

11/13/07 DATE IN	SUSPENSE	W Jones ENGINEER	11/13/07 LOGGED IN	PLC TYPE	PKUR0731750166 APP NO.
---------------------	----------	---------------------	-----------------------	-------------	---------------------------

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]**
[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 _____

[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 HAYNIE
Print or Type Name

Signature

Carolyn Haynie

PE TECHNICAL ASSISTANT
Title

Date

11-5-07

chay@chevron.com
e-mail Address

RECEIVED
2007 NOV 13 PM 1 36



Carolyn Haynie
Petroleum Engineering
Technical Assistance

Permian Business Unit
Chevron U.S.A. Inc.
15 Smith Road
Midland, TX 79705
Tel 432-687-7261
Fax 432-687-7558
chay@chevron.com

November 7, 2007

New Mexico Oil Conservations Division
1220 South St. Francis Drive
Santa Fe, New Mexico 87504

RE: Application to Pool Commingle Production
Oil and Gas Department

Chevron U.S.A., Inc. respectfully requests administrative approval to surface commingle the oil, gas, and water production from the Morrow, Bone Springs, and Brushy Canyon Pools, on the Chevron's Pardue Farms 26-1 Battery located at Pardue Farms 26, well # 1; 1980' FNL & 660' FWL, Section 26, T23S, R28E, Eddy County, New Mexico.

The wells included in this battery, currently produce into four separate tanks, of which are badly in need of repair. Pending administrative approval, Chevron proposes to upgrade and rebuild Pardue Farms 26-1 Battery, by removing the four tanks and installing 2 new tanks. The production from the Pardue Farms well # 1 will continue to go through a separate Gas Production Unit, and the Pardue Farms # 2, # 3, and # 4 production, will go into the two new tanks. Well # 2 is down hole commingled by Administrative Order DHC-2756 in the Brushy-Canyon and the Bone Springs, and is allocated respectively, by oil-53% /gas-34% and oil-47% and gas-66%.

Chevron is the operator with varying working interest, in the Pardue Farms wells # 1, # 2, # 3, and # 4. All working interest owners, royalty interest owners, and over-riding royalty interest owners, have been notified. Attached in support of this request is a copy of the notification letter; a table showing oil production volumes, gravities, and monetary values for each of the wells, and a proposed schematic diagram and a lease plat. Production will be allocated to each well with the use of metering separators, located at the Pardue Farms 26-1 Commingled Battery and will be installed in accordance with applicable provisions of the NMOCD's "Manual for the installation and Operation of Commingling Facilities. Commingling will not be significantly impacted by the proposed action. Environmental exposure and operating costs will be reduced by having fewer tank storage facilities to operate and maintain.

For your convenience, I have enclosed an envelope with my return address, so that the decision for this application can be sent directly to me. If you require additional information or have any questions, please contact me by telephone at 432-687-7261, or by email at chay@chevron.com.

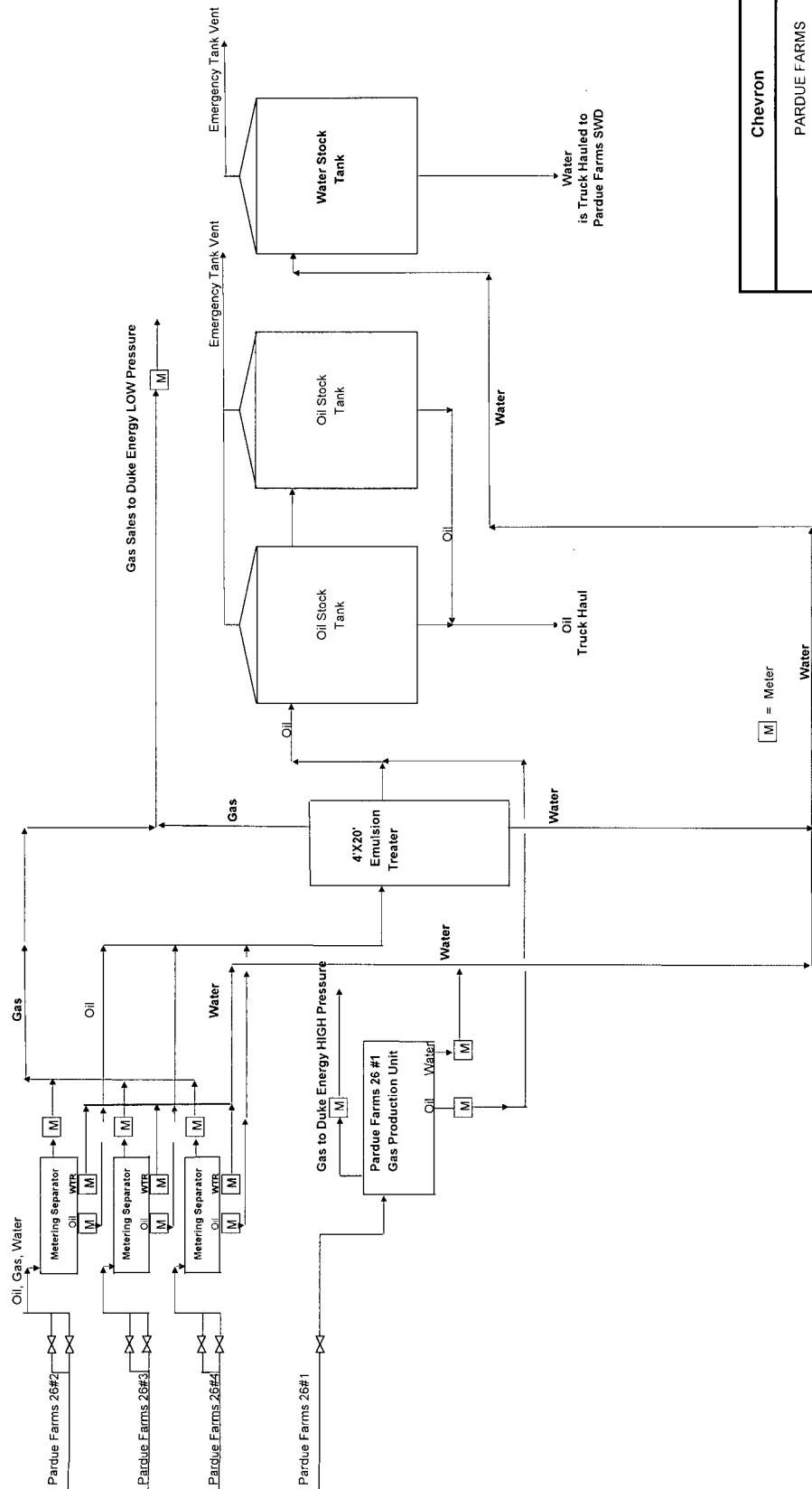
Sincerely,

A handwritten signature in cursive script that reads "Carolyn Haynie".

Carolyn Haynie
NM PE Technical Assistant

Enclosure

cc: NMOCD – District 2; Artesia
Lease File
Susan Brownlee
Chris Irle
Danny Lovell
Denise Pinkerton
Stephanie Lugo



Chevron

PARDUE FARMS
COMMINGLED 26#1 BATTERY
PROCESS FLOW DIAGRAM

Section 26, T23S, R28E, Eddy County, New Mexico
August 20, 2007

New Mexico Area			Pardue Farms 26-1 Commingle									
API No.	Lease	Well No.	Status	Pool	Pool Code	Unit Letter	Section	Twtnship	Range	Location	Co.	TD
30-015-22627	Pardue Farms	26-1	FL	Morrow	76140	E	26	23S	28E	1980' FNL & 660' FWL	Eddy	13,117
30-015-22647	Pardue Farms	26-2	FL	Bone Springs & Brushy Canyon,	15011	D	26	23S	28E	760' FNL 7 990' FWL	Eddy	9777
"	"	26-2	FL	DHC -2756	40350	D	26	23S	28E	760' FNL 7 990' FWL	Eddy	"
30-015-23612	Pardue Farms	26-3	FL	Brushy Canyon	40350	F	26	23S	28E	2080' FNL & 1980' FWL	Eddy	8000
30-015-26862	Pardue Farms	26-4	FL	Brushy Canyon	40350	C	26	23S	28E	560' FNL & 2100' FWL	Eddy	6800

NE MEXICO OIL CONSERVATION COMMISSION
WELL LOCATION AND ACREAGE DEDICATION PLAT

Form C-102
Supersedes C-128
Effective 1-1-65

All distances must be from the outer boundaries of the Section.

Operator Maddox Energy Corp.			Lease Pardue Farms			Well No. 1
Unit Letter E	Section 26	Township 23South	Range 28East	County EDDY		
Actual Footage Location of Well: 1980 feet from the North line and 660 feet from the West line						
Ground Level Elev. 3025.7	Producing Formation Morrow - Atoka		Pool Wildcat Morrow Undesignated		Dedicated Acreage: 320 Acres	

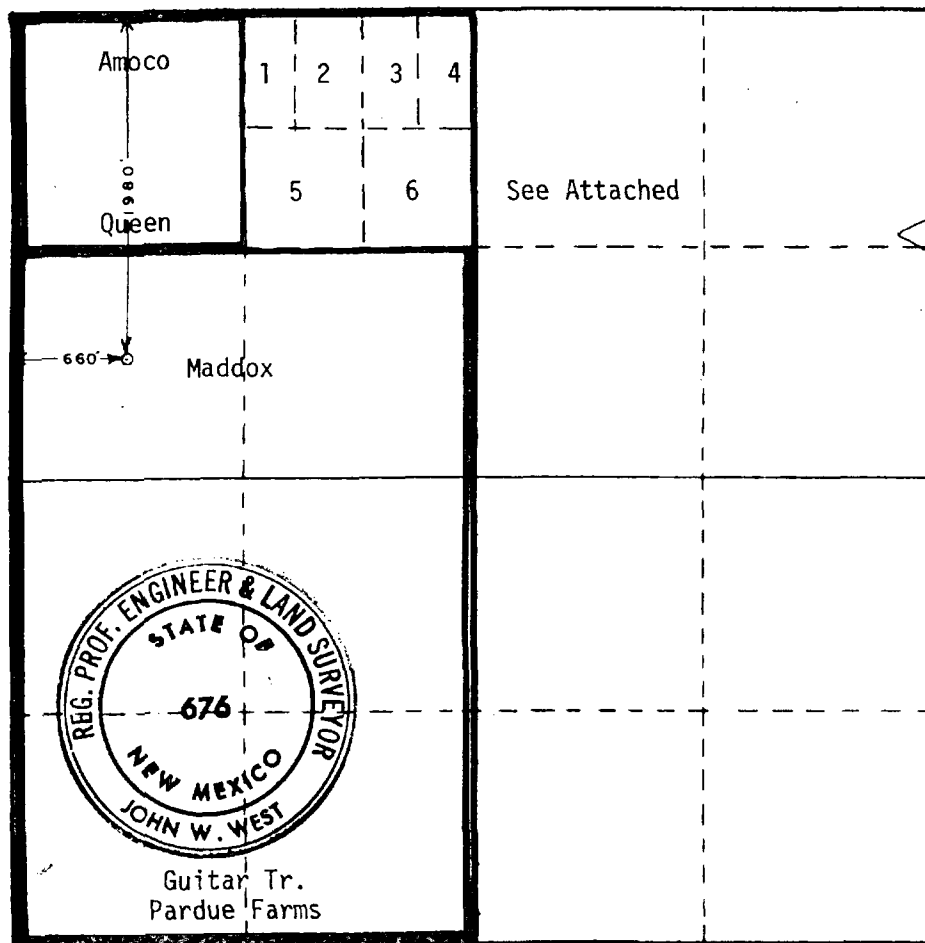
1. Outline the acreage dedicated to the subject well by colored pencil or hachure marks on the plat below.
2. If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).
3. If more than one lease of different ownership is dedicated to the well, have the interests of all owners been consolidated by communitization, unitization, force-pooling, etc?

☐ Yes ☒ No If answer is "yes," type of consolidation

Will be communitized or force pooled at a later date.

If answer is "no," list the owners and tract descriptions which have actually been consolidated. (Use reverse side of this form if necessary.)

No allowable will be assigned to the well until all interests have been consolidated (by communitization, unitization, forced-pooling, or otherwise) or until a non-standard unit, eliminating such interests, has been approved by the Commission.



CERTIFICATION

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

Name
James F. O'Briant
Position
Consultant
Company
Maddox Energy Corporation
Date
July 19, 1978

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
May 23, 1978
Registered Professional Engineer and/or Land Surveyor

John W. West
Certificate No. **John W. West 676**
Ronald J. Eldon 3239

Proposed Surface Commingling Order
Pardue Farms Commingled Battery 26-1
Section 26, T23S, R28E
Eddy County, New Mexico

Pardue Farms, Section 26, Battery 1, (Current State)

Pool	Well	BOPD	API Gravity	\$/BBL	\$/Day	Remarks	Battery
Morrow	Pardue Farms 26 #1	0.0	0	\$ -	\$ -	Gas Well	1
Bone Springs/Brushy Canyon							
	Pardue Farms 26 #2	4.0	40.8	\$ 79.42	\$ 317.68	DHC-2756	1
Brushy Canyon	Pardue Farms 26 #3	7.0	42.7	\$ 62.24	\$ 435.68		1
Brushy Canyon	Pardue Farms 26 #4	8.0	41.8	\$ 63.02	\$ 504.16		1
Totals		19.0			\$1,257.52		

Pardue Farms, Sec. 26, Production Commingled Into the Upgraded Battery # 26-1

Pool	Well	BOPD	API Gravity	\$/BBL	\$/Day	Remarks	Battery
Morrow Bone Springs/Brushy Canyon	Pardue Farms 26 #1	0.0	0.0	\$ -	\$ -	Calculated API gravity of commingled oil	1
	Pardue Farms 26 #2	4.0	41.9	63.02	252.08	Calculated API gravity of commingled oil	1
Brushy Canyon	Pardue Farms 26 #3	7.0	41.9	63.02	441.14	Calculated API gravity of commingled oil	1
Brushy Canyon	Pardue Farms 26 #4	8.0	41.9	63.02	504.16	Calculated API gravity of commingled oil	1
Totals		19.0		\$1,197.38			



ARDINAL LABORATORIES

PHONE (915) 873-7001 • 2111 BEECHWOOD • ABILENE, TX 79603
PHONE (505) 393-2326 • 101 E. MARLAND • HOBBS, NM 88240

ANALYTICAL RESULTS FOR
CHEVRON
ATTN: LARRY WILLIAMS
P.O. BOX 1949
EUNICE, NM 88231
FAX TO: 394-1293

Receiving Date: 7/20/07
Reporting Date: 7/25/07
Project Number: NONE GIVEN
Project Name: PARDUE FARMS
Project Location: LOVING, NM

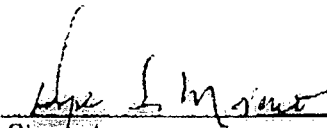
Sampling Date: NONE GIVEN
Sample Type: OIL
Sample Condition: INTACT
Sample Received By: BC

Laboratory No.	Sample ID	API grav. @ 60°F	Weight % Sulfur
H12950-1	26 #2 PARDUE FARM	40.8	0.1360
H12950-2	26 #3 PARDUE FARM	42.7	0.1214
H12950-3	26 #4 PARDUE FARM	41.8	0.1303
H12950-4	27 #4 PARDUE FARM	41.8	0.1343
H12950-5	27 #5 PARDUE FARM	41.9	0.1322
H12950-6	27 #6 PARDUE FARM	42.7	0.1319
H12950-7	27 #9 PARDUE FARM	40.4	0.1369
H12950-8	27 #10 PARDUE FARM	40.2	0.1371
H12950-9	27 #11 PARDUE FARM	41.8	0.1314
H12950-10	27 #12 PARDUE FARM	42.8	0.1311

METHODS: ASTM

D287

D4294


Chemist

07-25-07
Date

WELL TEST REPORT									
Lease: PARDUE FARMS #26-1			Field: CULEBRA BLUFF SOUTH			Reservoir: MORROW			
Well: 26-1			Field Code: EC6			Resv Code: 0000007990			
			Unique Code: BCEC60300			Battery: PRDU FM 26-1			
			Wellbore: 359390			API No: 300152262700			

Reservoir: MORROW

Resv Code: 0000007990

Battery:	PRDU FM 26-1
----------	--------------

API No: 300152262700

[illegible]

WELL TEST REPORT

Lease: **PARDUE FARMS #26-2**

Field: CULEBRA BLUFF SOUTH

Reservoir: BONE SPRINGS

Well: 26-2 CUL

Field Code: EC6

Resv Code: 0000004540

Unique Code:	BCEC60400
--------------	-----------

Battery:	PRDU FM 26-2
----------	--------------

Wellbore: 359391

API No: 300152264700

[illegible]

WELL TEST REPORT									
Lease: PARDUE FARMS #26-3			Field: LOVING EAST			Reservoir: BRUSHY CANYON			
Well: 26-3			Field Code: US1			Resv Code: 0000004559			
			Unique Code: BCUS10300			Battery: PRDU FM 26-3			
			Wellbore: 359392			API No: 300152361200			

Reservoir: BRUSHY CANYON

API No: 300152361200

[illegible]

WELL TEST REPORT

Reservoir: BRUSHY CANYON

Resv Code: 0000004559

Battery: PRDU FM 26-4

API No: 300152686200

[illegible]

1
MCDONALD 1

2
JASSO '22' 2

3
SOUTH CULEBRA BLUFF '23' 3

9
SOUTH CULEBRA

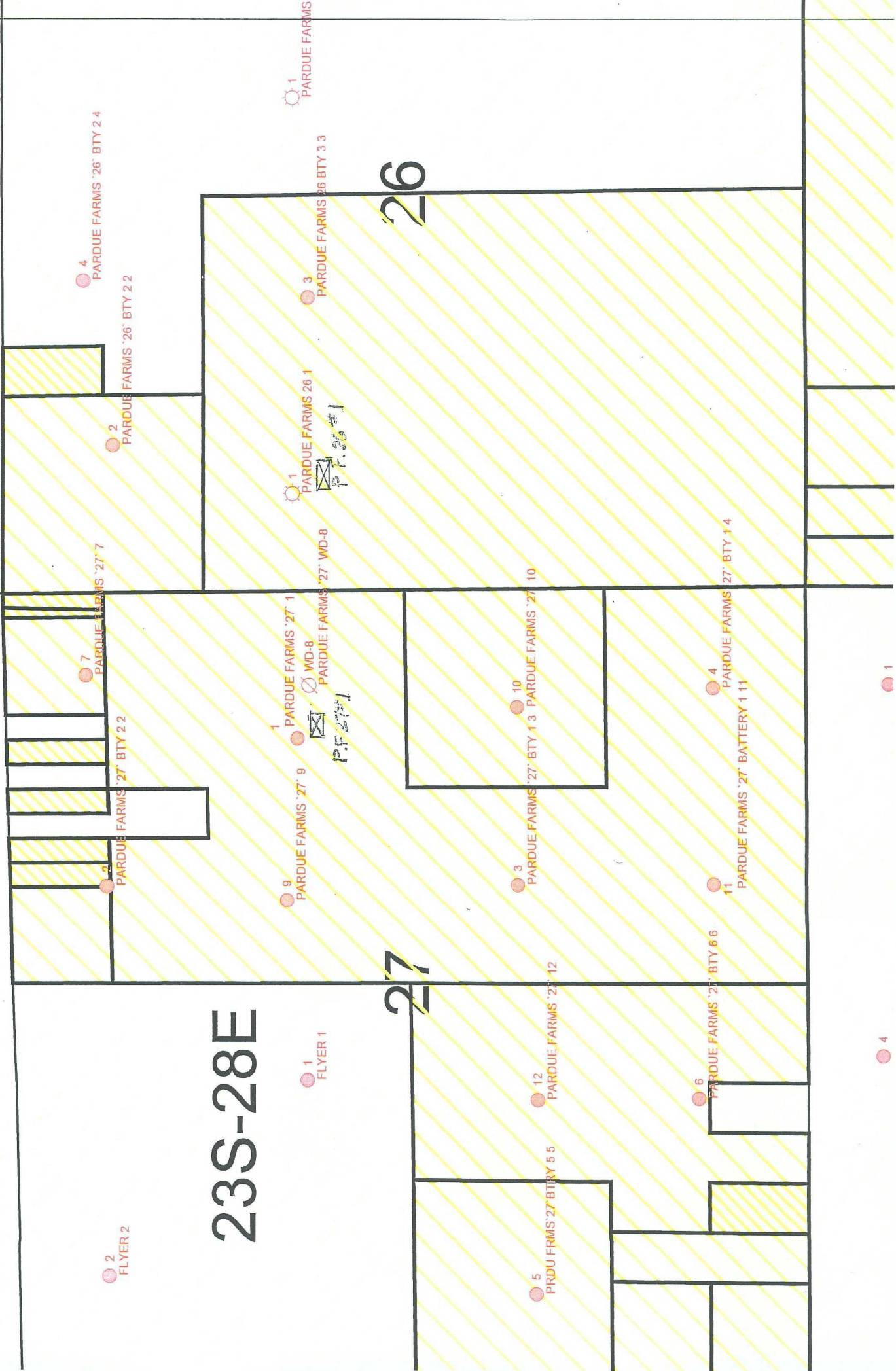
1
BRANTLEY COM 1

4
PARQUE FARMS '26' BTY 2 4

2
FLYER 2

3
SOUTH CULEBRA BLUFF SOUTH 23 14

1
PARQUE FARMS



Agreement Name	Agreement/Subs Num	Participant Name Line 1	Address Line 1	City	State	Zip Code	Type of Interest
PARDUE FARMS 26 #1 BPO	820043 003	BK EXPLORATION CORP	10159 E 11TH STREET SUITE 401	TULSA	OK	74128-0000	WI
PARDUE FARMS 26 #1 BPO	820043 003	CHEVRON MIDCONTINENT LP	NO ADDRESS	HOUSTON	TX	77236-0000	WI
PARDUE FARMS 26 #1 BPO	820043 003	DEBRA H KUNKEL ROLAND	PO BOX 456	GARDENDALE	TX	79758-0000	WI
PARDUE FARMS 26 #1 BPO	820043 003	ERICH F KLEIN JR EST	PO BOX 96	NECHES	TX	75779-0000	Nonconsent WI
PARDUE FARMS 26 #1 BPO	820043 003	FAITH OIL CO LP	PO BOX 2213	ABILENE	TX	79604-0000	WI
PARDUE FARMS 26 #1 BPO	820043 003	GEORGE W ZAHN	701 ROYCE DR	EULESS	TX	76040-0000	WI
PARDUE FARMS 26 #1 BPO	820043 003	HAROLD L HENSLEY	PO BOX 3580	MIDLAND	TX	79702-0000	WI
PARDUE FARMS 26 #1 BPO	820043 003	JOANNE BRINGHAM	1201 SNOWDEN FARM CV	COLLIERVILLE	TN	38017-0000	WI
PARDUE FARMS 26 #1 BPO	820043 003	MERLAND INC	PO BOX 548	CARLSBAD	NM	88220-0000	WI
PARDUE FARMS 26 #1 BPO	820043 003	MICHELE E REYNOLDS	420 THROCKMORTON STE 630	FORT WORTH	TX	76102-3723	WI
PARDUE FARMS 26 #1 BPO	820043 003	NADEL AND GUSSMAN PERMIAN LLC	15 E 5TH ST STE 3200	TULSA	OK	74103-0000	WI
PARDUE FARMS 26 #1 BPO	820043 003	NORMA J BARTON	PO BOX 728	HOBBS	NM	88241-0000	WI
PARDUE FARMS 26 #1 BPO	820043 003	PARDUE LIMITED CO	PO BOX 2018	CARLSBAD	NM	88221-0000	WI
PARDUE FARMS 26 #1 BPO	820043 003	ROY G BARTON JR	1919 N TURNER ST	HOBBS	NM	88240-2712	WI
PARDUE FARMS 26 #1 BPO	820043 003	S J MANSFIELD III	412 SHADOW BEND DRIVE	RICHARDSON	TX	75081-0000	Nonconsent WI
PARDUE FARMS 26 #1 BPO	820043 003	YATES PETROLEUM CORP	PO BOX 840611	DALLAS	TX	75284-0611	WI
PARDUE FARMS 26 #2	820043 000	BK EXPLORATION CORP	10159 E 11TH STREET SUITE 401	TULSA	OK	74128-0000	WI
PARDUE FARMS 26 #2	820043 000	CHEVRON MIDCONTINENT LP	NO ADDRESS	HOUSTON	TX	77236-0000	WI
PARDUE FARMS 26 #2	820043 000	DEBRA H KUNKEL ROLAND	PO BOX 456	GARDENDALE	TX	79758-0000	WI
PARDUE FARMS 26 #2	820043 000	ERICH F KLEIN JR EST	PO BOX 96	NECHES	TX	75779-0000	WI
PARDUE FARMS 26 #2	820043 000	FAITH OIL CO LP	PO BOX 2213	ABILENE	TX	79604-0000	WI
PARDUE FARMS 26 #2	820043 000	GEORGE W ZAHN	701 ROYCE DR	EULESS	TX	76040-0000	WI
PARDUE FARMS 26 #2	820043 000	HAROLD L HENSLEY	PO BOX 3580	MIDLAND	TX	79702-0000	WI
PARDUE FARMS 26 #2	820043 000	JOANNE BRINGHAM	1201 SNOWDEN FARM CV	COLLIERVILLE	TN	38017-0000	WI
PARDUE FARMS 26 #2	820043 000	MERLAND INC	PO BOX 548	CARLSBAD	NM	88220-0000	WI
PARDUE FARMS 26 #2	820043 000	MICHELE E REYNOLDS	420 THROCKMORTON STE 630	FORT WORTH	TX	76102-3723	WI
PARDUE FARMS 26 #2	820043 000	NADEL AND GUSSMAN PERMIAN LLC	15 E 5TH ST STE 3200	TULSA	OK	74103-0000	WI
PARDUE FARMS 26 #2	820043 000	NORMA J BARTON	PO BOX 728	HOBBS	NM	88241-0000	WI
PARDUE FARMS 26 #2	820043 000	PARDUE LIMITED CO	PO BOX 2018	CARLSBAD	NM	88221-0000	WI
PARDUE FARMS 26 #2	820043 000	ROY G BARTON JR	1919 N TURNER ST	HOBBS	NM	88240-2712	WI
PARDUE FARMS 26 #2	820043 000	S J MANSFIELD III	412 SHADOW BEND DRIVE	RICHARDSON	TX	75081-0000	WI
PARDUE FARMS 26 #2	820043 000	YATES PETROLEUM CORP	PO BOX 840611	DALLAS	TX	75284-0611	WI
PARDUE FARMS 26 #3 BPO	820043 001	BK EXPLORATION CORP	10159 E 11TH STREET SUITE 401	TULSA	OK	74128-0000	WI
PARDUE FARMS 26 #3 BPO	820043 001	CHEVRON MIDCONTINENT LP	NO ADDRESS	HOUSTON	TX	77236-0000	WI
PARDUE FARMS 26 #3 BPO	820043 001	DEBRA H KUNKEL ROLAND	PO BOX 456	GARDENDALE	TX	79758-0000	WI
PARDUE FARMS 26 #3 BPO	820043 001	ERICH F KLEIN JR EST	PO BOX 96	NECHES	TX	75779-0000	WI
PARDUE FARMS 26 #3 BPO	820043 001	FAITH OIL CO LP	PO BOX 2213	ABILENE	TX	79604-0000	WI
PARDUE FARMS 26 #3 BPO	820043 001	GEORGE W ZAHN	701 ROYCE DR	EULESS	TX	76040-0000	WI
PARDUE FARMS 26 #3 BPO	820043 001	HAROLD L HENSLEY	PO BOX 3580	MIDLAND	TX	79702-0000	WI
PARDUE FARMS 26 #3 BPO	820043 001	JOANNE BRINGHAM	1201 SNOWDEN FARM CV	COLLIERVILLE	TN	38017-0000	WI
PARDUE FARMS 26 #3 BPO	820043 001	MERLAND INC	PO BOX 548	CARLSBAD	NM	88220-0000	WI
PARDUE FARMS 26 #3 BPO	820043 001	MICHELE E REYNOLDS	420 THROCKMORTON STE 630	FORT WORTH	TX	76102-3723	WI

Agreement Name	Agreement/Subs Num	Participant Name Line 1	Address Line 1	City	State	Zip Code	Type of Interest
PARDUE FARMS 26 #3 BPO	820043 001	NADEL AND GUSSMAN PERMIAN LLC	15 E 5TH ST STE 3200	TULSA	OK	74103-0000	WI
PARDUE FARMS 26 #3 BPO	820043 001	NORMA J BARTON	PO BOX 728	HOBBS	NM	88241-0000	Nonconsent WI
PARDUE FARMS 26 #3 BPO	820043 001	PARDUE LIMITED CO	PO BOX 2018	CARLSBAD	NM	88221-0000	WI
PARDUE FARMS 26 #3 BPO	820043 001	ROY G BARTON JR	1919 N TURNER ST	HOBBS	NM	88240-2712	Nonconsent WI
PARDUE FARMS 26 #3 BPO	820043 001	S J MANSFIELD III	412 SHADOW BEND DRIVE	RICHARDSON	TX	75081-0000	WI
PARDUE FARMS 26 #3 BPO	820043 001	YATES PETROLEUM CORP	PO BOX 840611	DALLAS	TX	75284-0611	Nonconsent WI
PARDUE FARMS 26 #4 BPO	820043 002	BK EXPLORATION CORP	10159 E 11TH STREET SUITE 401	TULSA	OK	74128-0000	WI
PARDUE FARMS 26 #4 BPO	820043 002	CHEVRON MIDCONTINENT LP	NO ADDRESS	HOUSTON	TX	77236-0000	WI
PARDUE FARMS 26 #4 BPO	820043 002	DEBRA H KUNKEL ROLAND	PO BOX 456	GARDENDALE	TX	79758-0000	WI
PARDUE FARMS 26 #4 BPO	820043 002	FAITH OIL CO LP	PO BOX 2213	ABILENE	TX	79604-0000	WI
PARDUE FARMS 26 #4 BPO	820043 002	GEORGE W ZAHN	701 ROYCE DR	EULESS	TX	76040-0000	WI
PARDUE FARMS 26 #4 BPO	820043 002	HAROLD L HENSLEY	PO BOX 3580	MIDLAND	TX	79702-0000	WI
PARDUE FARMS 26 #4 BPO	820043 002	JOANNE BRINGHAM	1201 SNOWDEN FARM CV	COLLIERVILLE	TN	38017-0000	WI
PARDUE FARMS 26 #4 BPO	820043 002	MERLAND INC	PO BOX 548	CARLSBAD	NM	88220-0000	WI
PARDUE FARMS 26 #4 BPO	820043 002	MICHELE E REYNOLDS	420 THROCKMORTON STE 630	FORT WORTH	TX	76102-3723	WI
PARDUE FARMS 26 #4 BPO	820043 002	NADEL AND GUSSMAN PERMIAN LLC	15 E 5TH ST STE 3200	TULSA	OK	74103-0000	WI
PARDUE FARMS 26 #4 BPO	820043 002	PARDUE LIMITED CO	PO BOX 2018	CARLSBAD	NM	88221-0000	WI
PARDUE FARMS 26 #4 BPO	820043 002	ROY G BARTON JR	1919 N TURNER ST	HOBBS	NM	88240-2712	WI
PARDUE FARMS 26 #4 BPO	820043 002	S J MANSFIELD III	412 SHADOW BEND DRIVE	RICHARDSON	TX	75081-0000	WI
PARDUE FARMS 26 #4 BPO	820043 002	YATES PETROLEUM CORP	PO BOX 840611	DALLAS	TX	75284-0611	WI

Pardue Farms 26-1						
Interest Owners	Well No.	Oil	Gas	Working Interest	Royalty Interest	Over Riding Royalty Interest
SW/4 NW/4	1					
Chevron	1	X	NA	WI	-	-
Pardue Limited Company	1	X	NA	WI	RI	
Debra H Kunkel Roland	1	X	NA	WI	-	OR
BK Exploration Corp	1	X	NA	WI	-	-
Erich F Klein Jr Estate	1	X	NA	WI	-	-
Faith Oil Co LP	1	X	NA	WI	-	-
George W Zahn	1	X	NA	WI	-	-
Harold L Hensley Jr	1	X	NA	WI	-	-
Joanne Bringham	1	X	NA	WI	-	-
Merland Inc.	1	X	NA	WI	-	-
Michelle E Reynolds	1	X	NA	WI	-	-
Nadel & Gussman Permian LLC	1	X	NA	WI	-	-
Norma J Chanley	1	X	NA	WI	-	-
Roy G. Barton C I	1	X	NA	WI	-	-
S J Mansfield	1	X	NA	WI	-	-
Yates Petroleum Co.	1	X	NA	WI	-	-
Ronnie Ward	1	X	NA	-	RI	OR
Alicia C Gonzales	1	X	NA	-	RI	-
Barbara Lee Backman, Inc.	1	X	NA	-	RI	-
Betty Witherspoon Nevill	1	X	NA	-	RI	-
Brett Guitar Witherspoon	1	X	NA	-	RI	-
Caren G Lucas	1	X	NA	-	RI	-
Catherine Gall Parker	1	X	NA	-	RI	-
Dorothy W. Queen	1	X	NA	-	RI	-
Earl B & Margaret Ann Guitar Rev	1	X	NA	-	RI	-
Gall Family Trust	1	X	NA	-	RI	-
Guitar Land & Cattle Co. LP	1	X	NA	-	RI	-
Guy P. Witherspoon III	1	X	NA	-	RI	-
Jack G Woods	1	X	NA	-	RI	-
Jack G Woods Jr.	1	X	NA	-	RI	-
James Minor Alexander	1	X	NA	-	RI	-
Jeri Alexander Lott	1	X	NA	-	RI	-
John G. Witherspoon Jr.	1	X	NA	-	RI	-
John Guitar III	1	X	NA	-	RI	-
Laura Jean Hofer Amd Trst	1	X	NA	-	RI	-
Kelly Woods Leach	1	X	NA	-	RI	-
Laura K Mckittrick	1	X	NA	-	RI	-
Leslie David Guitar	1	X	NA	-	RI	-
Marilyn Guitar Galusha Trust	1	X	NA	-	RI	-
Martha Jane Rhodes	1	X	NA	-	RI	-
Mary Guitar Polk Est PTP	1	X	NA	-	RI	-
Mary Queen Bryan	1	X	NA	-	RI	-
Paul D Queen	1	X	NA	-	RI	-
Pressley H Guitar	1	X	NA	-	RI	-
Repps B Guitar Jr.	1	X	NA	-	RI	-
Ruth Guitar Murchison Trust	1	X	NA	-	RI	-
Vivian Queen Hamilton	1	X	NA	-	RI	-
Wende Witherspoon Morgan	1	X	NA	-	RI	-
Whitten Guitar Witherspoon	1	X	NA	-	RI	-
Juanell Fort	1	X	NA	-	-	OR
NW/4 NW/4	2	Oil	Gas	Working Interest	Royalty Interest	Over Riding Royalty Interest
Chevron	2	X	X	WI	-	-
Barbara Lee Backman, Inc.	2	X	NA	WI	RI	-
Erich F Klein Jr Estate	2	X	X	WI	-	-
Faith Oil Co LP	2	X	X	WI	-	-
George W Zahn	2	X	X	WI	-	-
Harold L Hensley Jr	2	X	X	WI	-	-
Joanne Bringham	2	X	X	WI	-	-

Michelle E Reynolds	2	X	X	WI	-	-
Pardue Limited Company	2	X	X	WI	-	-
S J Mansfield	2	X	X	WI	-	-
BK Exploration Corp	2	X	X	WI	-	-
Debra H Kunkel Roland	2	X	X	WI	-	-
Merland Inc.	2	X	X	WI	-	-
Nadel & Gussman Permian LLC	2	X	X	WI	-	-
Norma J Chanley	2	X	X	WI	-	-
Roy G. Barton C I	2	X	X	WI	-	-
Yates Petroleum Co.	2	X	X	WI	-	-
Juanell Fort	2	X	X	-	-	ORRI
Ronnie Ward	2	X	X	-	-	ORRI
Alicia C Gonzales	2	X	X	-	RI	-
Belinda Williams	2	X	X	-	RI	-
Betty Witherspoon Nevill	2	X	X	-	RI	-
Brett Guitar Witherspoon	2	X	X	-	RI	-
Caren G Lucas	2	X	X	-	RI	-
Catherine Gall Parker	2	X	X	-	RI	-
Cella B Milavec	2	X	X	-	RI	-
Doris S Williams	2	X	X	-	RI	-
Dorothy W. Queen	2	X	X	-	RI	-
Earl B & Margaret Ann Guitar Rev	2	X	X	-	RI	-
Gall Family Trust	2	X	X	-	RI	-
Glen B Williams	2	X	X	-	RI	-
Guitar Land & Cattle Co. LP	2	X	X	-	RI	-
Guy P. Witherspoon III	2	X	X	-	RI	-
Jack G Woods	2	X	X	-	RI	-
Jack G Woods Jr.	2	X	X	-	RI	-
James Clay Williams	2	X	X	-	RI	-
James Minor Alexander	2	X	X	-	RI	-
James W. & Troyce Williams	2	X	X	-	RI	-
Jeri Alexander Lott	2	X	X	-	RI	-
John G. Witherspoon Jr.	2	X	X	-	RI	-
John Guitar III	2	X	X	-	RI	-
Kelly Woods Leach	2	X	X	-	RI	-
L D Williams	2	X	X	-	RI	-
Lanora Allomong	2	X	X	-	RI	-
Laura Jean Hofer Amd Trst	2	X	X	-	RI	-
Laura K Mckittrick	2	X	X	-	RI	-
Leslie David Guitar	2	X	X	-	RI	-
Linda Sue Williams	2	X	X	-	RI	-
Lovella Kilman	2	X	X	-	RI	-
Margaret L Fate	2	X	X	-	RI	-
Margaret N. Williams	2	X	X	-	RI	-
Marilyn Guitar Galusha Trust	2	X	X	-	RI	-
Martha Jane Rhodes	2	X	X	-	RI	-
Martha Stribling	2	X	X	-	RI	-
Mary Guitar Polk Est PTP	2	X	X	-	RI	-
Mary Queen Bryan	2	X	X	-	RI	-
Melissa Williams	2	X	X	-	RI	-
Paul D Queen	2	X	X	-	RI	-
Pressley H Guitar	2	X	X	-	RI	-
Repps B Guitar Jr.	2	X	X	-	RI	-
Ruth Guitar Murchison Trust	2	X	X	-	RI	-
Terry Williams	2	X	X	-	RI	-
Vivian Queen Hamilton	2	X	X	-	RI	-
Wende Witherspoon Morgan	2	X	X	-	RI	-
Whitten Guitar Witherspoon	2	X	X	-	RI	-
SE/4 NW/4	3	Oil	Gas	Working Interest	Royalty Interest	Over Riding Royalty Interest
Chevron	3	X	X	WI	-	-
Barbara Lee Backman, Inc.	3	NA	X	WI	RI	-
Erich F Klein Jr Estate	3	X	X	WI	-	-
Faith Oil Co LP	3	X	X	WI	-	-
George W Zahn	3	X	X	WI	-	-
Harold L Hensley Jr	3	X	X	WI	-	-

Joanne Bringham	3	X	X	WI	-	-
Michelle E Reynolds	3	X	X	WI	-	-
Pardue Limited Company	3	X	X	WI	-	-
S J Mansfield	3	X	X	WI	-	-
BK Exploration Corp	3	X	X	WI	-	-
Debra H Kunkel Roland	3	X	X	WI	-	ORRI
Merland Inc.	3	X	X	WI	-	-
Nadel & Gussman Permian LLC	3	X	X	WI	-	-
Amalia Heatly	3	X	X	-	-	ORRI
Audra B Cary	3	X	X	-	-	ORRI
Juanell Fort	3	X	X	-	-	ORRI
Ronnie Ward	3	X	X	-	-	ORRI
Betty Witherspoon Nevill	3	X	X	-	RI	-
Brett Guitar Witherspoon	3	X	X	-	RI	-
Caren G Lucas	3	X	X	-	RI	-
Catherine Gall Parker	3	X	X	-	RI	-
Earl B & Margaret Ann Guitar Rev	3	X	X	-	RI	-
Gall Family Trust	3	X	X	-	RI	-
Guitar Land & Cattle Co LP	3	X	X	-	RI	-
Guy P Witherspoon III	3	X	X	-	RI	-
Jack G Woods	3	X	X	-	RI	-
Jack G Woods Jr.	3	X	X	-	RI	-
James Minor Alexander	3	X	X	-	RI	-
Jeri Alexander Lott	3	X	X	-	RI	-
John G Witherspoon Jr	3	X	X	-	RI	-
John Guitar III	3	X	X	-	RI	-
Kelly Woods Leach	3	X	X	-	RI	-
Laura Jean Hofer Adm Trust	3	X	X	-	RI	-
Leslie David Guitar	3	X	X	-	RI	-
Marilyn Guitar Galusha Trust	3	X	X	-	RI	-
Martha Jane Rhodes	3	X	X	-	RI	-
Mary Guitar Polk Est PTP	3	X	X	-	RI	-
Pardue Limited Company	3	X	X	-	RI	-
Pressley H Guitar	3	X	X	-	RI	-
Repps B Guitar Jr	3	X	X	-	RI	-
Ruth Guitar Murchison Trust	3	X	X	-	RI	-
Wende Witherspoon Morgan	3	X	X	-	RI	-
Whitten Guitar Witherspoon	3	X	X	-	RI	-
NE/4 NW/4	4	Oil	Gas	Working Interest	Royalty Interest	Over Riding Royalty Interest
Chevron	4	X	X	WI	-	-
Faith Oil Co LP	4	X	X	WI	-	-
George W Zahn	4	X	X	WI	-	-
Harold L Hensley Jr	4	X	X	WI	-	-
Joanne Bringham	4	X	X	WI	-	-
Michelle E Reynolds	4	X	X	WI	-	-
Pardue Limited Company	4	X	X	WI	-	-
S J Mansfield	4	X	X	WI	-	-
BK Exploration Corp	4	X	X	WI	-	-
Debra H Kunkel Roland	4	X	X	WI	-	ORRI
Merland Inc.	4	X	X	WI	-	-
Nadel & Gussman Permian LLC	4	X	X	WI	-	-
Roy G. Barton C I	4	X	X	WI	-	-
Yates Petroleum Co.	4	X	X	WI	-	-
Juanell Fort	4	X	X	-	-	ORRI
Ronnie Ward	4	X	X	-	-	ORRI
Alicia C Gonzales	4	X	X	-	RI	-
Barbara Lee Backman, Inc.	4	X	X	-	RI	-
Belinda Williams	4	X	X	-	RI	-
Betty Witherspoon Nevill	4	X	X	-	RI	-
Brett Guitar Witherspoon	4	X	X	-	RI	-
Caren G Lucas	4	X	X	-	RI	-
Catherine Gall Parker	4	X	X	-	RI	-
Cella B Milavec	4	X	X	-	RI	-
Doris S Williams	4	X	X	-	RI	-
Dorothy W Queen	4	X	X	-	RI	-

Earl & Margaret Guitar Trust	4	X	NA	-	RI	-
Earl & Margaret Ann Guitar Rev	4	X	X	-	RI	-
Gall Family Trust	4	X	X	-	RI	-
Glen B Williams	4	X	X	-	RI	-
Guitar Land & Cattle Co LP	4	X	X	-	RI	-
Jack G Woods	4	X	X	-	RI	-
Jack G Woods Jr	4	X	X	-	RI	-
James Clay Williams	4	X	X	-	RI	-
James Minor Alexander	4	X	X	-	RI	-
James W. & Troyce Williams	4	X	X	-	RI	-
Jeri Alexander Lott	4	X	X	-	RI	-
John G Witherspoon Jr.	4	X	X	-	RI	-
John Guitar III	4	X	X	-	RI	-
Kelly Woods Leach	4	X	X	-	RI	-
L D Williams	4	X	X	-	RI	-
Lanora Allomong	4	X	X	-	RI	-
Laura Jean Hofer Adm Trust	4	X	X	-	RI	-
Laura K McKittrick	4	X	X	-	RI	-
Leslie David Guitar	4	X	X	-	RI	-
Linda Sue Williams	4	X	X	-	RI	-
Lovella Kilman	4	X	X	-	RI	-
Margaret L Fate	4	X	X	-	RI	-
Margaret N. Williams	4	X	X	-	RI	-
Marilyn Guitar Galisha Trust	4	X	X	-	RI	-
Martha Jane Rhodes	4	X	X	-	RI	-
Martha Stribling	4	X	X	-	RI	-
Mary Guitar Polk Est PTP	4	X	X	-	RI	-
Mary Queen Bryan	4	X	X	-	RI	-
Melissa Williams	4	X	X	-	RI	-
Paul D Queen	4	X	X	-	RI	-
Pressley H Guitar	4	X	X	-	RI	-
Repps B Guitar Jr	4	X	X	-	RI	-
Ruth Guitar Murchison Trust	4	X	X	-	RI	-
Terry williams	4	X	X	-	RI	-
Vivian Queen Hamilton	4	X	X	-	RI	-
Guy P Witherspoon	4	X	X	-	RI	-
Wende Witherspoon Morgan	4	X	X	-	RI	-
Whitten Guitar Witherspoon	4	X	X	-	RI	-



Carolyn Haynie
Petroleum Engineering
Technical Assistance

Permian Business Unit
Chevron MidContinent, L.P.
15 Smith Road
Midland, TX 79705
Tel 432-687-7261
Fax 432-687-7558
chay@chevron.com

November 5, 2007

Pool Lease Commingle
Pardue Farms 26-1 Lease
Section 26, T23S, R28E,
Eddy County, New Mexico

RE: Notice of Intent to Pool Lease Commingle Oil, Gas, & Water Production

Working Interest, Royalty Interest, and Overriding Royalty Interest Owners:

Chevron MidContinent, L.P., formerly Pure Resources, L.P., respectfully gives notice of intent to commingle the oil, gas, and water production from the Morrow, Bone Springs, and Brushy Canyon formations, from the Pardue Farms 26-1 Battery, located at Pardue Farms 26 well # 1; 1980' FNL & 660' FWL, Section 26, T23S, R28E, Eddy County, NM.

Chevron is the operator of the Pardue Farms Lease with working interest in the following wells: Pardue Farms 26 #1, #2, #3, and #4. A table listing the wells proposed for commingling, and a plat of the lease is enclosed, for your information. The wells included in this battery, currently produce into four separate tanks, of which are badly in need of repair. Pending administrative approval, Chevron proposes to upgrade and rebuild Pardue Farms 26-1 Battery by removing the four tanks and installing two new tanks. Gas and oil production will be allocated to each of the wells with the use of the metering separators, prior to commingling, and in accordance with the applicable provisions of the NMOCD's "Manual for the Installation and Operation of Commingling Facilities". The production from the Pardue Farms 26 wells (# 1, # 2, # 3, & # 4), will be re-routed to the new battery and surface commingled. This proposal is the most economical process for the Pardue Farms 26-1 Battery, to correct the potential of environmental leaks. Commingling will not reduce the actual commercial value of the production and will substantially lower operating cost.

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, by telephone at 432-687-7261, or by email at: chay@chevron.com.

Sincerely,

A handwritten signature in cursive script that reads "Carolyn Haynie".

Carolyn Haynie
NM PE Technical Assistant
Enclosure
cc: Lease file