

Order Number
DHC
HOB-527

API Number
30-025-29004

Operator
Chevron USA INC

County
Lea

Order Date
4/3/14

Well Name
Chevron USA INC

Number
23

Location
G 31 213 37e
UL Sec T (+Dir) R (+Dir)

Pool 1
06660

Blimebry Oil & Gas (OIL)

Oil %
77%

Gas %
97%

WTR
96%

Pool 2
19190

Drinkard

23%

3%

4%

Pool 3

Pool 4

Comments:
Posted to RBOMS 04/04/2014 dm

DOWNHOLE COMMINGLE CALCULATIONS:

OPERATOR: Chevron USA Inc

PROPERTY NAME: HT Matheron NCT-B

WNULSTR: #23-G, 31-215-370

SECTION I:		ALLOWABLE AMOUNT	
POOL NO. 1	<u>Blinebry D&G (Oil)</u>	<u>107</u>	<u>428</u> MCF
POOL NO. 2	<u>Drinkard</u>	<u>142</u>	<u>852</u> MCF
POOL NO. 3	_____	_____	_____ MCF
POOL NO. 4	_____	_____	_____ MCF
POOL TOTALS		<u>249</u>	<u>1280</u>

SECTION II:		Oil	GAS
POOL NO. 1	<u>Blinebry D&G (Oil)</u>	<u>77%</u>	<u>97%</u>
POOL NO. 2	<u>Drinkard</u>	<u>23%</u>	<u>3%</u>
POOL NO. 3	_____	_____	_____
POOL NO. 4	_____	_____	_____

OIL GAS

SECTION III:
 $23\% \div 142 = 0.161739$ (617)

SECTION IV:
 $77\% \times 617 = 475.09$ (475)
 $23\% \times 617 = 141.91$ (142)

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 87411
 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 July 18, 2013

HOBBS OCD

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

APR 02 2014

SUNDRY RECORDS 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.)		WELL API NO. 30-025-29094
1. Type of Well: Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other <input type="checkbox"/>		5. Indicate Type of Lease STATE <input type="checkbox"/> FEE <input checked="" type="checkbox"/>
2. Name of Operator CHEVRON U.S.A. INC.		6. State Oil & Gas Lease No.
3. Address of Operator 15 SMITH ROAD, MIDLAND, TEXAS 79705		7. Lease Name or Unit Agreement Name H.T. MATTERN NCT-B
4. Well Location Unit Letter: G 1650 feet from NORTH line and 1650 feet from the EAST line Section 31 Township 21S Range 37E NMPM County LEA		8. Well Number 23
11. Elevation (Show whether DR, RKB, RT, GR, etc.)		9. OGRID Number 4323
		10. Pool name or Wildcat BLINEBRY/DRINKARD

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
 CLOSED-LOOP SYSTEM
 OTHER: INTENT TO DHC BLINEBRY & DRINKARD

SUBSEQUENT REPORT OF:

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

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 AND GAS (PERFS 5480-5997), AND DRINKARD (PERFS 6570-6638) IN THE SUBJECT WELL. CURRENTLY THIS WELL IS PRODUCING FROM THE DRINKARD PERFS. IT IS PROPOSED TO RECOMPLETE THE SUBJECT WELL TO THE BLINEBRY POOL (06660) AND THEN DHC WITH THE DRINKARD 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 Denise Pinkerton

TITLE REGULATORY SPECIALIST

DATE 03/31/2014

Type or print name DENISE PINKERTON
 For State Use Only

E-mail address: ~~leaked@chevron.com~~

PHONE: 432-687-7375

APPROVED BY: [Signature]
 Conditions of Approval (if any):

TITLE Petroleum Engineer

DATE 04/14/14

DHC-HOB-527

APR 14 2014

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
Phone: (575) 748-1283 Fax: (575) 748-9720
District III
1000 Rio Brazos Road, Aztec, NM 87411
Phone: (505) 334-6178 Fax: (505) 334-6170
District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505
Phone: (505) 476-3460 Fax: (505) 476-3460

State of New Mexico
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

HOBBS OCD
APR 02 2014
RECEIVED

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number 30-025-29094	² Pool Code 19190	³ Pool Name DRINKARD
⁴ Property Code	⁵ Property Name H.T. MATTERN NCT-B	
⁷ OGRID No. 4323	⁸ Operator Name CHEVRON U.S.A. INC.	⁶ Well Number 23
		⁹ Elevation 3485'

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
G	31	21S	37E		1650	NORTH	1650	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-527
-------------------------------------	-------------------------------	----------------------------------	--

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.

¹⁶ 	<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>Signature: <i>Denise Pinkerton</i> Date: 03/31/2014</p> <p>Printed Name: DENISE PINKERTON REGULATORY SPECIALIST</p> <p>E-mail Address: leakeid@chevron.com</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>

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
Phone: (575) 748-1283 Fax: (575) 748-9720
District III
1000 Rio Brazos Road, Aztec, NM 87410
Phone: (505) 334-6178 Fax: (505) 334-6170
District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505
Phone: (505) 476-3460 Fax: (505) 476-3462

HOBBS OCD

APR 02 2014

RECEIVED

State of New Mexico
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

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number 30-025-29094	² Pool Code 06660	³ Pool Name BLINEBRY OIL & GAS
⁴ Property Code	⁵ Property Name H.T. MATTERN NCT-B	⁶ Well Number 23
⁷ OGRID No. 4323	⁸ Operator Name CHEVRON U.S.A. INC.	⁹ Elevation 3485'

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
G	31	21S	37E		1650	NORTH	1650	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-527
-------------------------------------	-------------------------------	----------------------------------	--

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.

¹⁶ 	<p>¹⁷ OPERATOR CERTIFICATION 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>Signature: <i>Denise Pinkerton</i> Date: 03/31/2014</p>
	<p>Printed Name: DENISE PINKERTON REGULATORY SPECIALIST</p> <p>E-mail Address: leakeid@chevron.com</p>
	<p>¹⁸ 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 belief.</p> <p>Date of Survey: _____ 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

HT Mattern B #23
API #3002529094
1650 FNL & 1650 FEL, Unit Letter G
Section 31, T21S, R37E
Lea County, New Mexico

Division Order

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

Pools To Be Commingled In HT Mattern B #23

(06660) Blinebry Oil and Gas
(19190) Drinkard

Perforated Intervals

Drinkard existing perms: 6570-6638
Blinebry proposed perms: 5480-5997

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	20	150	130	Calculated off of 2 recent offset completions
(19190) Drinkard	6	6	4	Calculated from drinkard well test
Totals	26	156	134	

<u>Allocated %</u>	<u>Oil %</u>	<u>Water %</u>	<u>Gas %</u>	<u>Remarks</u>
(06660) Blinebry Oil and Gas	77%	96%	97%	Calculated off of 2 recent offset completions
(19190) Drinkard	23%	4%	3%	Calculated from drinkard well test
Totals	100%	100%	100%	

Ownership

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

State / Federal Land Notification

This is a FEE lease



25

30

28

36

31

32

1

6

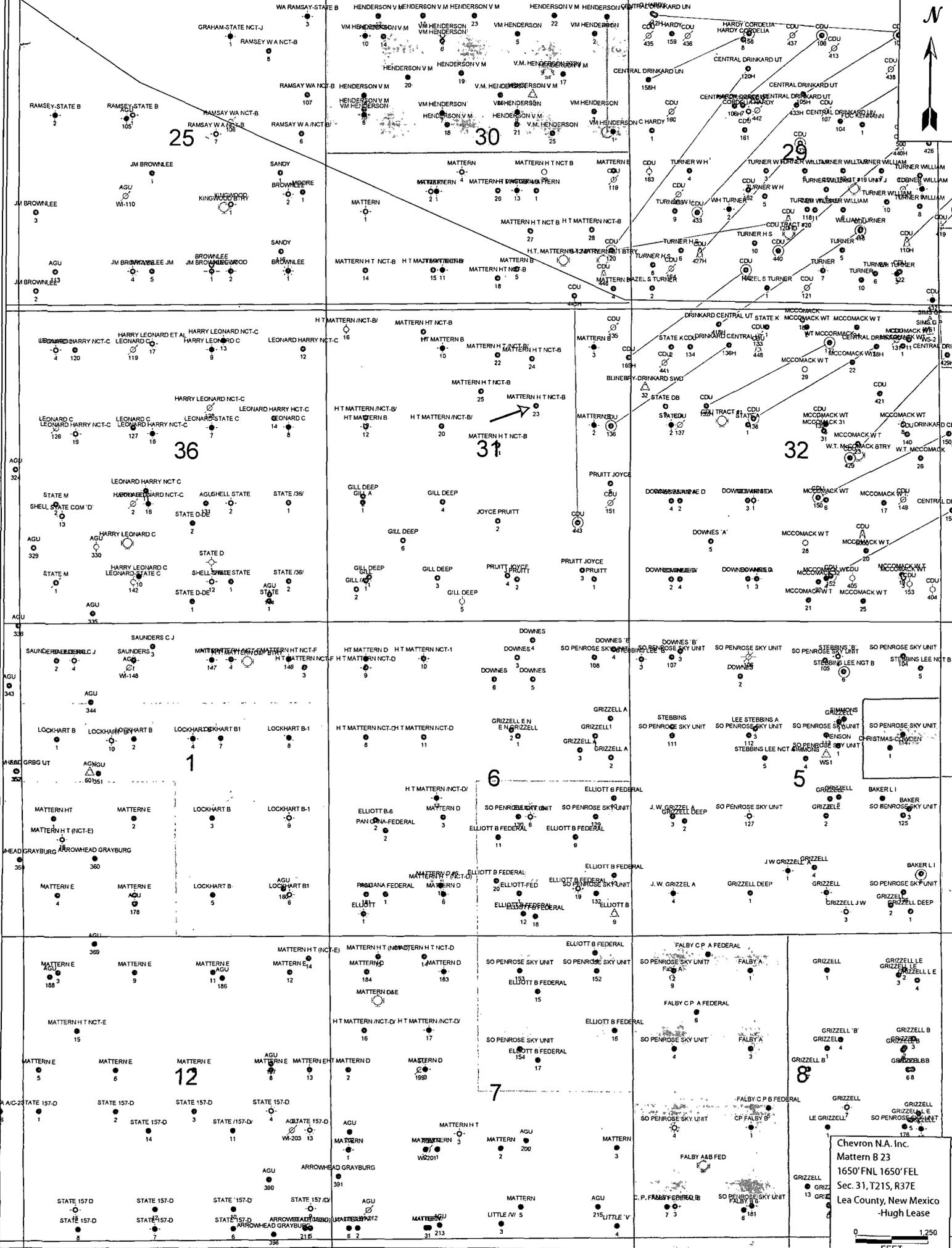
5

12

7

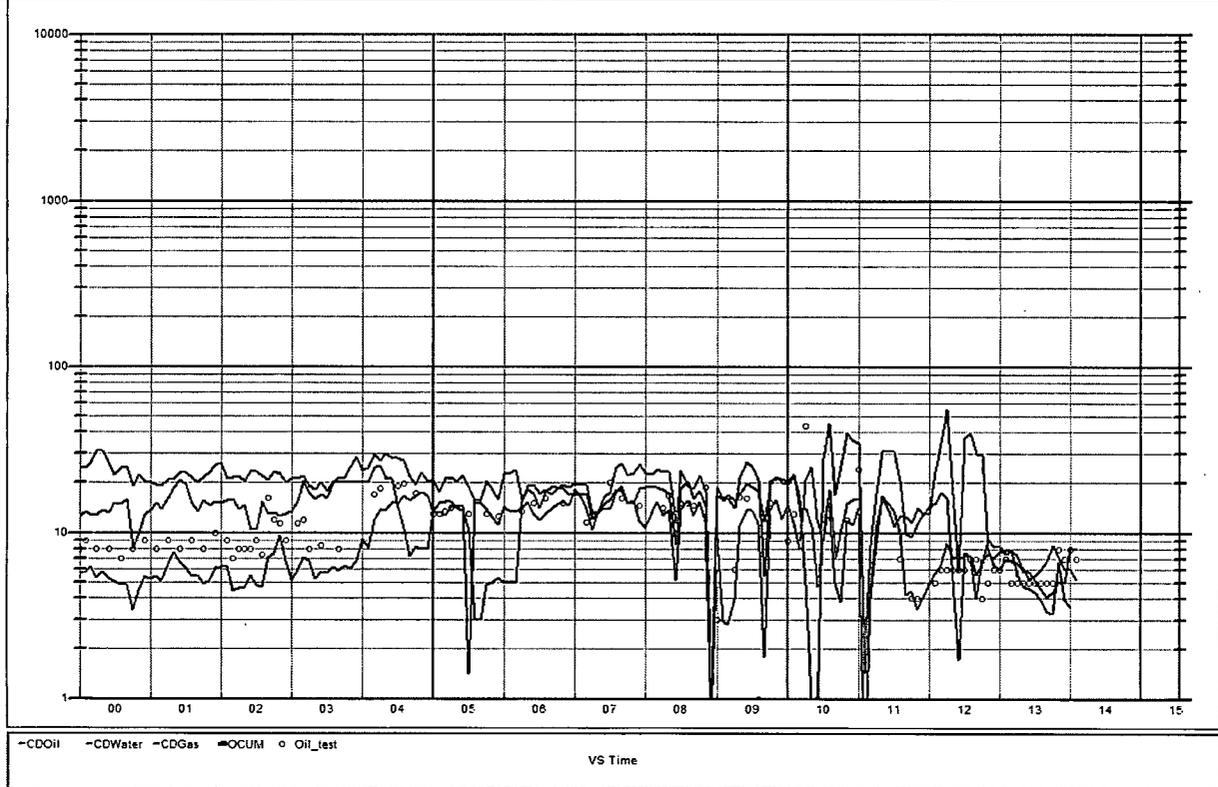
8

Chevron N.A. Inc.
 Mattern B 23
 1650' FNL 1650' FEL
 Sec. 31, T21S, R37E
 Lea County, New Mexico
 -High Lease



Name: MATB23 ID: 3002529094 Type: Well Format: [p] Comp - CDProd vs Time

PID_API14:3002529094	PTYPE:WELL	WELL_LABEL:MATB23	CHEVNO:FM2854
FIELD_NAME:FLO-DRINKARD	LEASE_NAME:MATTERN HT /NCT-BI	SAP_CC_CODE:UCU415000	SAP_CC_DESC:MATTERN HT NCTB-DRNK
COMP_NUM:01	S-T-R:31 - S021 - E037	RES_NAME:DRINKARD	WELL_STATUS:PD
WELL_TYPE:OIPR	SPUD_DATE:01/23/1985	Last OCUM Mbls:104,980	SAP_BORE_NUMBER:039280



Ready

[p] Comp - CDProd vs Time MATB23

WELL

[p] Comp - CDProd vs Time

Proposed
Wellbore Diagram

Location:
1650' FNL & 1650' FEL
Section: 31
Township: 21S
Range: 37E Unit: G
County: Lea State: NM

Elevations:
GL: 3485'
KB:
DF:

Well ID Info:
Chevno: FM2854
API No: 30-025-29094
L5/L6: U415000
Spud Date: 1/23/85
Compl. Date: 2/25/85

Surf. Csg: 11-3/4", 42#, H-40
Set: @ 398' w/275 sx cmt
Size of hole: 14-3/4"
Circ: Yes **TOC:** Surface
TOC By: Circulated 94 sxs

Interm. Csg: 8-5/8", 32# & 24#, K-55
Set: @ 2720' w/750 sx cmt
Size of hole: 11"
Circ: Yes **TOC:** Surface
TOC By: Circulated 134 sxs

TOC @ 2747'

DV Tool @ 4066'

Proposed Blinebry Perfs

- 5480-84 2 spf
- 5493-96 2 spf
- 5503-18 2 spf
- 5528-36 2 spf
- 5551-55 2 spf
- 5578-86 2 spf
- 5624-33 2 spf
- 5639-46 2 spf
- 5660-75 2 spf
- 5683-88 2 spf
- 5696-07 2 spf
- 5807-24 2 spf
- 5883-92 2 spf
- 5911-19 2 spf
- 5931-47 3 spf
- 5959-65 3 spf
- 5970-76 3 spf
- 5991-97 3 spf

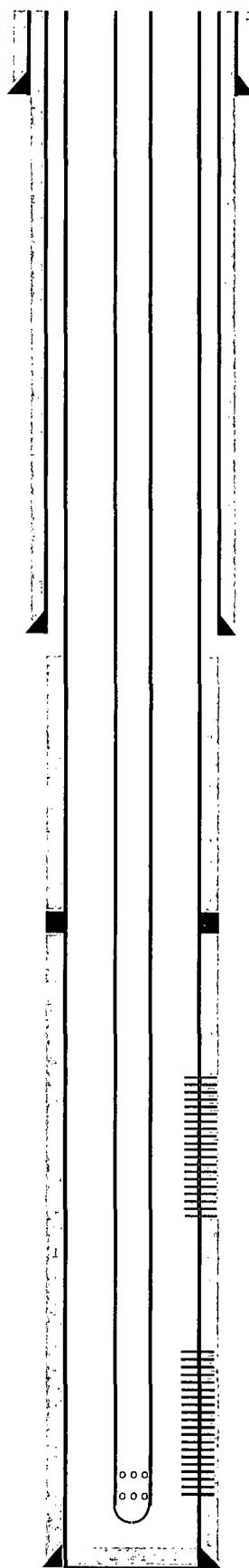
Drinkard Oil - Open

- 6570', 6572', 6574', 6580', 6584',
- 6587', 6606', 6607', 6620', 6622',
- 6630', 6634', 6638' w/1 JHPF.

Prod. Csg: 5-1/2", 15.5# , K-55
Set: @ 6823' w/1200 sx cmt
Size of hole: 7-7/8"
Circ: No **TOC:** 2747'
TOC By: Temperature Survey

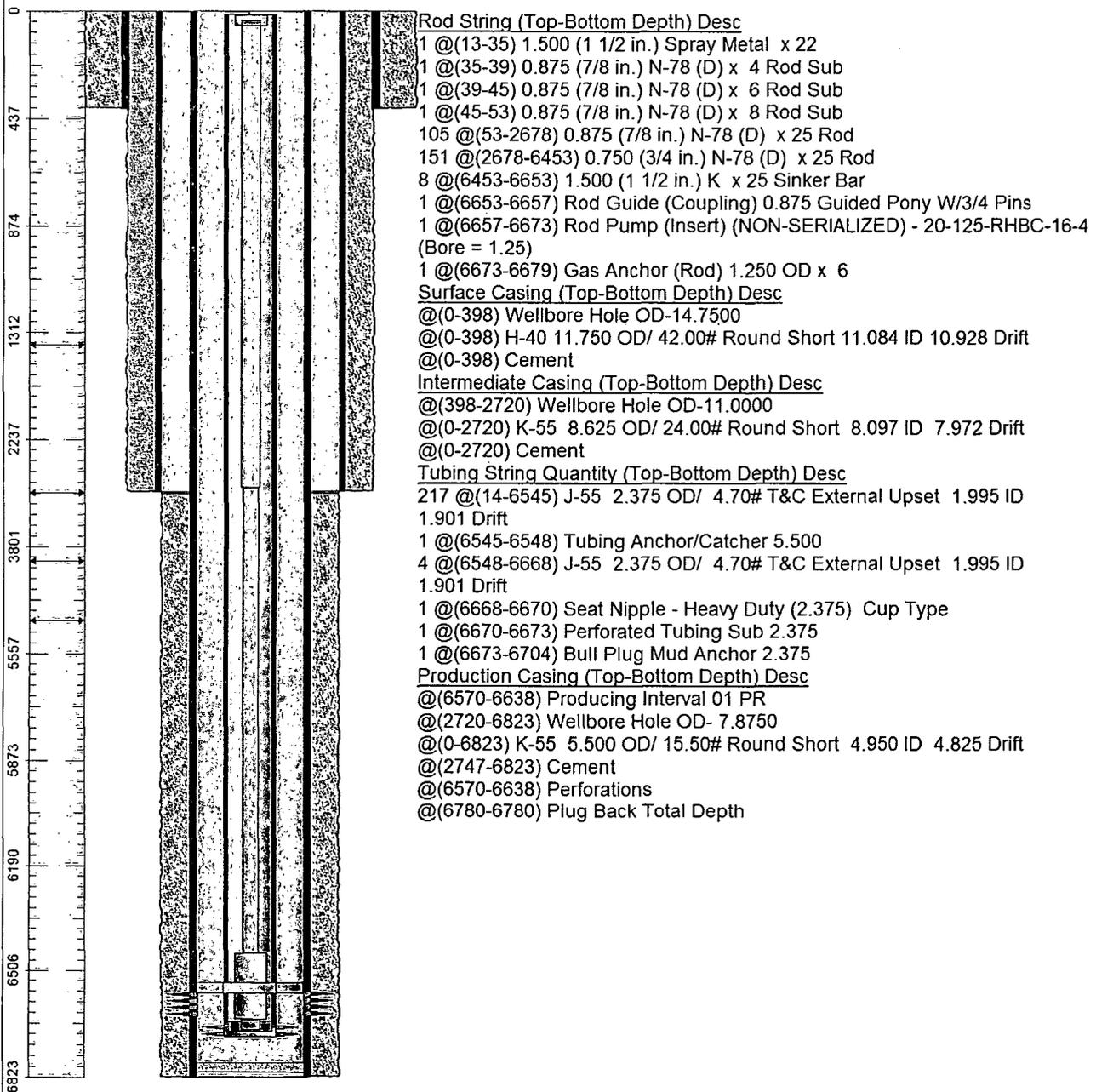
PBTD: 6780'
TD: 6824'

Updated: 3/19/13



Chevron U.S.A. Inc. Wellbore Diagram : MATB23

Lease: OEU EUNICE FMT		Well No.: MATTERN H T /NCT-B/ 23		Field: DRINKARD	
Location: 1650FNL1650FEL		Sec.: N/A		Blk:	
County: Lea		St.: New Mexico		Refno: FM2854	
Section: 31		Township: 021 S		Range: 037 E	
Current Status: ACTIVE				Dead Man Anchors Test Date: 02/21/2014	
Directions:					



Ground Elevation (MSL): 3485.00	Spud Date: 01/23/1985	Compl. Date: 02/25/1985
Well Depth Datum: Kelly Bushing	Elevation (MSL): 0.00	Correction Factor: 13.00
Last Updated by: jackssl		Date: 01/05/2009