

p NRM 0401627128

Date approved
10-11-2001

C-103 Received 11-7-2003
DHC No. Assigned 1-21-2004

	Order Number	API Number	Operator	County			
	HOB-0070	30-025-10261	Chevron USA Inc.	Lea			
	Order Date	Well Name	Number	Location			
		Hugh	005	F UL	14 Sec	225 T (+Dir)	37E R (+Dir)
			Oil %	Gas %			
Pool 1	72480	Blinebry Oil+Gas (Pro Gas)	0%	50%			
Pool 2	62700	Wantz Abo	86%	50%			
Pool 3	62730	Wantz Granite Wash	14%	0%			
Pool 4							

Comments:

Work completed effective
Work cancelled effective
Supplement

1-21-2004
Posted
RBDMA



Formerly DHC-2175

DOWNHOLE COMMINGLE CALCULATIONS:

30-025-10261
HOB-0070

OPERATOR: Chevron USA Inc.

PROPERTY NAME: Hugh

WNULSTR: 5-F, 14-22-37

	SECTION I:	ALLOWABLE AMOUNT	
72480	POOL NO. 1 <u>Blinebry Oil + Gas (ProGas)</u>	<u>999</u>	<u>9999</u> MCF 99999
62700	POOL NO. 2 <u>Wantz Abo</u>	<u>187</u>	<u>1122</u> MCF 6000
62730	POOL NO. 3 <u>Wantz Granite Wash</u>	<u>187</u>	<u>374</u> MCF 2000
	POOL NO. 4 _____		
	POOL TOTALS	<u>374</u>	<u>1496</u> MCF

	SECTION II:	Oil	Gas
GBLI 40000	POOL NO. 1 <u>Blinebry Oil + Gas (ProGas)</u>	0%	50%
AWAN 40000	POOL NO. 2 <u>Wantz Abo</u>	86% $\times 374 = 321.64$	50%
AWAN 60000	POOL NO. 3 <u>Wantz Granite Wash</u>	14%	0%
AWAN 60000	POOL NO. 4 _____		

OIL

GAS

SECTION III:

$$187 \div 86\% = 217.45 (218)$$

SECTION IV:

$$218 \times 0\% = 0$$

$$218 \times 86\% = 187.48 (187)$$

$$218 \times 14\% = 30.52 (31)$$

Submit 3 Copies To Appropriate District
Office
District I
1625 N. French Dr., Hobbs, NM 88240
District II
1301 W. Grand Ave., Artesia, NM 88210
District III
6000 Rio Brazos Rd., Aztec, NM 87410
District IV
1220 S. St. Francis Dr., Santa Fe, NM
87505

State of New Mexico
Energy, Minerals and Natural Resources
OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

Form C-103
Revised March 25, 1999

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.)		WELL API NO. 30-025-10261
1. Type of Well: Oil Well <input checked="" type="checkbox"/> Gas Well <input checked="" type="checkbox"/> Other (DHC Blinebry Gas & Wantz Abo Oil)		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. 2641
3. Address of Operator P. O. Box 1150 Midland, TX 79702		7. Lease Name or Unit Agreement Name: Hugh
4. Well Location Unit Letter <u>F</u> : 1980 feet from the <u>North</u> line and 1980 feet from the <u>West</u> line Section <u>14</u> Township <u>22S</u> Range <u>37E</u> NMPM County <u>Lea</u>		8. Well No. 5
10. Elevation (Show whether DR, RKB, RT, GR, etc.) 3352' GR		9. Pool name or Wildcat Blinebry Gas/Wantz Abo/Wantz Granite Wash

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 ☐ MULTIPLE COMPLETION ☐
OTHER: DHC Blinebry Gas/ Wantz Abo/ Wantz Granite Wash ☒

SUBSEQUENT REPORT OF:

REMEDIAL WORK ☐ ALTERING CASING ☐
COMMENCE DRILLING OPNS. ☐ PLUG AND ABANDONMENT ☐
CASING TEST AND CEMENT JOB ☐
OTHER: ☐

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. For Multiple Completions: Attach wellbore diagram of proposed completion or recompilation.

UNDER THE PROVISIONS OF RULE 303 C(5), IT IS PROPOSED TO DOWNHOLE COMMINGLE PRE-APPROVED POOLS BLINEBRY OIL & GAS (PERFS 5388-5794'), WANTZ ABO (PERFS 6602-7041'), AND WANTZ GRANITE WASH (PERFS 7174-7294') IN THE CAPTIONED WELL. CURRENTLY THE WELL IS PRODUCING FROM THE DOWNHOLE COMMINGLED BLINEBRY OIL & GAS (PERFS 5388-5794') AND WANTZ ABO (PERFS 6602-7041') UNDER ADMINISTRATIVE ORDER NO. DHC-2175. IT IS PROPOSED TO RETURN THE PREVIOUSLY TESTED WANTZ GRANITE WASH INTERVAL (PERFS 7174-7294') TO PRODUCING STATUS TO RECOVER REMAINING RESERVES FROM THAT POOL. WORK WILL INVOLVE REMOVING A PLUG CURRENTLY COVERING THAT INTERVAL. PRODUCTION WILL BE ALLOCATED BACK TO THE THREE POOLS BASED ON THE PERCENTAGES SHOWN IN THE ATTACHED SUPPORT DATA.

DHC Order No. HOB-0070

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

SIGNATURE J. K. Ripley TITLE Regulatory O.A. DATE 9/27/2001

Type or print name J. K. Ripley Telephone No. (915) 687-148

This space for State use)

APPROVED BY PAUL F. KAUTZ TITLE PETROLEUM ENGINEER DATE 1-16-2004

Conditions of approval, if any:

REQUEST FOR EXCEPTION TO RULE 303-A
FOR WELLS LOCATED IN PRE-APPROVED POOLS OR AREAS

Operator

Chevron U.S.A., Inc.
P. O. Box 1150
Midland, TX 79702

Lease Name and Well Number

Hugh # 5
1980' FNL & 1980' FWL, Unit Letter F
Section 14, T22S, R37E
Lea County, New Mexico

Division Order

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

Pools To Be Commingled In Hugh # 5

(72480) Blinebry Oil & Gas Pool (Gas)
(62700) Wantz-Abo
(62730) Wantz-Granite Wash

Perforated Intervals

Blinebry (5388-5794') (Wellbore diagrams attached)
Wantz-Abo (6216-6370')
Wantz-Granite Wash (7174-7294')

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>Estimation Method</u>
Blinebry Oil & Gas (Gas)	0	0	96	DSS production report 7/2001.
Wantz-Abo	6	1	96	DSS production report 7/2001.
Wantz-Granite Wash	1	1	0	Last test during zone testing 4/25/81.
Totals	7	2	192	

<u>Allocated %</u>	<u>Oil %</u>	<u>Water %</u>	<u>Gas %</u>	<u>Remarks</u>
Blinebry Oil & Gas (Gas)	0.00	0.00	50.00	Calculated using above production volumes.
Wantz-Abo	85.71 86	50.00	50.00	Calculated using above production volumes.
Wantz-Granite Wash	14.29 14	50.00	0.00	Calculated using above production volumes.
Totals	100.00	100.00	100.00	

~H~M

Ownership

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

State / Federal Land Notification

Well is on a fee lease.