### **NEW MEXICO OIL CONSERVATION DIVISION**

DEC 1 2 2003

- Engineering Bureau -

### ADMINISTRATIVE APPLICATION COVERSHEET

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

<b>Application</b>	Acrony	/ms
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[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 AF	PLICATIO	N - Check	Those Whic	h Apply f	or [A]						
[+]	[A]			:								
		NSL	NSP	DD	SD		orig-					
	Check	One Only fo	or [B] and [0	C]			1					
	[B]	Commingli	ng - Storage	e - Measuren	nent							
		LDHC	CTB	PLC	PC	OLS	OLM					
	[C]	Injection - 1	Disposal - P	ressure Incre	ease - Enh	anced Oil R	ecovery	٠.				
		WFX	PMX	SWD	IPI	EOR	PPR					
[2]	NOTIFICAT	ION REQU	IRED TO:	- Check The	ose Which	n Apply, or	Does Not Apply					
	[A]	_										
	[B] Offset Operators, Leaseholders or Surface Owner											
	[C]	Applicati	Application is One Which Requires Published Legal Notice									
	[D]				easurement LC PC OLS OLM  re Increase - Enhanced Oil Recovery WD IPI EOR PPR  eck Those Which Apply, or Does Not Apriding Royalty Interest Owners  Iders or Surface Owner							
	[E]	For all of	the above,	Proof of No	tification	OLS OLM  Thanced Oil Recovery EOR PPR  The chapply, or Does Not Apply Interest Owners  The Owners  The Owner of the Company of						
	[F]	Waivers	are Attached	i								
[3]	INFORMAT	ION / DATA	A SUBMIT	TED IS CO	MPLET]	E - Statemer	nt 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 individua	I with supervisory capacity.	
CAROLYN J. HAYNIE	Carolon Lagrie	PE TECH. ASSISTANT	. 12
Print or Type Name	Signature	Title	Date

#### District I 1625 N. French Drive, Hobbs, NM 88240

### District II

District IV

<u>District III</u> 1000 Rio Brazos Road, Aztec, NM 87410

TYPE OR PRINT NAME

Carolyn J. Haynie

E-MAIL ADDRESS <u>CHaynie@ChevronTexco.com</u>

# State of New Mexico

War Jan State

# Energy, Minerals and Natural Resources Department

### **Oil Conservation Division** 1220 South St. Francis Dr.

Santa Fe, New Mexico 87505

Revised June 10, 2003 APPLICATION TYPE

Form C-107A

\_\_\_Single Well Establish Pre-Approved Pools EXISTING WELLBORE ✓ Yes No

1220 S. St. Francis Dr., Santa Fe, NM 87505	APPLICATION FOR DO	WNHOLE	COMMINGLING		Ye	esNo			
CHEVRON U.S.A. INC. PRODUCTION IN	NC. 15 SMITH RO	DAD	MIDLAND, TX	79705					
Operator C.L. HARDY					LEA CO, NI	M			
CL. HARDY 4 M-20-T318-X37E LEA CO, NM  Lease WOLTO. Unit Letter-Section-Township-Range County  OGRID No. 4323 Property Code 2634 API No. 30-025-06705 Lease Type: Federal State X Fee  DATA ELEMENT UPPER ZONE INTERMEDIATE ZONE LOWER ZONE  Pool Name Penrose Skelly Grayburg NA Blinebry Oil & Gas Pool Code 50335 NA 66660  Top and Bottom of Pay Section (Perforated or Open-Hole Interval) 3667' – 3867' NA 5570' – 5670'  Method of Production (Propen-Hole Interval) Artificial Lift NA 400 Artificial Lift NA NA 1250 PSI deplay of the experiments of the twent zone is within 175% of the elaph of the experiments on the twent zone in the super sent)  Oil Gravity or Gas BTU NA		у							
OGRID No. 4323 Property Cod	le <u>2634</u> API No. <u>30-025</u>	<u>-06705</u> Lo	ease Type:Feder	ralS	State <u>X</u> F	ee			
DATA ELEMENT	DATA ELEMENT UPPER ZONE INTERMEDIATE ZONE								
Pool Name	Penrose Skelly Grayburg		NA		Blinebry Oil	& Gas			
Pool Code	50350		NA		6660	. , , , , , , , , , , , , , , , , , , ,			
	3667' – 3867'		NA		5570' – 56	70'			
	Artificial Lift		NA		ficial Lift, pen	iding OCD			
(Note: Pressure data will not be required if the bottom perforation in the lower zone is within 150% of the	1		NA			[			
Oil Gravity or Gas BTU (Degree API or Gas BTU)	NA		NA		NA				
	Producing		NA		Shut-In				
Last Production. (Note: For new zones with no production history,	Date: 11-29-03	Date:		Date: 9	9-20-03				
estimates and supporting data.)	Rates: 6 Oil, 217 Wtr, 212 MCF	Rates:		Rates: 7 Oil, 5 Wtr, 113 MCF					
Fixed Allocation Percentage (Note: If allocation is based upon something other	Oil WTR Gas	Oil	Gas	Oil	WTR	Gas			
	46 % 98 % 65 %	%	%	54 %	2%	35 %			
Chemister   Chem									
						No No			
		•							
•									
					Yes	No			
NMOCD Reference Case No. applicable	le to this well:								
C-102 for each zone to be comming Production curve for each zone for For zones with no production histor Data to support allocation method of Notification list of working, royalty	at least one year. (If not available, ry, estimated production rates and sor formula.	attach explan supporting dat r uncommon	ation.) a.						
	PRE-APPRO	OVED POO	L <u>S</u>						
If application is	to establish Pre-Approved Pools, the	ne following a	dditional information wi	ill be requi	red:				
List of all operators within the proposed Proof that all operators within the propo	d Pre-Approved Pools								
I hereby certify that the information	above is true and complete to	the best of m	y knowledge and beli	ef.					
SIGNATURE Caroly	n Jacquie TITLE N	M Technical	Assistant DAT	ΓE <u>12</u>	-8-03				

TELEPHONE NO. (432) 687-7384

Chevron USA Production Company Inc. Carolyn J. Haynie Waterflood Technical Assistant 15 Smith Road Midland, TX 79705 Tel 915-687-7384 Fax 915-687-7557

# ChevronTexaco

December 8, 2003

State of New Mexico
Energy, Minerals, & Natural Resources Dept.
Oil Conservation Division
1220 South St. Francis Drive
Santa Fe, New Mexico 87505

Re: Request to DHC the C.L. Hardy #4

Attn: Oil & Gas Regulatory Department

ChevronTexaco, Exploration & Production, Inc., formerly Chevron U.S.A. Production Co., Inc., respectfully requests administrative approval to Downhole Commingling the Blinebry Oil & Gas and the Penrose Skelly Grayburg in the C.L. Hardy well # 4, API # 30-025-06705. The # 4 is located in Penrose Skelly Grayburg Pool, 660' FSL & 660' FWL, Unit M, Section 20, T-21S, R-37E, NMPM, Lea County, NM,.

The C.L. Hardy #4 was producing in the Blinebry formation, making 7 BOPD, 5 BWPD, & 113 MCFPD, prior to plugging back to the Penrose Skelly Grayburg. ChevronTexaco proposes to downhole commingle and produce both zones in the C. L. Hardy #4 by pulling the retrievable bridge plug, installing additional tubing and then returning the well to production. The C.L. Hardy wells production is gathered in the C.L. Hardy Tank Battery, (COMMINGLING ORDER PC-357-A), located within SW/4 of Section 20, Township 21 South, Range 37 East, NMPM, Lea County, New Mexico.

Attached in support of this request is a table showing oil production volumes for each of the pools proposed for commingling. Also, included is a proposed well schematic diagram for the C.L. Hardy # 4, well test, C107A, a C102 for each zone, 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.

ChevronTexaco is the operator of these wells with 100% working interest, and the Royalty Interest Owners are the same on each lease. The Hardy facility will test monthly for allocation of production to the well.

For your convenience, I have enclosed a stamped self-addressed envelope, for your returned decision. If you have any questions concerning this application, please contact me, at (915) 687-7384.

Sincerely,

Carolyn Haynie

New Mexico Technical Assistant

Cc: NMOCD - Hobbs District 2

Lease File Mike Howell Nathan Mouser

Vicki Duncan/Denise Pinkerton

# REQUEST FOR EXCEPTION 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**

C.L. Hardy # 4 660' FSL & 660' FWL Section 20, T21S, R37E Lea County, New Mexico

#### **Division Order**

Pre-approved pools or area established by Division Order No. R-11363.

#### Pools To Be Commingled In C.L. Hardy # 4

(50350) Penrose Skelly Grayburg (6660) Blinebry oil & Gas

#### **Perforated Intervals**

Penrose Skelly Grayburg (3667'-3867') Blinebry Oil & Gas (5570'-5670')

#### **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>	<b>BOPD</b>	<u>BWPD</u>	<b>MCFPD</b>	<b>Estimation Method</b>
Penrose Skelly Grayburg	6	217	212	Well Test Report 11-29-03
Blinebry Oil & Gas	7	5	113	Well Test Report 9-20-03
Totals	13	222	325	-
Allocated %	<u>Oil %</u>	Water %	Gas %	<u>Remarks</u>
Penrose Skelly Grayburg	46.15	97.75	65.23	Calculated using above production volumes.
Blinebry Oil & Gas	53.85	2.25	34.77	Calculated using above production volumes.
Totals	100.00	100.00	100.00	

#### **Ownership**

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

#### State / Federal Land Notification

Well is on a fee lease.

District I 1625 N. French Dr., Hobbs, NM 88240

#### State of New Mexico Energy, Minerals & Natural Resources Department

Smith 9 . . . 132 4. 23

Form C-102 Revised March 17, 1999

District II 811 South First, Artesia, NM 88210

**OIL CONSERVATION DIVISION** 

District III 1000 Rio Brazos Rd., Aztec, NM 87410

2040 South Pacheco Santa Fe, NM 87505 **Submit to Appropriate District Office** State Lease - 4 Copies Fee Lease - 3 Copies

□ AMENDED REPORT

District IV 2040 South Pacheco, Santa Fe, NM 87505

## WELL LOCATION AND ACREAGE DEDICATION PLAT

	<sup>1</sup> API Number <b>30-025-0670</b>			<sup>2</sup> Pool 503				Pe	<sup>3</sup> Pool Name nrose Skelly Gray		
<sup>4</sup> Property 263-	y Code 4				<sup>5</sup> P	Property Nam C.L. HARDY	е				<sup>6</sup> Well Number <b>4</b>
<sup>7</sup> OGRIE <b>432</b> :					<sup>8</sup> C Che		<sup>9</sup> Elevation <b>3494'</b>				
					<sup>10</sup> Surf	ace Lo	cation			·	,
UL or Lot No.	Section	Township	Range	Lot Id	n Feet fro	om the	North/South line	Fe	et from the	East/West line	County
M	20	218	37E		66	50'	South		660'	West	Lea
			<sup>11</sup> Bot	tom F	Hole Locati	on If Di	fferent From S	Surface	· · · · · · · · · · · · · · · · · · ·		
UL or Lot No.	Section	Township	Range	Lot Id			North/South line		et from the	East/West line	County
<sup>12</sup> Dedicated Acre 40	es <sup>13</sup> Join	t or Infill 14 Co	onsolidation C	ode	15 Order No.				•		
	NO ALLO	OWABLE WI					ON UNTIL ALL II EEN APPROVED E			EN CONSOLIDA	TED OR A
C.L. HA	ARDY # 4	ρ	40-acre proration unit	2					I hereby certify and complete to and complete to signature  Printed Name  Title  18  SURVE  I hereby certify plotted from flew my supervision, best of my belief	C. J. Haynie  New Mexico Technic  December 4, 2  EYOR CERTI  that the well location is a dinotes of actual survey and that the same is a single control or the same in the same is a single control or the same in the same in the same is a single control or the same in the sam	al Assistant  OO3  FICATION  thown on this plat was bys made by me or under rue and correct to the
										Certificate Numb	er

<u>District I</u> 1625 N. French Dr., Hobbs, NM 88240

State of New Mexico
Energy, Minerals & Natural Resources Department

The same of the

Form C-102 Revised March 17, 1999

<u>District II</u> 811 South First, Artesia, NM 88210

### **OIL CONSERVATION DIVISION**

Submit to Appropriate District Office State Lease - 4 Copies Fee Lease - 3 Copies

1000 Rio Brazos Rd., Aztec, NM 87410

2040 South Pacheco Santa Fe, NM 87505

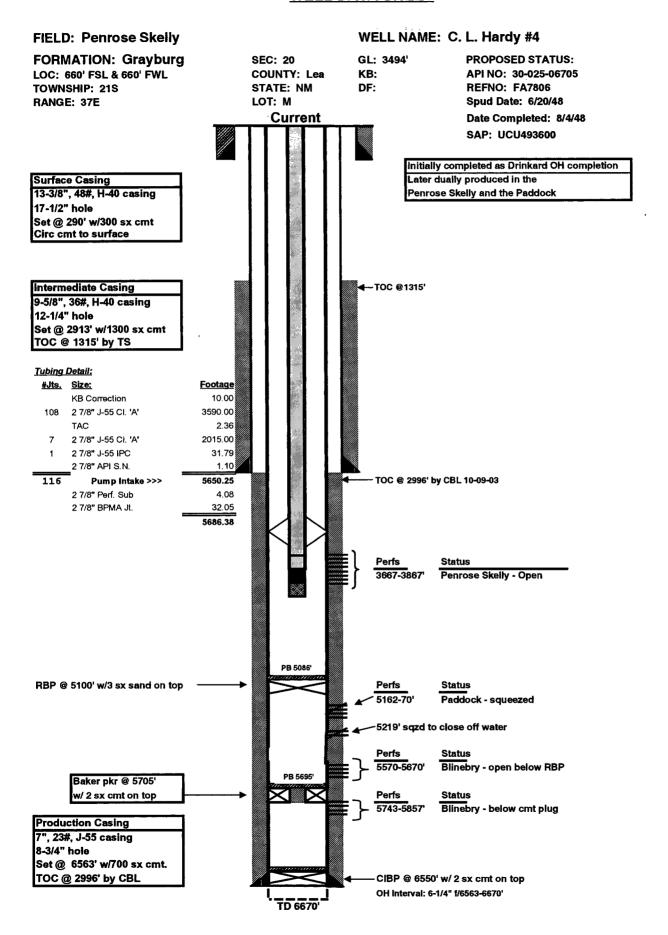
☐ AMENDED REPORT

<u>District IV</u> 2040 South Pacheco, Santa Fe, NM 87505

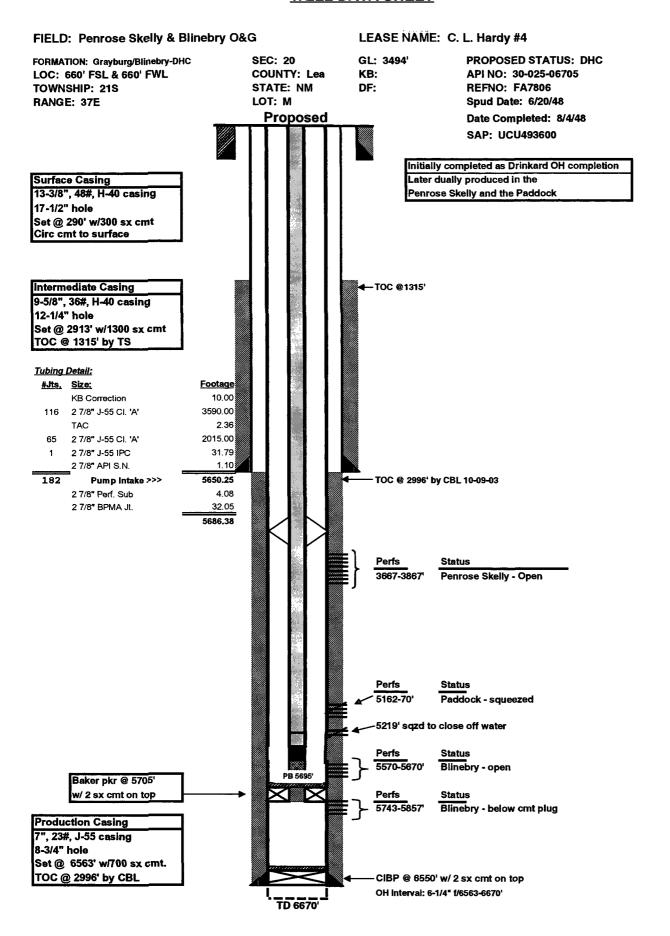
# WELL LOCATION AND ACREAGE DEDICATION PLAT

	<sup>1</sup> API Numl <b>30-025-06</b> 7				Code 60			В	<sup>3</sup> Pool Name inebry Oil & Gas	(Oil)		
<sup>4</sup> Property 263	y Code 4		<u></u>		<sup>5</sup> F	Property Nan C.L. HARDY	ne				6	Well Number 4
<sup>7</sup> OGRII <b>432</b>					<sup>8</sup> (	Operator Nar	ne Inc.					<sup>9</sup> Elevation 3494'
		<u> </u>	V-1-00	***	<sup>10</sup> Surl	face Lo	cation	•		<del></del>		
UL or Lot No.	Section	Townshi	p Range	Lot lo	dn Feet fr	om the	North/South line	Fe	et from the	East/West li	ne	County
M	20	218	37E		66	50 <b>'</b>	South		660'	West	:	Lea
	• • • •		<sup>11</sup> Bo	ttom	Hole Locati	ion If Di	fferent From	Surface	)			
UL or Lot No.	Section	Townshi	p Range	Lot I	dn Feet fr	om the	North/South line	Fe	et from the	East/West li	ine	County
12 Dedicated Acr	es 13 Jo	oint or Infill	14 Consolidation	Code	<sup>15</sup> Order No.					<del>'</del>		
	NO ALI	LOWABLE					ION UNTIL ALL EEN APPROVED			EEN CONSOLI	IDATE	O OR A
20	ARDY#4			2					I hereby certificand complete and complete Signature Printed Name Title  18 SURVI I hereby certificantly supervision best of my belificantly supervision best of my belificantly supervision.	i, and that the sam	nie hnical As A, 2003 RTIFIC	sistant  CATION  In on this plat was nade by me or under and correct to the
660° FWL	660' FS	L	40-acre proration uni	it								
i l		1		1			1		[	Certificate N	lumher 🖰	

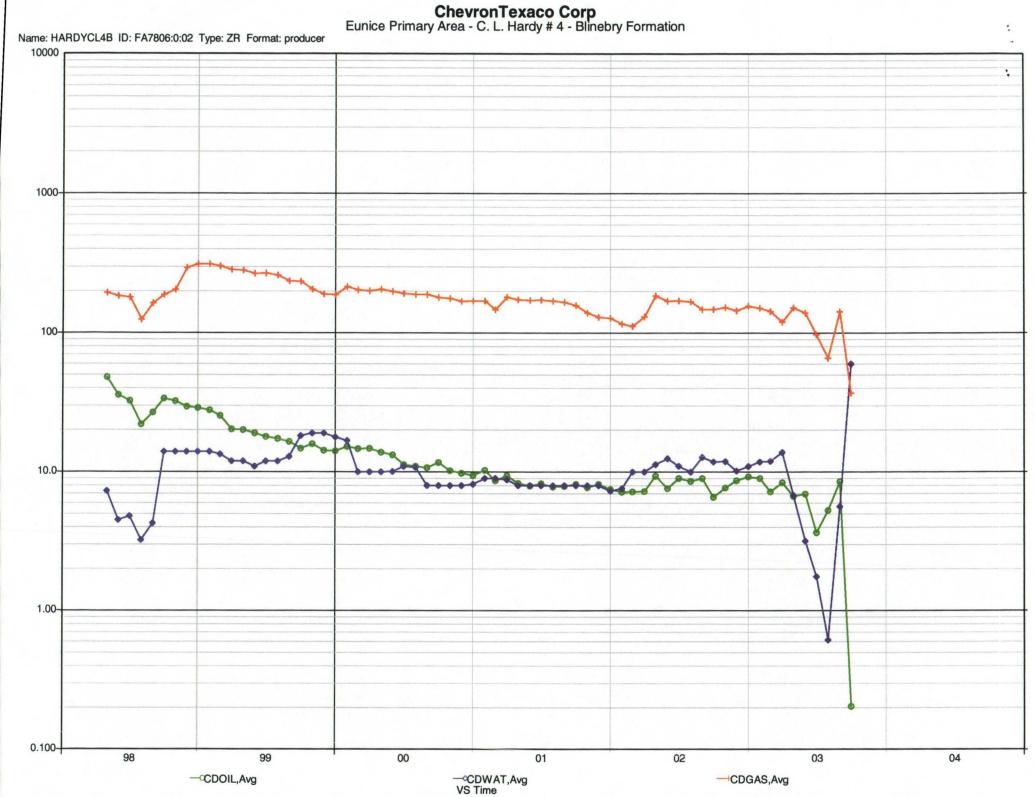
#### **WELL DATA SHEET**



#### **WELL DATA SHEET**



						WELI	. TES	MRE	PORT			
Lease:	HARI	DY C L	 <del>-</del>	*	ļ	Field:	FLD-B	LINEBF	RY OIL & GAS Re	servoir:	BLINEBR	Y
Well:	4B				Field	Code:	U46		Res	v Code:	00000045	32
					Unique		L	900			HARDY C	
				-		ilbore:					30025067	
				at beneficialistic indicate grave and		148 to 1		PROJECT NAMES				
Test				Tbg		%	Comp			Fluid	Fld Lvl	
Date	BOPD	BWPD	MCFPD	PSI	GOR	Oil	No.	Status	Remarks	Level	Date	BTFPD
	0	0	0	150			02	PR		5593	9/17/03	
	0	0	0	150			02	PR	0	5593	9/17/03	
11/29/03	6	217	212	150	35333	2.7	02	PR	GRAYBURG	3594	11/23/03	223
11/28/03	7	239	232	150	33143	2.8	02	PR	J	3594	11/23/03	246
11/27/03	6	189	186	150	31000	3.1	02	PR		3594	11/23/03	195
11/25/03	6	221	211	150	35167	2.6	02	PR		3594	11/23/03	227
11/24/03	7	232	223	150	31857	2.9	02	PR		3594	11/23/03	239
11/23/03	6	210	214	150	35667	2.8	02	PR	9GF LIQUID 112PSI INTAKE GAS FLOW 398	3594	11/23/03	216
11/20/03	4	169	191	150	47750	2.3	02	PR		3113	10/29/03	173
11/15/03 11/13/03	6	179 233	204 255	150 150	34000 63750	3.2 1.7	02 02	PR PR		3113	10/29/03	185
11/13/03	16	176	255	150	13375	8.3	02	PR		3113	10/29/03	237 192
11/6/03	4	198	251	150	62750	2.0	02	PR		3113	10/29/03	202
11/3/03	6	226	221	130	36763	2.6	03	PR		3113	10/23/03	232
11/3/03	6	226	225	150	37500	2.6	02	PR		3113	10/29/03	232
10/31/03	2	305	211		105390	0.7	03	PR		10110	10/20/00	307
10/31/03	2	305	215	150	107500	0.7	02	PR		3113	10/29/03	307
10/30/03	1	297	192		192150	0.3	03	PR				298
10/30/03	1	297	196	150	196000	0.3	02	PR		3113	10/29/03	298
10/28/03	1	298	170		169600	0.3	03	PR				299
10/28/03	1	298	173	150	173000	0.3	02	PR		846	10/27/03	299
10/27/03	2	325	163		81370	0.6	03	PR				327
10/27/03	2	325	166	150	83000	0.6	02	PR	GRAYBURG	846	10/27/03	327
10/26/03	0	337	137		#DIV/0!	0.0	03	PR				337
10/26/03	0	337	140	150	#DIV/0!	0.0	02	PR	B1 20.1	5593	9/17/03	337
9/20/03	7 9	5 6	113 139	150 150	16143 15444	58.3 60.0	02 02	PR PR	BlineBRL	5593	9/17/03	12
9/1/03	8	6	101	150	12625	57.1	02	PR		5410 5410	3/14/03	15 14
8/15/03	10	0	101	150	10100	100.0	02	PR		5410	3/14/03	10
7/8/03	7	4	171	150	25147	65.4	02	PR	REG MONTH WELL TEST	5410	3/14/03	10
6/15/03	7	3	168	150	24000	70.0	02	PR	REG MONTH WELL TEST	5410	3/14/03	10
5/17/03	8	3	189	150	23625	70.2	02	PR	REG MONTH WELL TEST	5410	3/14/03	11
5/13/03	7	5	196	150	28000	58.3	02	PR		5410	3/14/03	12
5/11/03	4	0	173	150	43250	100.0	02	PR		5410	3/14/03	4
4/3/03	7	14	122	150	18769	31.7	02	PR	REG MONTH WELL TEST	5410	3/14/03	21
2/7/03	8	12	139	150	16548	41.2	02	PR	REG MONTH WELL TEST	5376	7/10/02	20
1/10/03	7	11	153	150	22836	37.0	02	PR	REG MONTH WELL TEST	5376	7/10/02	18
12/4/02	8	10	144	150	17349	45.4	02	PR	REG MONTH WELL TEST	5376	7/10/02	18
12/4/02	8	10	144	150	17349	45.4	02	PR	REG MONTH WELL TEST	5376	7/10/02	18
11/11/02	8 8	12 12	151 151	150	18875	40.0	02	PR	REG MONTH WELL TEST	5376	7/10/02	20
11/11/02 11/11/02	8	12	151	150 150	18875 18875	40.0 40.0	02	PR PR	REG MONTH WELL TEST	5376	7/10/02	20
10/2/02	5	12	129	150	23835	31.4	02	PR	REG MONTH WELL TEST	5376	7/10/02 7/10/02	20 17
9/4/02	7	13	142	150	20935	34.2	02	PR	REG MONTH WELL TEST REG MONTH WELL TEST	5424	4/26/02	20
7/12/02	8	10	137	150	17156	44.4	02	PR	REG WELL TEST	5424	4/26/02	18
5/18/02	7	13	165	150	23529	35.0	02	PR	REG MONTH WELL TEST	5424	4/26/02	20
4/4/02	8	10	158	150	19730	44.4	02	PR	REG MONTH WELL TEST	5460	1/10/02	18
2/23/02	7	10	151	150	21569	41.2	02	PR	REG MONTH WELL TEST	5460	1/10/02	17
1/11/02	8	7	166	150	20710	53.3	02	PR	REG MONTH WELL TEST	5460	1/10/02	15
10/25/01	9	8	172	150	19062	52.9	02	PR		5500	6/28/00	17
7/26/01	9	8	177	150	19717	52.9	02	PR		5500	6/28/00	17



ChevronTexaco Corp
Eunice Primary Area - C. L. Hardy # 4 - Grayburg Formation

