

DATE IN 8/11/03	SUSPENSE 9/1/03	ENGINEER WJS	LOGGED <del>DELETED</del>	PDOC0322525656
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ABOVE THIS LINE FOR DIVISION USE ONLY

NEW MEXICO OIL CONSERVATION DIVISION  
- Engineering Bureau -

AUG 11 2003

OIL CONSERVATION  
DIVISION

ADMINISTRATIVE APPLICATION COVERSHEET

THIS COVERSHEET IS MANDATORY FOR ALL ADMINISTRATIVE APPLICATIONS FOR EXCEPTIONS TO DIVISION RULES AND REGULATIONS

Application Acronyms:

[NSP-Non-Standard Proration Unit] [NSL-Non-Standard Location]  
[DD-Directional Drilling] [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 - Directional Drilling  
NSL NSP DD SD

Check One Only for [B] and [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

[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] INFORMATION / DATA SUBMITTED IS COMPLETE - Statement of Understanding

I hereby certify that I, or personnel under my supervision, have read and complied with all applicable Rules and Regulations of the Oil Conservation Division. Further, I assert that the attached application for administrative approval is accurate and complete to the best of my knowledge and where applicable, verify that all interest (WI, RI, ORRI) is common. I understand that any omission of data, information or notification is cause to have the application package returned with no action taken.

Note: Statement must be completed by an individual with supervisory capacity.

CAROLYN J. HAYNIE

Print or Type Name

Signature

PE TECH. ASSISTANT

Title

Date

8-7-03

Chevron USA Production Company Inc.  
Carolyn J. Haynie  
New Mexico Waterflood  
Technical Assistant  
15 Smith Road  
Midland, TX 79705  
432-687-7384

**ChevronTexaco**

August 7, 2003

Proposed Amendment of Pool  
Lease Surface Commingling  
Order PLC-54  
State "BB" Lease; State "L" Lease; and  
NM "BZ" State (NCT) 10 Lease  
Unit letter E, Section 2, T25S, R37E  
Lea County, New Mexico

New Mexico Oil Conservation Division  
Attn: Will Jones  
1220 South St. Francis Drive  
Santa Fe, NM 87504

Dear Mr. Jones:

ChevronTexaco, Inc., formerly Chevron U.S.A. Production Co., Inc., respectfully requests administrative approval for an amendment to Commingling Order PLC-54, allowing for the addition of the Langlie Mattix, Seven Rivers Queen Grayburg to the battery.

Currently Commingling Order PLC-54 is authorized to commingle the production from the Justis Blinebry (34200) Pool and Justis Tubb-Drinkard (35280) Pool production from the following leases:

Lease:	State 'BB' Lease (B-1556)
Description:	NW/4 NW/4, and;
Lease:	State 'Lease' Lease (B-1328)
Description:	S/2 NW/4, and ;
Lease:	NM "BZ" State (NCT) 10 Lease (B-1583)
Description:	SW/4

All in Section 2, Township 25 South, Range 37 East, Lea County, New Mexico.

The recompletion of the NM 'BZ' State (NCT) 10 well # 7 is proposed in the Langlie Mattix, Seven Rivers Queen Grayburg reservoir and will result in a working interest change from 100% to 75% for ChevronTexaco, and 25% for Mildred Baker Trust Corp. All other wells in the above-mentioned Leases are ChevronTexaco's wholly owned leases. The State of NM owns the royalty and Texaco was the overriding royalty owner for this zone. Letters are enclosed to the State of New Mexico, Commissioner of Public Lands, and Mildred Baker Trust Corp., requesting their approval to add the Langlie Mattix, Seven Rivers Queen Grayburg. For additional clarification, a well list with locations, pool numbers, and API numbers, is included with the attachments.


The production from the State "BB" and State "L" leases will continue to be metered separately from the NM "BZ" State (NCT) 10 Lease. The NM 'BZ' State (NCT) 10 well # 7 is currently TA'd, and will be the first recompletion in the Langlie Mattix, Seven Rivers Queen Grayburg zone. In August of 1998, well # 7 was temporary abandoned with a CIBP set @ 5220' and is capped with a 20' cement plug. A copy of the C103 is

included in the attachments, for your information. Well # 7 will be tested through a test separator and production will be allocated with the other wells in the NM "BZ" State 10 lease.

Attached in support of this request is a table showing oil production volumes, and monetary values for each of the wells/pools proposed for commingling, a proposed schematic diagram for the subject facility, and a lease plat. As can be seen on the table, the value of the production will not be significantly impacted by the proposed action. However, commingling the batteries would lower operating costs and the cost to add the additional facilities to accommodate the new production from the well # 7.

For your convenience, I have enclosed a stamped self-addressed envelope. If you have any questions concerning this application, please contact Carolyn Haynie at (432) 687-7384, or project engineer, Mark Wakefield, at (432) 687-7287.

Sincerely,



Carolyn J. Haynie  
NM Waterflood Technical Assistant

Cc: NMOCD – Hobbs District I

Lease File  
Reggie Holzer  
Mark Wakefield  
Nathan Mouser  
Kent Coggan



NEW MEXICO ENERGY, MINERALS  
& NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION  
2040 South Pacheco Street  
Santa Fe, New Mexico 87505  
(505) 827-7131

AMENDED COMMINGLING ORDER PLC-54

KLH *[Signature]*

Texaco Exploration & Production, Inc.  
P.O. Box 730  
Hobbs, New Mexico 88241-0730

Attention: Mr. Russell S. Pool

The above-named company is hereby authorized to commingle Justis Blinebry (34200) Pool and Justis Tubb-Drinkard (35280) Pool production from the following leases:

Lease: State 'BB' Lease (B-1556)  
Description: NW/4 NW/4, and;

Lease: State 'L' Lease (B-1328)  
Description: S/2 NW/4, and;

Lease: NM 'BZ' State NCT-10 Lease (B-1583)  
Description: SW/4;

all in Section 2, Township 25 South, Range 37 East, Lea County, New Mexico.

Production shall be allocated to each lease by well tests. (If this method is to be authorized, all commingled production must be of identical ownership including working interest, royalty interest, and overriding royalty interest.)

FURTHER: The operator shall notify the Hobbs District Office of the Division upon implementation of the commingling process.

FURTHER: This installation shall be installed and operated in accordance with the applicable provisions of Rule 309-B of the Division Rules and Regulations and the Division "Manual for the Installation and Operation of Commingling Facilities." It is the responsibility of the producer to notify the transporter of this commingling authority.

NOTE: Validation of this authority shall be accomplished with like approval by the State Land Office.

DONE at Santa Fe, New Mexico, on this 11th day of March, 1996.

*[Signature]*  
WILLIAM J. LEMAY,  
Division Director

*Amended Commingling Order PLC-54*  
*Texaco Exploration & Production, Inc.*  
*March 11, 1996*  
*Page 2*

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WJL/BES

cc: Oil Conservation Division - Hobbs  
State Land Office - Oil & Gas Division  
File PLC-54

Submit 3 copies  
to Appropriate  
District Office

State of New Mexico  
Energy, Minerals and Natural Resources Department

Form C-103  
Revised 1-1-89

DISTRICT I

P.O. Box 1980, Hobbs, NM 88240

DISTRICT II

P.O. Box Drawer DD, Artesia, NM 88210

DISTRICT III

1000 Rio Brazos Rd., Aztec, NM 87410

**OIL CONSERVATION DIVISION**

P.O. Box 2088

Santa Fe, New Mexico 87504-2088

WELL API NO.	30-025-33952
5. Indicate Type of Lease	STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
6. State Oil / Gas Lease No.	
7. Lease Name or Unit Agreement Name	NEW MEXICO 'BZ' STATE NCT-10
8. Well No.	7
9. Pool Name or Wildcat	JUSTIS; BLINEBRY

**SUNDRY NOTICES AND REPORTS ON WELL**  
(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 ☒ TEXACO EXPLORATION & PRODUCTION INC.

3. Address of Operator 205 E. Bender, HOBBS, NM 88240

4. Well Location  
Unit Letter L 1700 Feet From The SOUTH Line and 330 Feet From The WEST Line  
Section 2 Township 25-S Range 37-E NMPM LEA COUNTY

10. Elevation (Show whether DF, RKB, RT, GR, etc.) 3154'

11. 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 ☐  
OTHER: ☐

**SUBSEQUENT REPORT OF:**

REMEDIAL WORK ☐ ALTERING CASING ☐  
COMMENCE DRILLING OPERATION ☐ PLUG AND ABANDONMENT ☐  
CASING TEST AND CEMENT JOB ☐  
OTHER: ☒ REQUEST TA STATUS

12. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work) SEE RULE 1103.

8-17-98: MIRU. UNHUNG WELL & WRK STUCK PUMP. LD RDS. BLED CSG DN & UNFLANGED WH & NUBOP. UNSET TAC & TOH W/TBG.  
8-18-98: BLED DN WELL & RU SWAB. SWAB TBG DN CSG. TOH W/25 STDS & SWAB. TOH W/32 STDS & BACKED OFF RDS. LD 56 3/4" RDS.  
SWAB TBG DN CSG. TOH W/REST OF TBG & LD PUMP. PUMP STUCK IN BTM JT OF TBG. PU BIT & SCRAPER & TIH TO 5263'. LD BIT &  
SCRAPER. NOTIFIED NMOCD OF INTEGRITY TEST.  
8-19-98: SET CIBP @ 5220' & DUMPED 20' OF CMT ON PLUG. PBTD @ 5200'. TITE SPOT IN CSG @ 3850-3890'. LOAD HLE & TEST PLUG W/1000  
PSI. TIH W/TBG TO 5144' & DISPL CSG W/INHIB FLUID. LD 213 JTS 2 3/8" WC-50 TBG. NDBOP & FLANGE UP WELL.  
8-20-98: PUMP 13 BBLS INHIB FLUID & PRESS UP CSG W/500 PSI & RECORDED ON CHART FOR 30 MIN-OK. RIG DOWN.

(ORIGINAL CHART ATTACHED & COPY OF CHART ON BACK)

*Temp Approval of Temporary  
Abandonment Expires* 5-19-2004

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

SIGNATURE J. Denise Leake TITLE Engineering Assistant DATE 9/2/98

TYPE OR PRINT NAME J. Denise Leake Telephone No. 397-0405

(This space for State Use)

APPROVED BY \_\_\_\_\_ TITLE \_\_\_\_\_ DATE \_\_\_\_\_

CONDITIONS OF APPROVAL, IF ANY:

Well: **New Mexico 'BZ' State (NCT-10) #7**

Field: **Justis**

Reservoir: **Tubb-Drinkard**

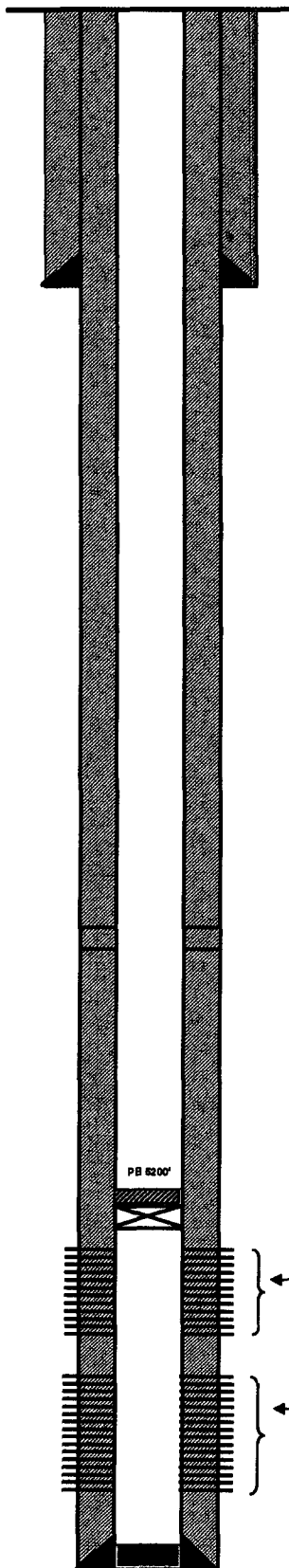
**Location:**

1700' FSL & 330' FWL  
Section: 2 (NW/4 SW/4)  
Township: 25S  
Range: 37E Lot: L  
County: Lea State: NM

**Elevations:**

GL: 3154'  
KB: 3168'  
DF: 3167'

**Wellbore Diagram**



**Well ID Info:**

Chevno:  
API No: 30-025-33952  
L5/L6: BCU802300  
Spud Date: 7/17/97  
Compl. Date: 8/9/97

**Surface Csg: 8-5/8", 24#, WC-50**

Set: @ 944' w/ 525 sx cmt

Hole Size: 11"

Circ: Yes TOC: Surface

TOC By: Circulation (113 sx)

**Workovers/Reconditionings/Repairs:**

**8/23/1997**

Perf Tubb-Drinkard interval as follows: 5998-6000', 6048-54', 6070-74', 6086-90', 6120-24', 6128-30', 6240-44', 6258-68', 6272-74', 6278-90', 6304-10', and 6340-50' w/2 JHPF (132 holes).  
Acidz w/3300 15% NE acid.

Frac w/37,000 gal 35# Borate XLG w/88,000# 20/40 Ottawa & 20,000# 20/40 Brady resin-coated sand.

Perf Blinbry interval as follows: 5252-60', 5268-78', 5282-88', 5376-84', 5390-96', 5416-20', 5470-74', 5478-83', 5530-35', 5580-84', and 5628-32' w/2 JHPF (120 holes).

Acidz w/3200 gal 15% HCl.

Frac w/35,200 gal 35# Borate XLG w/90,000# 16/30 Ottawa & 12,920# 16/30 Brady resin-coated sand.

**8/19/98: TA'd well**

Tight spot in csg  
w/ 3850-3890'

CIBP set @ 5220'  
w/20' cmt on top

Perfs 5252-5632 Status Blinbry - open

Perfs 5998-6350' Status Tubb-Drinkard - open

PBTD: 5200'  
TD: 6650'

Updated: 5/30/02

By: K. M. Jackson

**Prod. Csg: 4-1/2", 11.6#**

Set: @ 6650' w/ 1400 sx cmt

Hole Size: 7-7/8"

Circ: No TOC: 550'

TOC By: Calculation

**New Mexico BZ State NCT-10 No. 7  
Grayburg Completion Procedure  
Lea County, New Mexico**

**API NO:** 30-025-33952

**Well:** New Mexico BZ State NCT-10 No. 7

<b>WBS Number(s):</b>	UWPNM-R3043-EXP	\$94,800
	UWPNM-R3043-CAP	\$62,100
	UWPNM-	\$

**Well Location:**

**Section:** 2    **Township:** 25S    **Range:** 37E

**Surface Location:** 1700' FSL & 330' FWL

Lea County, New Mexico

**Current Status:**

**Status:** TA

**Production:**

**Formation:** Tubb-Drinkard

**Objectives**

1. Perforate Grayburg and break down with acid.
2. Swab test the Grayburg to determine fluid entry rate.
3. Fracture stimulate Grayburg and swab test.
4. Run production equipment and turn well over to operations.

**Procedure**

**NOTE: Use 2% KCL water for all operations.**

1. MIRU PU. NDWH. NU BOP and EPA. Pressure test BOP to 1,500 psi.
2. PU and RIH with 3-7/8" bit on a 2-7/8" work string and CO to PBTD @ 5200'. Circulate hole clean using 2% KCL water. Pressure test plug to 1000 psi. POOH with tubing.
3. MIRU Baker Atlas. Tie into Schlumberger CNL/GR/CCL dated 7/28/97. Perforate the following intervals using Baker's 3-1/8" Slick Guns loaded with 4 SPF, premium charge, at 120° phasing:

3,490' – 3,504'

3,558' – 3,572'

3,598' – 3,614'

4. PU and RIH with 4-1/2" PPI packer (with 30' element spacing) and SCV on 2-7/8" tubing to approximately 3614'.



**New Mexico BZ State NCT-10 No. 7**  
**Grayburg Completion Procedure**  
**Lea County, New Mexico**

**API NO:** 30-025-33952

5. MI & RU DS Services. Acidize perfs 3490-3614' with 2,100 gals anti-sludge 15% HCL acid \* at a maximum rate as shown below and a maximum surface pressure of 2,000 PSI. Spot acid to bottom of tubing at beginning of each stage. Pump job as follows:

<u>Interval</u>	<u>Amt. Acid</u>	<u>Max Rate</u>	<u>PPI Setting</u>
3598-3614	700 gals	½ BPM	3590-3620
3558-3572	700 gals	½ BPM	3550-3580
3490-3504	700 gals	½ BPM	3482-3512

Displace acid with 2% KCl water -- do not over displace. Use a SCV to control displacement fluid. Record ISIP, 5 & 10 minute SIP's. RD and release DS services. **Note: If communication occurs during treatment of any interval, move to the next setting and combine treatment volumes.**

* Acid system is to contain:	1 GPT A264	Corrosion Inhibitor
	8 GPT L63	Iron Control Agent
	3 PPT A179	Iron Control Aid
	2 GPT W53	Non-Emulsifier Agent
	5 GPT L55	Clay Control
	2 GPT M38B	Silicate Control

6. Release PPI packer and PUH to approximately 3480'. Swab back all intervals together. Recover 100% of treatment and load volumes before shutting well in for night, if possible. Report recovered fluid volumes, pressures, and/or swabbing fluid levels. Note: Selectively swab perfs as directed by Engineering if excessive water is produced.
7. Open well. Release PPI packer. POH with tbg and PPI packer.
8. RIH w/ 4-1/2" treating packer and On-Off tool w/2.25" F profile and 2-7/8" tubing, testing to 7,500 psi. Set pkr at 3,475'. Install frac head. Pressure annulus to 500 psi to test csg and pkr. Leave pressure on csg during frac job to observe for communication.
9. MI & RU DS Services. Frac well down 2-7/8" tubing at 35 BPM with 43,000 gals of YF135ST, 73,000 lbs of 16/30 Jordan Sand and 24,000 lbs 16/30 resin-coated sand. Observe a maximum surface treating pressure of 7,400 psi. Pump job as per the attached FracCADE design.
10. Leave well SI over night.
11. Open well. Release pkr and POH with 2-7/8" work string.

**New Mexico BZ State NCT-10 No. 7**  
**Grayburg Completion Procedure**  
**Lea County, New Mexico**

**API NO:** 30-025-33952

12. PU 3-7/8" bit and GIH with 2-7/8" tubing string to top of sand fill. Establish circulation using 2% KCL water. CO well bore to 3700'. POH w/ bit and tubing.
13. Run production equipment as per ALS recommendation.
14. Turn well over to production. Report producing rates, choke sizes, flowing pressures and/or fluid levels.

**Mark S. Wakefield**  
June 4, 2003

**Proposed Amendment Of Surface  
Commingling Order PLC-54  
NM BB, & L/BZ NCT 10 Commingled Tank  
Section 2, T25S, R37E  
Lea County, New Mexico**

**NM BB, L, & BZ NCT 10 Commingled Tank**

Pool	Well	BOPD	API Gravity	\$/BBL	\$/Day	Remarks
Blinebry/Tubb-Drk	BB # 3	7	35.5	26.68	186.76	Gravity of comingled oil fr/ # 10 Battery
Blinebry/Tubb-Drk	L # 3	8	35.5	26.68	213.44	Gravity of comingled oil fr/ # 10 Battery
Blinebry/Tubb-Drk	L # 4	11	35.5	26.68	293.48	Gravity of comingled oil fr/ # 10 Battery
Blinebry/Tubb-Drk	L # 5	12	35.5	26.68	320.16	Gravity of comingled oil fr/ # 10 Battery
Blinebry/Tubb-Drk	L # 6	15	35.5	26.68	400.2	Gravity of comingled oil fr/ # 10 Battery
Blinebry/Tubb-Drk	BZ # 5	5	35.5	26.68	133.4	Gravity of comingled oil fr/ # 10 Battery
Blinebry/Tubb-Drk	BZ # 6	5	35.5	26.68	133.4	Gravity of comingled oil fr/ # 10 Battery
Tubb-Drk	BZ # 7	0	0	26.68	0	Shut-In
LANGLIE MATTIX; 7 RVRS-Q-GRAYBURG	BZ # 7		35.2	26.68	0	New Recompletion Production Estimate, & Gravity from an Area Grayburg well, (within a half of a mile)..
<b>Totals</b>		<b>63</b>			<b>\$1,680.84</b>	

**Production From All Wells Commingled Into NM BB, & L/BZ NCT 10 Commingled Tank**

Pool	Well	BOPD	API Gravity	\$/BBL	\$/Day	Remarks
Blinebry/Tubb-Drk	BB # 3	7	35.4	26.68	186.76	Calculated gravity of commingled oil
Blinebry/Tubb-Drk	L # 3	8	35.4	26.68	213.44	Calculated gravity of commingled oil
Blinebry/Tubb-Drk	L # 4	11	35.4	26.68	293.48	Calculated gravity of commingled oil
Blinebry/Tubb-Drk	L # 5	12	35.4	26.68	320.16	Calculated gravity of commingled oil
Blinebry/Tubb-Drk	L # 6	15	35.4	26.68	400.2	Calculated gravity of commingled oil
Blinebry/Tubb-Drk	BZ # 5	5	35.4	26.68	133.4	Calculated gravity of commingled oil
Blinebry/Tubb-Drk	BZ # 6	5	35.4	26.68	133.4	Calculated gravity of commingled oil
LANGLIE MATTIX; 7 RVRS-Q-GRAYBURG	BZ # 7	29	35.4	26.68	773.72	Calculated gravity of commingled oil
<b>Totals</b>		<b>92</b>			<b>\$2,454.56</b>	

# **NM, BB, & L/BZ NCT 10 COMMINGLED TANK**

Lease	WELL #	STATUS	API #	Field	Pool	Location	U	SS	TT	RR	WI	POOL
STATE BB	3-DHC	PR	30-025-33169	JUSTIS	BLINEBRY	990' FNL & 330' FWL	D	02	25S	37E	100%	34200
STATE BB	3-DHC	PR	30-025-33169	JUSTIS	TUBB/DRINKARD		D	02	25S	37E		35280
STATE L	3-DHC	PR	30-025-11417	JUSTIS	BLINEBRY	2310' FNL & 1650' FWL	F	02	25S	37E	100%	34200
STATE L	3-DHC	PR	30-025-11417	JUSTIS	TUBB/DRINKARD		F	02	25S	37E		35280
STATE L	4-DHC	FL	30-025-11419	JUSTIS	BLINEBRY	1655' FNL & 990' FWL	E	02	25S	37E	100%	34200
STATE L	4-DHC	FL	30-025-11419	JUSTIS	TUBB/DRINKARD		E	02	25S	37E		35280
STATE L	5-DHC	PR	30-025-32911	JUSTIS	BLINEBRY	2260' FNL & 1800' FWL	F	02	25S	37E	100%	34200
STATE L	5-DHC	PR	30-025-32911	JUSTIS	TUBB/DRINKARD		F	02	25S	37E		35280
STATE L	6-DHC	PR	30-025-33725	JUSTIS	BLINEBRY	2310' FNL & 450' FWL	E	02	25S	37E	100%	34200
STATE L	6-DHC	PR	30-025-33725	JUSTIS	TUBB/DRINKARD		E	02	25S	37E		35280
NM BZ STATE (NCT) 10	5-DHC	PR	30-025-33089	JUSTIS	BLINEBRY	1650' FSL & 1650' FWL	K	02	25S	37E	100%	34200
NM BZ STATE (NCT) 10	5-DHC	PR	30-025-33089	JUSTIS	TUBB/DRINKARD		K	02	25S	37E		35280
NM BZ STATE (NCT) 10	6-DHC	PR	30-025-33168	JUSTIS	BLINEBRY	480' FSL & 1650' FWL	N	02	25S	37E	100%	34200
NM BZ STATE (NCT) 10	6-DHC	PR	30-025-33168	JUSTIS	TUBB/DRINKARD		N	02	25S	37E		35280
NM BZ STATE (NCT) 10	7	SI	30-025-33952	JUSTIS	TUBB/DRINKARD	1700' FSL & 330' FWL	L	02	25S	37E	100%	35280
NM BZ STATE (NCT) 10	7	NEW RECOMPLETION	30-025-33952	JUSTIS	LANGLIE MATTIX; 7 RVRS-Q-GRAYBURG	1700' FSL & 330' FWL	L	02	25S	37E	75%	37240

WELL TEST REPORT									
Lease: <b>STATE BB 3</b>		Field: <b>FLD-JUSTIS</b>		Reservoir: <b>ALL POOLS - NEW MEXICO</b>					
Well:		Field Code: <b>U80</b>		Resv Code: <b>0000004056</b>					
		Unique Code: <b>PU802100</b>		Battery: <b>BB &amp; L - BZ</b>					
		Wellbore: <b>429008</b>		API No: <b>300253316900</b>					

[illegible]

WELL TEST REPORT									
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Lease: <b>STATE L 3</b>	Field: <b>FLD-JUSTIS</b>	Reservoir: <b>ALL POOLS - NEW MEXICO</b>
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Well:	Field Code: U80	Resv Code: 0000004056
	Unique Code: PU801800	Battery: BB & L - BZ

Well:	Field Code: U80	Resv Code: 0000004056
	Unique Code: PU801800	Battery: BB & L - BZ

					<b>Unique Code: PU801800</b>		<b>Battery: BB &amp; L - BZ</b>		
					<b>Wellbore: 428065</b>		<b>API No: 300251141700</b>		

					<b>Unique Code: PU801800</b>		<b>Battery: BB &amp; L - BZ</b>		
					<b>Wellbore: 428065</b>		<b>API No: 300251141700</b>		

					<b>Wellbore: 428065</b>		<b>API No: 300251141700</b>	
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[illegible]

[illegible]**Reservoir: ALL POOLS - NEW MEXICO**

Resv Code: 0000004056

Battery:	BB & L - BZ
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**API No: 300251141900**

[illegible]

WELL TEST REPORT									
Lease: <b>STATE L 5</b>		Field: <b>FLD-JUSTIS</b>		Reservoir: <b>ALL POOLS - NEW MEXICO</b>					
Well:		Field Code: <b>U80</b>		Resv Code: <b>0000004056</b>					
		Unique Code: <b>PU801800</b>		Battery: <b>BB &amp; L - BZ</b>					
		Wellbore: <b>428985</b>		API No: <b>300253291100</b>					

[illegible]



WELL TEST REPORT									
Lease: <b>STATE L 6</b>			Field: <b>FLD-JUSTIS</b>			Reservoir: <b>ALL POOLS - NEW MEXICO</b>			
Well:			Field Code: <b>U80</b>			Resv Code: <b>0000004056</b>			
			Unique Code: <b>PU801800</b>			Battery: <b>BB &amp; L - BZ</b>			
			Wellbore: <b>429071</b>			API No: <b>300253372500</b>			

[illegible]

WELL TEST REPORT									
Lease: <b>NMX BZ NCT10 5</b>			Field: <b>FLD-JUSTIS</b>			Reservoir: <b>ALL POOLS - NEW MEXICO</b>			
Well:			Field Code: <b>U80</b>			Resv Code: <b>0000004056</b>			
			Unique Code: <b>PU802300</b>			Battery: <b>BB &amp; L - BZ</b>			
			Wellbore: <b>429001</b>			API No: <b>300253308900</b>			

[illegible]

WELL TEST REPORT

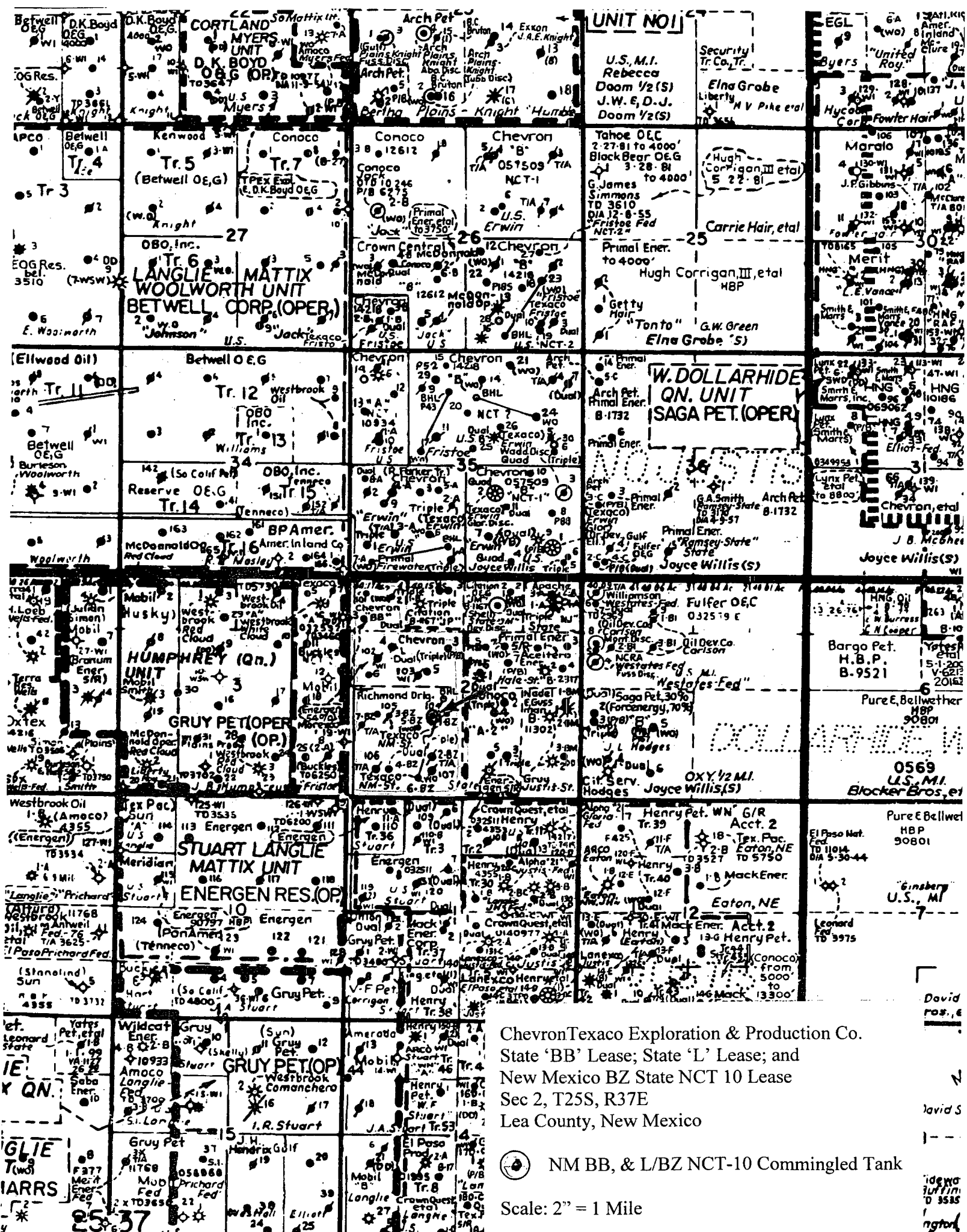
Reservoir: TUBB/DRINKARD

Resv Code: 0000009304

Battery:	BB & L - BZ
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**API No: 300253316801**

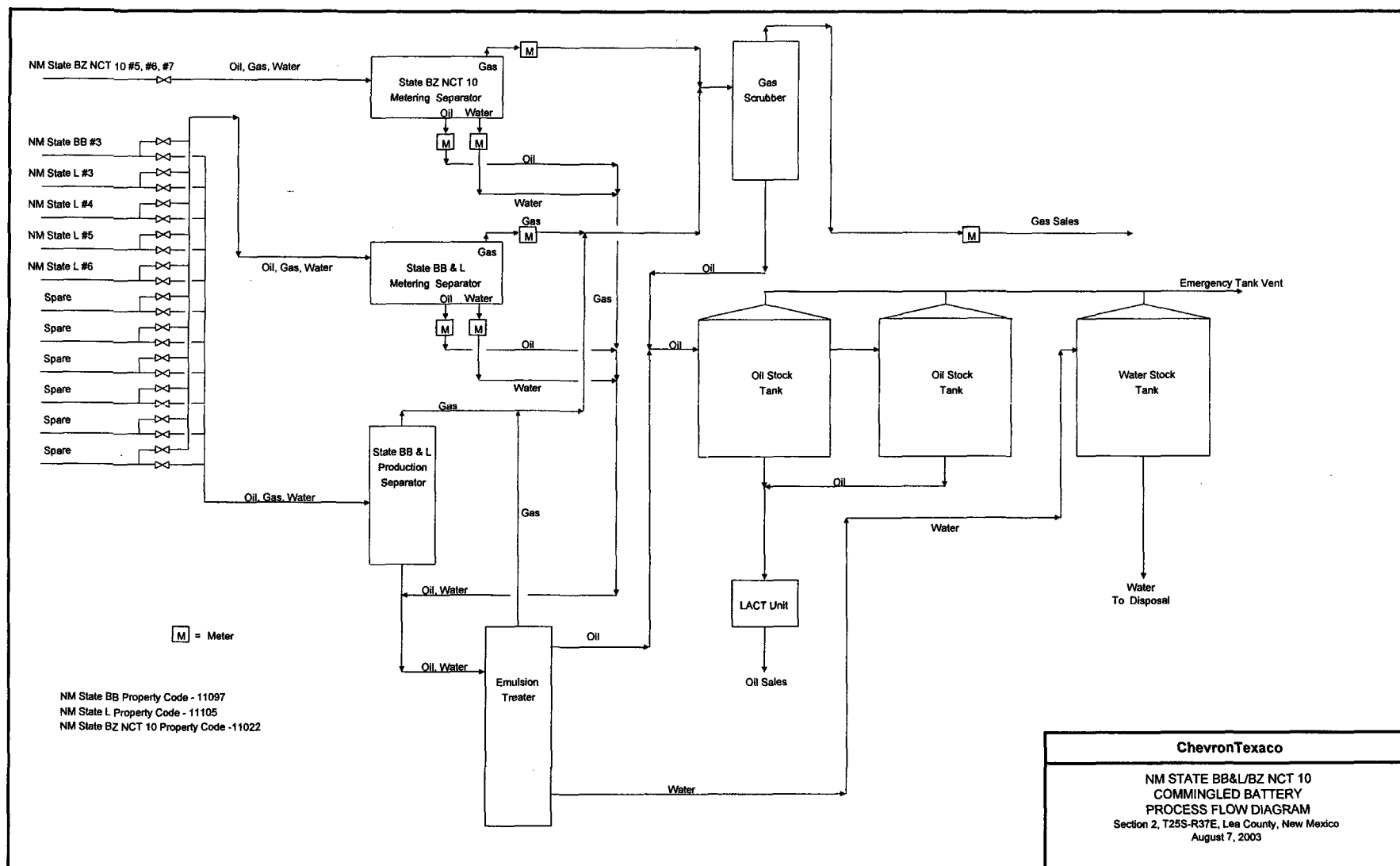
[illegible]



ChevronTexaco Exploration & Production Co.  
State 'BB' Lease; State 'L' Lease; and  
New Mexico BZ State NCT 10 Lease  
Sec 2, T25S, R37E  
Lea County, New Mexico

David S. [illegible]  
David S. [illegible]  
David S. [illegible]

Scale: 2" = 1 Mile



Chevron U.S.A. Production Company  
Carolyn J. Haynie  
New Mexico Waterflood  
Technical Assistant  
15 Smith Road  
Midland, TX 79705

**ChevronTexaco**

August 7, 2003

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

Re: Amendment of Pool  
Lease Surface Commingle  
Order PLC-54  
New Mexico "BZ" State 10 Lease  
Section 2, T25S, R37E  
Lea County, New Mexico


Dear Mr. Martinez,

ChevronTexaco Exploration & Production Company, a division of Chevron U.S.A. Inc., requests approval from the Commissioner of Public Lands, State of New Mexico, to amend Pool Lease Surface Commingle Order PLC-54, allowing for the addition of the Langlie Mattix, Seven Rivers Queen Grayburg to the battery.

Attached in support is a complete package of the NMOCD Lease Surface commingle, and the Commissioner of Public Lands, State of New Mexico, commingling filing fee, in the amount of \$30.00.

If you have any questions concerning this application, or need additional information, please contact me, at (915) 687-7384.

Sincerely,

  
Carolyn J. Haynie  
New Mexico Waterflood  
PE Technical Assistant

CC: NMOCD Santa Fe, NM  
Mark Wakefield  
Reggie Holzer  
Kent Coggan  
Nathan Mouser  
Denise Mohar  
Central Files



RAY POWELL, M.S., D.V.M.  
COMMISSIONER

State of New Mexico  
Commissioner of Public Lands

310 OLD SANTA FE TRAIL P.O. BOX 1148  
SANTA FE, NEW MEXICO 87504-1148

(505) 827-5760  
FAX (505) 827-5766

February 16, 1996

Texaco Exploration & Production Inc.  
Post Office Box 730  
Hobbs, New Mexico 88240

Attn: Mr. Darrell Carriger

Re: Application for Lease Commingling  
State "BB", State "L", and N.M. "BZ" State NCT-10 Leases  
Section 2-25S-37E  
Lea County, New Mexico

Dear Mr. Carriger:

We have received your application your application requesting approval to commingle production from the State "BB", State "L" and N.M. "BZ" State NCT-10 leases. The production from the subject leases will be commingled in a common storage facility located in Unit Letter E, Section 2, Township 25S, Range 37E, Lea County, New Mexico, at the State "L" lease battery.

We understand that production from the State "BB" and State "L" leases will be metered separately from the N.M. "BZ" State NCT-10 lease.

Since it appears that there will be no loss of revenue to the State of New Mexico as a result of your proposed operation, your request is hereby approved. Any deviation from the substance of your request will be sufficient grounds for rescinding our approval. Our approval is subject to like approval by the New Mexico Oil Conservation Division.

Since the State "BB" wells and the N.M. "BZ" State NCT-10 wells are utilizing the tank battery on Lease B-1328-1, a right-of-way easement may be required for a portion of the SW/4NW/4 of Section 2-25S-37E. Please contact Ms. Debra Padilla of our Right-of-Way Section for further information regarding this easement. Ms. Padilla's telephone number is 827-5729.

Our approval is contingent upon Texaco's obtaining any required rights-of-way.

Texaco Exploration & Production Inc.  
February 16, 1996  
Page 2

If you have any questions, or if we may be of further help, please contact Pete Martinez at (505) 827-5791.

Very truly yours,

RAY POWELL, M.S., D.V.M.  
COMMISSIONER OF PUBLIC LANDS

BY: 

LARRY KEHOE, Director  
Oil, Gas and Minerals Division  
(505) 827-5744

RP/LK/cpm

Enclosure

cc: Reader File  
B-1328-1  
OCD--Attention: David Catanach and Ben Stone  
Debra Padilla  
Nick Mace



Chevron U.S.A. Production Company  
Carolyn J. Haynie  
New Mexico Waterflood  
Technical Assistant  
15 Smith Road  
Midland, TX 79705

*Copy*

June 24, 2003

**ChevronTexaco**

Mildred Baker Trust Corp.  
Attn: Ms. Kathy M. Rangel  
P.O. Box 22577  
Hialeah, Florida 33002

Re: Amendment of Pool  
Lease Surface Commingle  
Order PLC-54  
New Mexico "BZ" State 10 Lease  
Section 2, T25S, R37E  
Lea County, New Mexico

Dear Ms. Rangel,

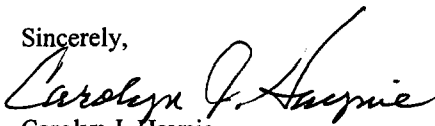
ChevronTexaco Exploration & Production Company, a division of Chevron U.S.A. Inc., is requesting approval from the New Mexico Oil Conservation Division to amend Pool Lease Surface Commingle Order PLC-54, allowing for the addition of the Langlie Mattix, Seven Rivers Queen Grayburg to the battery.

The recompletion of the NM "BZ" State (NCT) 10 well # 7 is proposed in the Langlie Mattix, Seven Rivers Queens Grayburg reservoir, of which the Mildred Baker Trust Corp. holds a working interest owner of 25%, and ChevronTexaco is 75%. Upon the successful recompletion, ChevronTexaco would like to commingle the # 7 well production with the NM BB, & L/BZ NCT-10 Commingled Tank battery.

The production from the State "BB" and State "L" is being metered separately from the NM "BZ" State NCT 10 Lease, and after the recompletion of the NM "BZ" State NCT 10 Lease # 7 well will be tested through a test separator and production will be allocated with other wells in the lease.

Please indicate your approval by signing in the appropriate space on the attachment. For your convenience and return, I have enclosed a stamped self-addressed envelope. If you require additional information, please contact me at (915) 687-7384.

Sincerely,



Carolyn J. Haynie  
New Mexico Waterflood  
PE Technical Assistant

CC: NMOC Santa Fe, NM  
Mark Wakefield  
Central Files

June 24, 2003

ChevronTexaco Inc.  
Amendment of Pool Lease Surface Commingling Order PLC-54

Approval to add the production from the NM 'BZ' State NCT 10 well # 7,  
in the Langlie Mattix, Sevens Rivers Queen Grayburg reservoir to the  
NM BB, & L/BZ NCT – 10 Commingled Tank

Approved:

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Working Interest Owner  
Mildred Trust Corp.  
P.O. BOX 22577  
Hialeah, Florida 33002