

PNRM 0817129958
C-103 Received 6-16-2008
DHC No. Assigned 6-18-2008

Order Number	API Number	Operator	County
HOB-0250	30-025-38966	Chevron USA Inc.	Lea
Order Date	Well Name	Number	Location
	C. H. Weir B	014	11 20S 37E
		UL	T (+Dir) R (+Dir)
		Sec	
		Gas %	
Pool 1	63800	WeirBlinebry, East	31%
Pool 2	47090	Monument Tubb	45%
Pool 3	57000	Skaggs Drinkard	24%
Pool 4			
Comments: Work completed effective Work cancelled effective			

Posted to
RBDMS
6-19-2008

30-025-38966
HOB-0250

DOWNHOLE COMMINGLE CALCULATIONS:

OPERATOR: Chevron USA Inc.

PROPERTY NAME: C.H. Weir B

WNULSTR: 14-B, 11-20-37

SECTION I:

POOL NO. 1 Weir Blinebry, East

ALLOWABLE AMOUNT

107 1070 MCF 10000

POOL NO. 2 Monument Tubb

222 2220 MCF 10000

POOL NO. 3 Skaggs Drinkard

142 1420 MCF 10000

POOL NO. 4 _____

POOL TOTALS 471 4710 MCF

SECTION II:

POOL NO. 1 Weir Blinebry, East

Oil

Gas

28%

31%

POOL NO. 2 Monument Tubb

34%

45%

POOL NO. 3 Skaggs Drinkard

38% $\times 471 = 178.98$

24%

POOL NO. 4 _____

OIL

GAS

SECTION III:

$107 \div 38\% = 281.578 = (282)$

SECTION IV:

$282 \times 28\% = 78.96 (79)$

$282 \times 34\% = 95.88 (96)$

$282 \times 38\% = 107.16 (107)$

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
1000 Rio Brazos Rd., Aztec, NM 87410
District IV
220 S. St. Francis Dr., Santa Fe, NM
87505

State of New Mexico

Land and Natural Resources

Form C-103

May 27, 2004

RECEIVED

OIL CONSERVATION DIVISION

JUN 12 2008

South St. Francis Dr.
Santa Fe, NM 87505

HOBBS OCD

WELL API NO.

30-025-38966

5. Indicate Type of Lease

STATE ☐ FEE ☒

6. State Oil & Gas Lease No.

7. Lease Name or Unit Agreement Name

C.H. Weir B

8. Well Number 14

9. OGRID Number

4323

10. Pool name or Wildcat

Weir; Blinebry, East / Monument; Tubb /
Skaggs; Drinkard

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.)

1. Type of Well: ☒ Oil Well ☐ Gas Well ☐ Other

2. Name of Operator

Chevron U.S.A. Inc.

3. Address of Operator

15 Smith Road Midland, TX 79705

4. Well Location

Unit Letter B : 660' feet from the North line and 1980' feet from the East line
Section 11 Township 20S Range 37E NMPM County LEA

11. Elevation (Show whether DR, RKB, RT, GR, etc.)

3604' GR

Pit or Below-grade Tank Application ☐ or Closure ☐

Pit type _____ Depth to Groundwater _____ Distance from nearest fresh water well _____ Distance from nearest surface water _____

Pit Liner Thickness: _____ mil Below-Grade Tank: Volume _____ bbls; Construction Material _____

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 ☐

WELL OR ALTER CASING ☐ MULTIPLE COMPL ☐

OTHER: DHC Blinebry, Tubb and 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 1103. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

UNDER THE PROVISIONS OF RULE 303C (5), IT IS PROPOSED TO DOWNHOLE COMMINGLE PRE-
APPROVED POOLS, WEIR; BLINEBRY, EAST, (Pool # 63800) PERFS 5700'-6300', MONUMENT;
TUBB, (Pool # 47090) PERFS 6300'-6600', AND SKAGGS, DRINKARD (Pool # 47090) PERFS 6600'-
7000', IN THE C.H. WEIR B WELL #14. THE #14 WILL BE A 2008 NEW DRILL. PRODUCTION WILL
BE ALLOCATED BACK TO THE THREE POOLS BASED ON THE PERCENTAGES SHOWN IN THE
ATTACHED SUPPORT DATA.

DHC Order No. HOB-0250

I hereby certify that the information above is true and complete to the best of my knowledge and belief. I further certify that any pit or below-grade tank has been/will be constructed or closed according to NMOCD guidelines ☐, a general permit ☐ or an (attached) alternative OCD-approved plan ☐.

SIGNATURE Richard A. Jenkins TITLE PETR. ENGINEER DATE 6/12/2008

Type or print name Richard A. Jenkins E-mail address: RJDG@Chevron.com Telephone No. 432-687-7120

State Use Only

APPROVED BY: [Signature] TITLE PETROLEUM ENGINEER DATE JUN 19 2008

Conditions of Approval (if any):

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

C.H. Weir B #14
API: 30-025-38966
660' FNL & 1980' FEL, Unit Letter B
Section 11, T20S, R37E
Lea County, New Mexico

Division Order

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

Pools To Be Commingled In C.H. Weir B #14

(63800) Weir; Blinebry, East
(47090) Monument; Tubb
(57000) Skaggs; Drinkard

Perforated Intervals

Weir; Blinebry, East (5700'-6300')
Monument; Tubb (6300'-6600')
Skaggs; Drinkard (6600'-7000')

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>
Blinebry	45	311	174	Calculated using well test and offset cum allocations
Tubb	54	138	252	Calculated using well test and offset cum allocations
Drinkard	59	242	136	Calculated using well test and offset cum allocations
Totals	158	690	562	L.R. Kershaw #16 - Well Test Report 12/3/2007

<u>Allocated %</u>	<u>Oil %</u>	<u>Water %</u>	<u>Gas %</u>	<u>Remarks</u>
Blinebry	28.26	45.00	30.98 31	Calculated using offset cum's
Tubb	34.18	20.00	44.82 45	Calculated using offset cum's
Drinkard	37.64 38	35.00	24.20	Calculated using offset cum's
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

The well is on a Fee lease

District I
1625 N French Drive, Hobbs, NM 88240
District II
1301 W Grand Avenue, Artesia, NM 88210
District III
900 Rio Brazos Road, Aztec, NM 87410
District IV
1220 S St Francis Dr., Santa Fe, NM 87505

State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-107A
Revised June 10, 2003

Oil Conservation Division
1220 South St. Francis Dr.
Santa Fe, New Mexico 87505

APPLICATION TYPE
☒ Single Well
☒ Establish Pre-Approved Pools
EXISTING WELLBORE
☐ Yes ☒ No

APPLICATION FOR DOWNHOLE COMMINGLING

CHEVRON U.S.A INC. 15 SMITH ROAD, MIDLAND, TX 79705
Operator Address

C.H. Weir B #14 B-11-20S-37E LEA
Lease Well No. Unit Letter-Section-Township-Range County

OGRID No. 4323 Property Code 29920 API No. 30-025-38966 Lease Type: ☐ Federal ☐ State ☒ Fee

DATA ELEMENT	UPPER ZONE	INTERMEDIATE ZONE	LOWER ZONE
Pool Name	WEIR; BLINEBRY, EAST	MONUMENT, TUBB	SKAGGS, DRINKARD
Pool Code	63800	47090	57000
Top and Bottom of Pay Section (Perforated or Open-Hole Interval)	5700'-6300' PERFORATED	6300'-6600' PERFORATED	6600'-7000' PERFORATED
Method of Production (Flowing or Artificial Lift)	ARTIFICIAL LIFT	ARTIFICIAL LIFT	ARTIFICIAL LIFT
Bottomhole Pressure (Note Pressure data will not be required if the bottom perforation in the lower zone is within 150% of the depth of the top perforation in the upper zone)	-	-	-
Oil Gravity or Gas BTU (Degree API or Gas BTU)	36	36	36
Producing, Shut-In or New Zone	NEW ZONE	NEW ZONE	NEW ZONE
Date and Oil/Gas/Water Rates of Last Production. (Note For new zones with no production history, applicant shall be required to attach production estimates and supporting data)	L.R. KERSHAW #16 - Offset Date: 12/3/2007 Rates: Oil Gas 45 BOPD 174 MCFPD	L.R. KERSHAW #16 - Offset Date: 12/3/2007 Rates: Oil Gas 54 BOPD 252 MCFPD	L.R. KERSHAW #16 - Offset Date: 12/3/2007 Rates: Oil Gas 59 BOPD 136 MCFPD
Fixed Allocation Percentage (Note If allocation is based upon something other than current or past production, supporting data or explanation will be required)	Oil Gas 28.26% 30.98% 31%	Oil Gas 34.10% 44.82% 45%	Oil Gas 37.64% 24.20% 38%

ADDITIONAL DATA

Are all working, royalty and overriding royalty interests identical in all commingled zones? Yes ☒ No ☐
If not, have all working, royalty and overriding royalty interest owners been notified by certified mail? Yes ☐ No ☐
Are all produced fluids from all commingled zones compatible with each other? Yes ☒ No ☐
Will commingling decrease the value of production? Yes ☐ No ☒
If this well is on, or communitized with, state or federal lands, has either the Commissioner of Public Lands or the United States Bureau of Land Management been notified in writing of this application? Yes ☐ No ☐

NMOCD Reference Case No. applicable to this well: _____

Attachments:

- C-102 for each zone to be commingled showing its spacing unit and acreage dedication.
- Production curve for each zone for at least one year. (If not available, attach explanation.)
- For zones with no production history, estimated production rates and supporting data.
- Data to support allocation method or formula.
- Notification list of working, royalty and overriding royalty interests for uncommon interest cases.
- Any additional statements, data or documents required to support commingling.

PRE-APPROVED POOLS

If application is to establish Pre-Approved Pools, the following additional information will be required:

- List of other orders approving downhole commingling within the proposed Pre-Approved Pools
- List of all operators within the proposed Pre-Approved Pools
- Proof that all operators within the proposed Pre-Approved Pools were provided notice of this application.
- Bottomhole pressure data.

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

SIGNATURE  TITLE Petroleum Engineer DATE 6/12/2008

TYPE OR PRINT NAME Richard A. Jenkins TELEPHONE NO. (432)687-7120

E-MAIL ADDRESS rjdg@chevron.com

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

District II
811 South First, Artesia, NM 88210

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

District IV
2040 South Pacheco, Santa Fe, NM 87505

State of New Mexico
Energy, Minerals & Natural Resources Department

Form C-102
Revised March 17, 1999

OIL CONSERVATION DIVISION

2040 South Pacheco
Santa Fe, NM 87505

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

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number 30-025-38966	² Pool Code 63800	³ Pool Name Weir; Blinbry, East
⁴ Property Code 29920	⁵ Property Name C.H. Weir B	⁶ Well Number 14
⁷ OGRID No 4323	⁸ Operator Name Chevron U.S.A., Inc.	⁹ Elevation 3604'

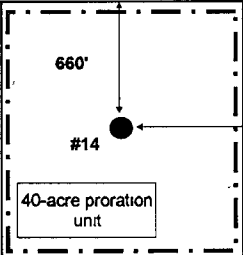
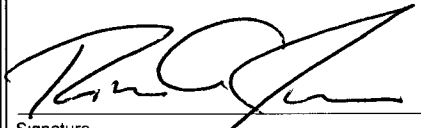
¹⁰ Surface Location

UL or Lot No B	Section 11	Township 20S	Range 37E	Lot Idn	Feet from the 660'	North/South line North	Feet from the 1980'	East/West line East	County Lea
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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.						

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		¹ OPERATOR CERTIFICATION
		I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.
		 Signature Richard A. Jenkins Printed Name NM Petroleum Engineer Date 6/12/08
		¹ 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
		Signature and Seal of Professional Surveyor
		Certificate Number

District I
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☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number 30-025-38966	² Pool Code 40790	³ Pool Name Monument; Tubb
⁴ Property Code 29920	⁵ Property Name C.H. Weir B	⁶ Well Number 14
⁷ OGRID No. 4323	⁸ Operator Name Chevron U.S.A., Inc.	⁹ Elevation 3604'

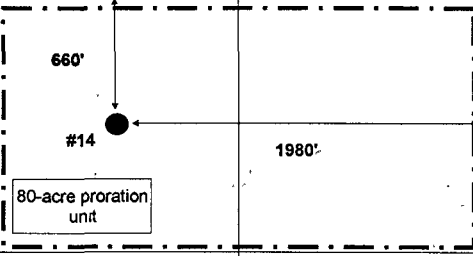
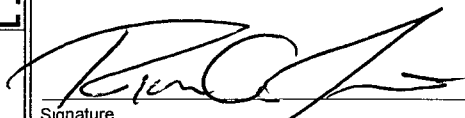
¹⁰ Surface Location

UL or Lot No	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
B	11	20S	37E		660'	North	1980'	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 80	¹³ Joint or Infill	¹⁴ Consolidation Code	¹⁵ Order No						

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

<div><p>16</p></div>	<p>1</p> <p>OPERATOR CERTIFICATION</p> <p><i>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief</i></p> <p>Signature </p> <p>Printed Name Richard A. Jenkins</p> <p>Date 6/12/08</p>
	<p>1</p> <p>SURVEYOR CERTIFICATION</p> <p><i>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.</i></p> <p>Signature and Seal of Professional Surveyor</p>
	<p>Certificate Number</p>

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State of New Mexico
Energy, Minerals & Natural Resources Department

Form C-102
Revised March 17, 1999

OIL CONSERVATION DIVISION

2040 South Pacheco
Santa Fe, NM 87505

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

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number 30-025-38966	² Pool Code 57000	³ Pool Name Skaggs, Drinkard
⁴ Property Code 29920	⁵ Property Name C.H. Weir B	⁶ Well Number 14
⁷ OGRID No 4323	⁸ Operator Name Chevron U.S.A., Inc.	⁹ Elevation 3604'

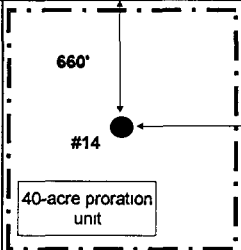
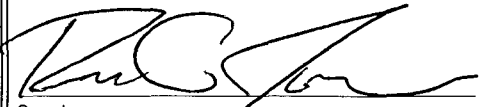
¹⁰ Surface Location

UL or Lot No	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
B	11	20S	37E		660'	North	1980'	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.						

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		 Signature Richard A. Jenkins
		Printed Name NM Petroleum Engineer
		Date 6/12/08
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		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
		Signature and Seal of Professional Surveyor
		Certificate Number

C.H. Weir B #14

Location:

660' FNL & 1980' FEL; T20S R37E Section 11
Unit Letter: B
Field: Weir East/Monument/Skaggs
County: Lea
State: NM

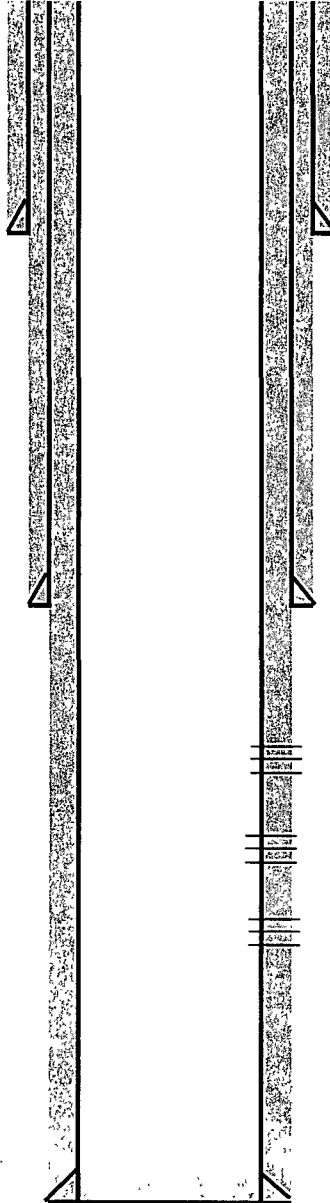
Well Info:

Spud Date:
API: 30-025-38966
Cost Center:
WBS#:
RefNO:
Lease:

Proposed Wellbore Diagram

Elevations:

DF: 16'
KB: 17'
GL: 3604'



Surface Casing

Size: 11 3/4", 42#, H-40 ST&C
Set @: 520'
With: 360 sx
Hole Size: 14 3/4"
TOC @: Surface
By: Circulation

Intermediate Casing

Size: 8 5/8", 24#, K-55 ST&C
Set @: 2750'
With: 775sx
Hole Size: 11"
TOC: Surface
By: Circulation

Blaine 5700'-6300'

Tubb 6300'-6600'

Drinkard 6600'-7000'

Production Casing

Size: 5 1/2", 17#. L-80 LTC
Set @: 7000'
With: 1080 sx
Hole Size: 7 7/8"
TOC: Surface
By: Circulation

Updated: 29-May-08
By: rjdg

PBTD:
TD: 7000'