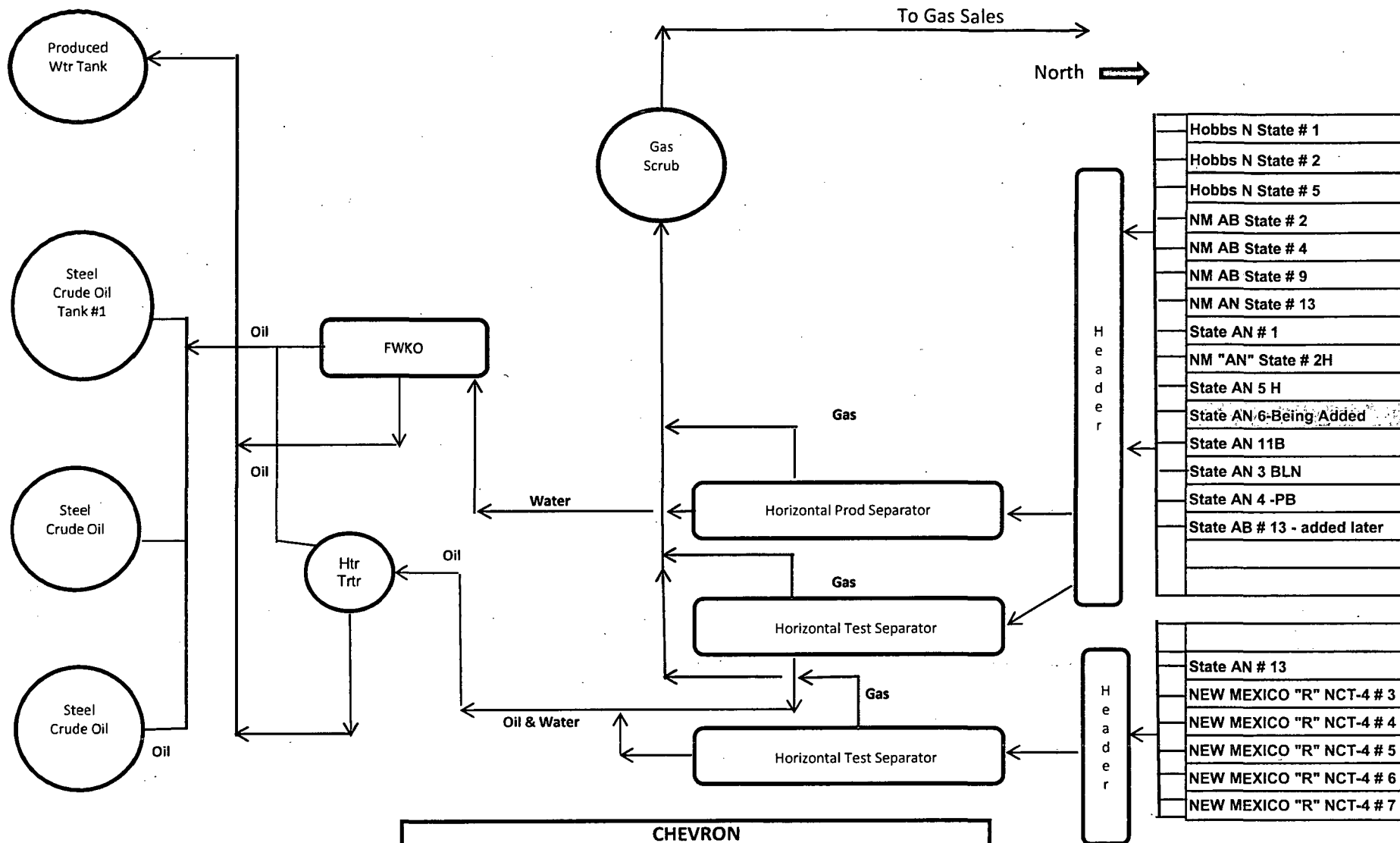
**Any objections to this commingle must be sent to the New Mexico Oil Conservation Division; 1220 South St. Francis Drive; Santa Fe, NM 87504, within 20 days of receipt of this notification. If you require additional information, please contact me at 432-687-7261, or by email at: [chay@chevron.com](mailto:chay@chevron.com).**

Sincerely,

A handwritten signature in cursive script, appearing to read "Carolyn Haynie".

Carolyn Haynie  
NM PE Technical Assistant  
Enclosure

cc: NMOCD – District 1, Hobbs  
Lease File  
Ryan Warmke  
Scott Ingram  
Nick Moschetti  
Denise Pinkerton



**CHEVRON**

**ABO REEF CONSOLIDATED COMMINGLED BATTERY**

**PROCESS FLOW DIAGRAM**

Section 7, T18S, R35E, Lea County, New Mexico

12-Feb-13

*Chay*

Chevron U.S.A., Inc.

Abo Reef Consolidated Battery  
Unit B, Section 7, T18S, R35E;  
Lea County, New Mexico

State AN # 6  
API: 30-025-03106

Adding: Vacuum Bone Spring Production

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