

7 DSM 133052247

Order Number

DHC
40B-524

API Number

30-025-10260

Operator

Chevron USA INC

County

Lea

Order Date

8/5/13

Well Name

Hugh

Number

4

Location

A

UL

14

Sec

22S

T (+Dir)

37E

R (+Dir)

Oil %

62

Gas %

40

WTR %

50

Pool 1

49210

Paddock

Pool 2

06660

Blindbry D&G <0.1>

38

60

50

Pool 3

Pool 4

Comments:

Posted to RBDms 11/1/13 dn

NOV 04 2013

DHC - HOB

API# 30-025-10260

DOWNHOLE COMMINGLE CALCULATIONS:OPERATOR: Chevron USA INCPROPERTY NAME: HughWNULSTR: #4-A, 14-225-37e

SECTION I:		ALLOWABLE AMOUNT
POOL NO. 1	<u>Paddock <49210></u>	<u>107</u> <u>642</u> MCF
POOL NO. 2	<u>Blindbry <06660></u>	<u>107</u> <u>428</u> MCF
POOL NO. 3	_____	_____ MCF
POOL NO. 4	_____	_____ MCF
POOL TOTALS		<u>214</u> <u>1070</u>

SECTION II:	Oil	Gas
POOL NO. 1	<u>Paddock</u>	<u>62%</u> <u>40%</u>
POOL NO. 2	<u>Blindbry</u>	<u>38% x 214 =</u> <u>81.32</u> <u>60%</u>
POOL NO. 3	_____	<u><81></u>
POOL NO. 4	_____	

	<u>OIL</u>	<u>GAS</u>
SECTION III:	<u>38% ÷ 107 = 281.58</u> <u><282></u>	

SECTION IV:	
<u>62% x 282 =</u> <u>174.84</u> <u><175></u>	
<u>38% x 282 =</u> <u>107.16</u> <u><107></u>	

Submit 1 Copy To Appropriate District Office
District I - (575) 393-6161
1625 N. French Dr., Hobbs, NM 88240
District II - (575) 748-1283
811 S. First St., Artesia, NM 88210
District III - (505) 334-6178
1000 Rio Brazos Rd., Aztec, NM 87410
District IV - (505) 476-3460
1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico
Energy, Minerals and Natural Resources

Form C-103
Revised August 1, 2011

HOBBS OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

JUL 17 2013

WELL API NO. 30-025-10260
5. Indicate Type of Lease STATE <input type="checkbox"/> FEE <input checked="" type="checkbox"/>
6. State Oil & Gas Lease No.
7. Lease Name or Unit Agreement Name HUGH
8. Well Number 4
9. OGRID Number 4323
10. Pool name or Wildcat BLINEBRY/PADDOCK
11. Elevation (Show whether DR, RKB, RT, GR, etc.)

SUNDRY NOTICES AND REPORTS ON WELLS
(DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH PROPOSALS.)

1. Type of Well: Oil Well ☒ Gas Well ☐ Other

2. Name of Operator
CHEVRON U.S.A. INC..

3. Address of Operator
15 SMITH ROAD, MIDLAND, TEXAS 79705

4. Well Location

Unit Letter: A 660 feet from the NORTH line and 660 feet from the EAST line

Section 14 Township 22S Range 37E NMPM County LEA

12. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data

NOTICE OF INTENTION TO:

PERFORM REMEDIAL WORK ☐ PLUG AND ABANDON ☐
TEMPORARILY ABANDON ☐ CHANGE PLANS ☐
PULL OR ALTER CASING ☐ MULTIPLE COMPL ☐
DOWNHOLE COMMINGLE ☐

SUBSEQUENT REPORT OF:

REMEDIAL WORK ☐ ALTERING CASING ☐
COMMENCE DRILLING OPNS. ☐ P AND A ☐
CASING/CEMENT JOB ☐

OTHER: INTENT TO DHC BLINEBRY & PADDOCK

OTHER:

13. Describe proposed or completed operations. (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work). SEE RULE 19.15.7.14 NMAC. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

UNDER THE PROVISIONS OF RULE 303 C(5), IT IS PROPOSED TO DOWNHOLE COMMINGLE PRE-APPROVED POOLS UNDER DIVISION ORDER R-11363; BLINEBRY OIL & GAS (PERFS 5402-5822), AND PADDOCK (PERFS 5060-5170) IN THE SUBJECT WELL. CURRENTLY THIS WELL IS PRODUCING FROM THE BLINEBRY PERFS. IT IS PROPOSED TO RECOMPLETE THE SUBJECT WELL TO THE PADDOCK POOL (49210) AND THEN DHC WITH THE BLINEBRY PERFS.

PLEASE FIND ATTACHED SUPPORTING DATA

Spud Date:

Rig Release Date:

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

SIGNATURE

TITLE: REGULATORY SPECIALIST DATE: 07/12/2013

Type or print name: DENISE PINKERTON

E-mail address: leakejd@chevron.com

PHONE: 432-687-7375

For State Use Only

APPROVED BY:

TITLE

Petroleum Engineer

DATE

NOV 04 2013

Conditions of Approval (if any):

DHC - HOB - 524

NOV 04 2013

District I
1625 N. French Dr., Hobbs, NM 88240
Phone: (575) 393-6161 Fax: (575) 393-0720
District II
811 S. First St., Artesia, NM 88210
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Phone: (505) 334-6178 Fax: (505) 334-6170
District IV
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Phone: (505) 476-3460 Fax: (505) 476-3462

State of New Mexico

HOBBS OGD

Energy, Minerals & Natural Resources Department

OIL CONSERVATION DIVISION

1220 South St. Francis Dr.

Santa Fe, NM 87505

Form C-102

Revised August 1, 2011

Submit one copy to appropriate

District Office

☐ AMENDED REPORT

JUL 17 2013

RECEIVED

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number 30-025-10260	² Pool Code 49210	³ Pool Name PADDOCK
⁴ Property Code	⁵ Property Name HUGH	⁶ Well Number 4
⁷ OGRID No. 4323	⁸ Operator Name CHEVRON U.S.A. INC.	⁹ Elevation 3336'

¹⁰ Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
A	14	22S	37E		660	NORTH	660	EAST	LEA

¹¹ Bottom Hole Location If Different From Surface

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 40	¹³ Joint or Infill	¹⁴ Consolidation Code	¹⁵ Order No. DHC-HOB-524
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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.

<div data-bbox="776 953 1073 1151" data-label="Diagram"> </div>	<p>¹⁷ OPERATOR CERTIFICATION</p> <p>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.</p> <p><i>Denise Pinkerton</i> 07/12/2013 Signature Date</p> <p>DENISE PINKERTON REGULATORY SPECIALIST Printed Name</p> <p>leakejd@chevron.com E-mail Address</p>	
	<p>¹⁸ SURVEYOR CERTIFICATION</p> <p>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 belief.</p>	
	<p>Date of Survey</p> <p>Signature and Seal of Professional Surveyor:</p>	
	<p>Certificate Number</p>	

Request for exemption to rule 303-A
FOR WELLS LOCATED IN PRE-APPROVED POOLS OR AREAS

Operator

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

Lease Name and Well Number

Hugh #4
API #30-025-10260
660 FNL & 660 FEL, Unit Letter A
Section 14, T22S, R37E
Lea County, New Mexico

Division Order

Pre-approved Pools or Areas established by division order # R-11363

Pools To Be Commingled In Hugh #4

(06660) Blinebry Oil and Gas
(49210) Paddock

Perforated Intervals

Blinebry existing perfs: 5402-5822
Paddock: 5060'-5170' (to be added)

Location Plat

Attached

Well Test Report & Production Plots

Attached.

Product Characteristics And Value

Previous commingling of these zones by Chevron and other operators in the area have shown that the produced fluids are compatible and commingling will not cause formation damage or producing problems. Also, the price received by Chevron for products from these zones is very similar, so value will not be adversely affected.

Production Allocation

<u>Pool</u>	<u>BOPD</u>	<u>BWPD</u>	<u>MCFPD</u>	<u>Remarks</u>
(06660) Blinebry Oil and Gas	3	5	45	Calculated on existing production
(49210) Paddock	5	5	30	Based on estimate and will test Paddock upon reco
Totals	8	10	75	

<u>Allocated %</u>	<u>Oil %</u>	<u>Water %</u>	<u>Gas %</u>	<u>Remarks</u>
(06660) Blinebry Oil and Gas	37.5%	50%	60%	Calculated on existing production
(49210) Paddock	62.5%	50%	40%	Based on estimate and will test Paddock upon reco
Totals	1	1	1	

Ownership

Ownership of all zones is identical so correlative rights will not be compromised.

State / Federal Land Notification

This is a FEE lease

Well: **Hugh # 4**Field: **Blinebry**Reservoir: **Blinebry****Location:**

660' FNL & 660' FEL
 Section: 14
 Township: 22S
 Range: 37E
 County: Lea State: NM

Elevations:

GL: 3336'
 KB: 3348'
 DF: 3347'

Current
Wellbore Diagram

Well ID Info:

Chevno: FB1256
 API No: 30-025-10260
 L5/L6: U462100
 Spud Date: 11/27/47
 Compl. Date: 2/16/48

Surf. Csg: 13 3/8", 48#, SS**Set:** @ 302' w/ 300 sks**Hole Size:** 17 1/2"**Circ:** Yes **TOC:** Surface**TOC By:** Circulated**Prod. Csg:** 9 5/8", 36#, H-40**Set:** @ 2874' w/ 1300 sks**Hole Size:** 12 1/4"**Circ:** No **TOC:** 910'**TOC By:** Temperature Survey**Tbg Detail:**

BP @ 5803'
 1 jt. 2 3/8" tbg
 2 3/8" x 4' perf sub
 SN @ 5762'
 18 jts. 2 3/8" EUE 8R J-55 tbg
 TAC @ 5200'
 167 jts. 2 3/8" EUE 8R J-55 tbg

Perfs:**Status**

5402'	5464'	Blinebry - Open
5406'	5471'	Blinebry - Open
5408'	5480'	Blinebry - Open
5418'	5486'	Blinebry - Open
5420'	5494'	Blinebry - Open
5426'	5509'	Blinebry - Open
5436'	5516'	Blinebry - Open
5438'	5536'	Blinebry - Open
5442'	5539'	Blinebry - Open
5446'	5542'	Blinebry - Open
5453'		Blinebry - Open
5602'	5700'	Blinebry - Open
5612'	5711'	Blinebry - Open
5622'	5721'	Blinebry - Open
5632'	5727'	Blinebry - Open
5642'	5734'	Blinebry - Open
5654'	5746'	Blinebry - Open
5661'	5794'	Blinebry - Open
5672'	5805'	Blinebry - Open
5681'	5814'	Blinebry - Open
5682'	5706'	Blinebry - Cmt Sqzd
5690'	5822'	Blinebry - Open

CICR @ 5830'

Model D pkr w/ DR plug @ 6225'
 (35' cement on top)

CIBP @ 6363'
 (15' cement on top)

COTD: 5830'
PBTD: 5830'
TD: 6540'

Updated: 5/14/2013**By:** John Taxiarchou

5903-05'	Tubb - Cmt Sqzd
5916-18'	Tubb - Cmt Sqzd
5946-48'	Tubb - Cmt Sqzd
5993-95'	Tubb - Cmt Sqzd
6014-16'	Tubb - Cmt Sqzd
6035-75'	Tubb - Cmt Sqzd
6100-20'	Tubb - Cmt Sqzd
6130-40'	Tubb - Cmt Sqzd

6274-76'	Drinkard Gas - Below Plug
6300-02'	Drinkard Gas - Below Plug
6326-28'	Drinkard Gas - Below Plug

Prod. Csg: 7", 23#, J-55**Set:** @ 6397' w/ 504 sks**Hole Size:** 8 3/4"**Circ:** No **TOC:** 3420'**TOC By:** Temperature Survey**OH fr/ 6397-6540' (Drinkard)****CIBP In OH @ 6414'**

Well: **Hugh # 4**Field: **Blinebry**Reservoir: **Blinebry / Paddock****Location:**

660' FNL & 660' FEL
 Section: 14
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CICR @ 5830'

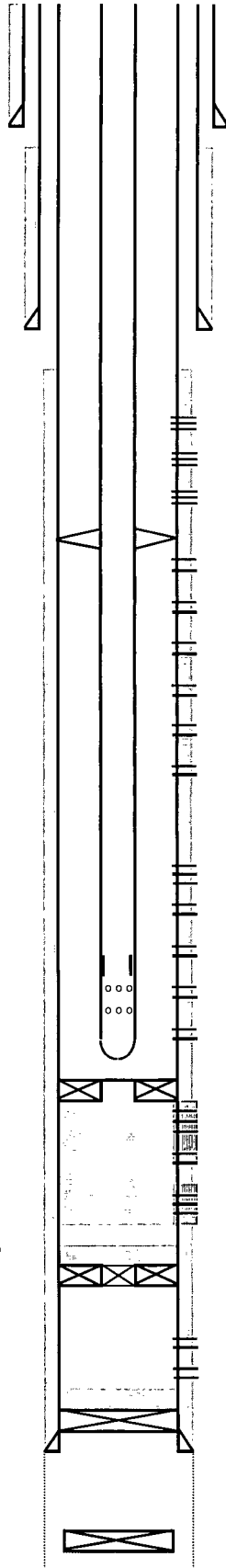
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Proposed
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Prod. Csg: 9 5/8", 36#, H-40
Set: @ 2874' w/ 1300 sks
Hole Size: 12 1/4"
Circ: No **TOC:** 910'
TOC By: Temperature Survey

Perfs	Status
5060' 5070'	Paddock - Proposed
5080' 5088'	Paddock - Proposed
5115' 5120'	Paddock - Proposed
5124' 5130'	Paddock - Proposed
5138' 5145'	Paddock - Proposed
5160' 5170'	Paddock - Proposed

Perfs:	Status
5402' 5464'	Blinebry - Open
5406' 5471'	Blinebry - Open
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5946-48'	Tubb - Cmt Sqzd
5993-95'	Tubb - Cmt Sqzd
6014-16'	Tubb - Cmt Sqzd
6035-75'	Tubb - Cmt Sqzd
6100-20'	Tubb - Cmt Sqzd
6130-40'	Tubb - Cmt Sqzd

6274-76'	Drinkard Gas - Below Plug
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OH fr/ 6397-6540' (Drinkard)

CIBP In OH @ 6414'

By: John Taxiarchou

