

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]

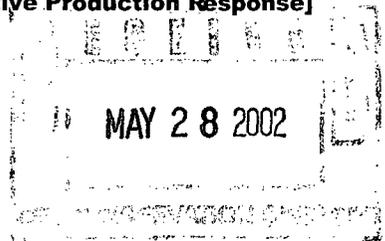
- [A] Location - Spacing Unit - Simultaneous Dedication  
 NSL  NSP  SD

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.

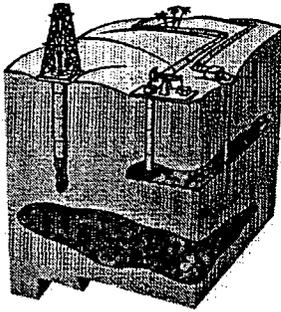
REGGIE HOLZER  
 Print or Type Name

Reggie Holzer  
 Signature

Sr. FACIL. ENGR  
 Title

5-23-02  
 Date

Reggie.Holzer@ChevronTexaco.com  
 e-mail Address



TRANSMITTAL COVER SHEET

OIL CONSERVATION DIVISION  
1220 S. Saint Francis Drive  
Santa Fe, NM 87505  
(505) 476-3440 (OFFICE)  
(505) 476-3471 (FAX)

PLEASE DELIVER THIS FAX :

TO: Reggie HOLZER - CHEVRON/TEXACO  
FROM: Will JONES - NMOC  
SUBJECT: PLC T195/R37E LEA COUNTY  
DATE: 5/30/02  
PAGES: 2

(includes cover sheet)

IF YOU HAVE TROUBLE RECEIVING THIS FAX, PLEASE CALL THE OFFICE NUMBER ABOVE.



# NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

**GARY E. JOHNSON**  
Governor  
**Betty Rivera**  
Cabinet Secretary

**Lori Wrotenbery**  
Director  
**Oil Conservation Division**

Mr Reggie Holzer  
ChevronTexaco Exploration & Production Company  
15 Smith Road  
Midland, TX 79705

Date: May 30, 2002

**Ref: Administrative Applications for Surface Pool Lease Commingling**

This letter acknowledges the receipt of your administrative application dated May 23, 2002, for Pool Lease Commingling in the Baxter Culp 31 Well No. 5 and the Love 32 Well No. 3 located in Sections 31 and 32, Township 19 South, Range 37 East, NMPM, Lea County, New Mexico. The division received your application May 28, 2002.

Our preliminary review indicates that the information provided is not sufficient to process this administrative order. The following information is necessary:

- 1) Even though your letter states that "royalty interest in these wells is the same", it appears that these are two different fee leases. Please provide this office with a list of all revenue interest owners with their respective percentages in each of these leases.
- 2) If ownership is not identical, please provide notice of your intent to commingle along with your method of allocating all products to all revenue and cost owners in the affected wells. Please provide to the Division proof of this notification in the form of a copy of the letter and list of all owners notified.

Since the submitted information is insufficient to review, the applications have been **ruled incomplete on May 30, 2002**. Please submit the above stated information by June 6th 2002.

Upon receipt of this data and after any required protest period is passed, the Division will continue to process your applications. The additional information can be faxed (505-476-3471), or mailed to the Division. If you have any questions, please contact me in Santa Fe, at 505-476-3448.

Sincerely,

William V Jones Jr PE

Permian Business Unit  
North America Upstream  
15 Smith Road  
Midland, Texas 79705  
Tel 915-687-7100  
Fax 915-687-7666  
ReggieHolzer@ChevronTexaco.com

Reggie Holzer  
Facility Engineer

**ChevronTexaco**

May 23, 2002

NMOCD  
1220 South St. Francis Drive  
Santa Fe, NM 87505

Attention: Oil & Gas Regulatory Department

Re: Application to Pool (Surface) Commingle Gas, Oil, & Water Production

ChevronTexaco Exploration & Production Company, is requesting NMOCD approval to pool (surface) commingle oil, gas, and water production from the Baxter Culp 31 # 5, in the Blinebry Oil, and the Love 32 # 3 in the Monument-Tubb.

ChevronTexaco Exploration & Production Company, formerly Chevron USA, Production Co., Inc., respectfully requests approval to pool (surface) commingle production from these wells. The Baxter Culp 31 # 5 well is located in Section 31, T19S-R37E, Unit Letter P and the Love 32 # 3 well is located in Section 32, T19S-R37E, Unit Letter O. The Baxter Culp 31 # 5 is currently producing from the Blinebry Oil pool # 6660 and the Love 32 # 3 is currently producing in the Monument-Tubb pool # 47090. The gravity of the oil produced from both the Baxter Culp 31 # 5 and the Love 32 # 3 is 34.8° API @ 60 degrees.

ChevronTexaco is the operator of these wells with a 100% ownership. The royalty interest in these wells is the same.

Current daily well tests are:

30-025-35692  
35694

Well Name	Gas, MCFD	OIL, BOPD	Water, BWPD
Baxter Culp 31 # 5	32	18	32
Love 32 # 3	20	33	40

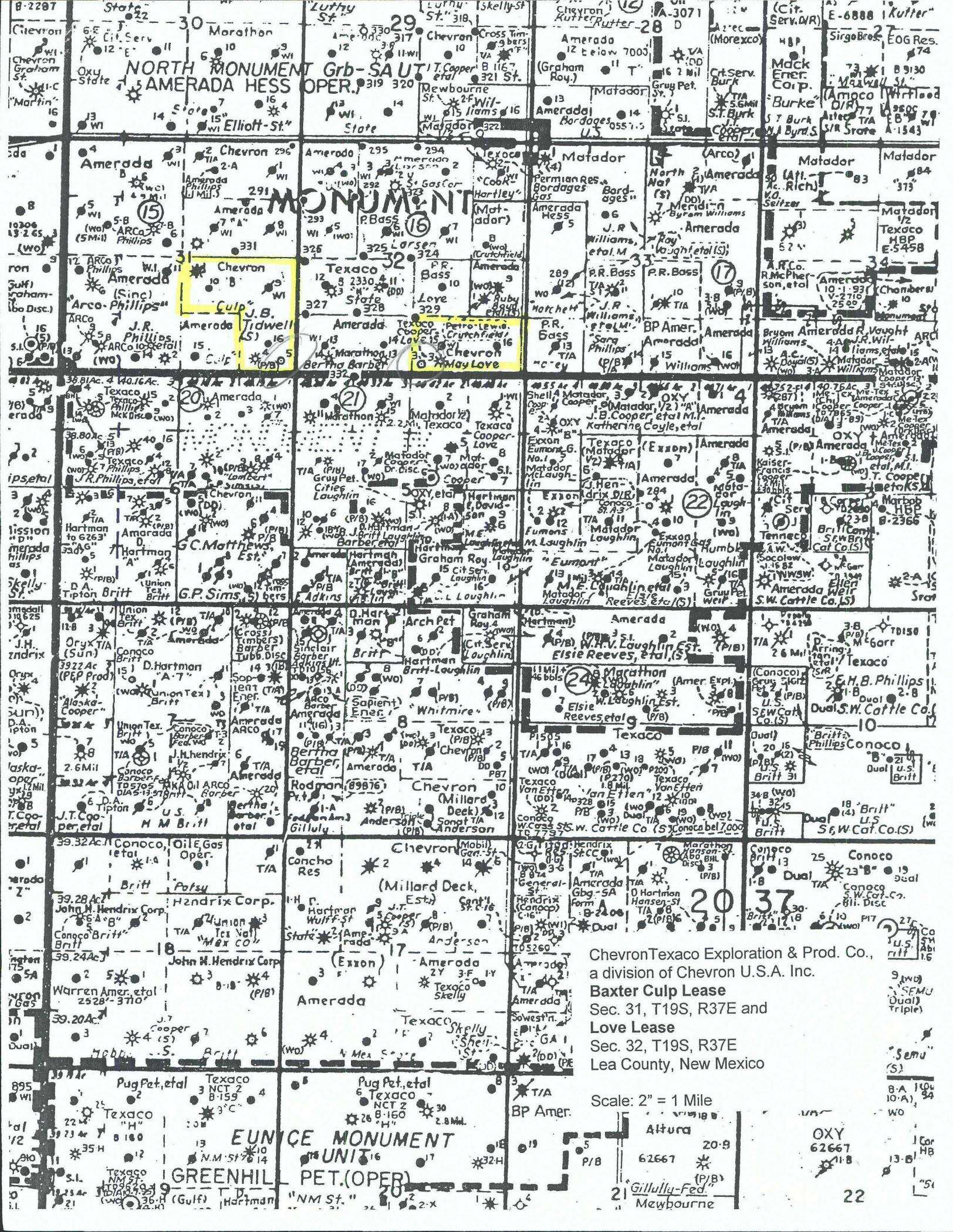
Gas, and oil, production will be allocated to both of these wells with the use of a metering separator located at the Love 32 Commingled Battery and will be installed in accordance with applicable provisions of the NMOCD's "Manual for the Installation and Operation of Commingling Facilities. Commingling will not reduce the actual commercial value of gas or oil sold from each lease. Permission to commingle the wells would eliminate the need for separate production facilities at the Baxter Culp 31 and the love 32, resulting in substantially lower operating costs to ChevronTexaco and will extend the economic life of the wells.

If you have any questions or concerns, please feel free to contact me at 915-687-7182.

Sincerely,



Reggie Holzer  
Sr. Facilities Engineer



**NORTH MONUMENT**  
**AMERADA HESS OPER.**

**MONUMENT**

**Culp J.B.**

**May Love**

**G.C. Matthews**

**G.P. Sims**

**W.H.V. Laughlin Est.**  
**Elsie Reeves, et al.**

**Marathon**  
**Laughlin**  
**Elsie W. Laughlin Est.**  
**Reeves, et al.**

**Texaco**  
**Van Etten**  
**General**  
**Hendrix**  
**Conoco**  
**W.C. Cross**  
**S.W. Cattle Co.**

**Marathon**  
**Laughlin**  
**Anderson**

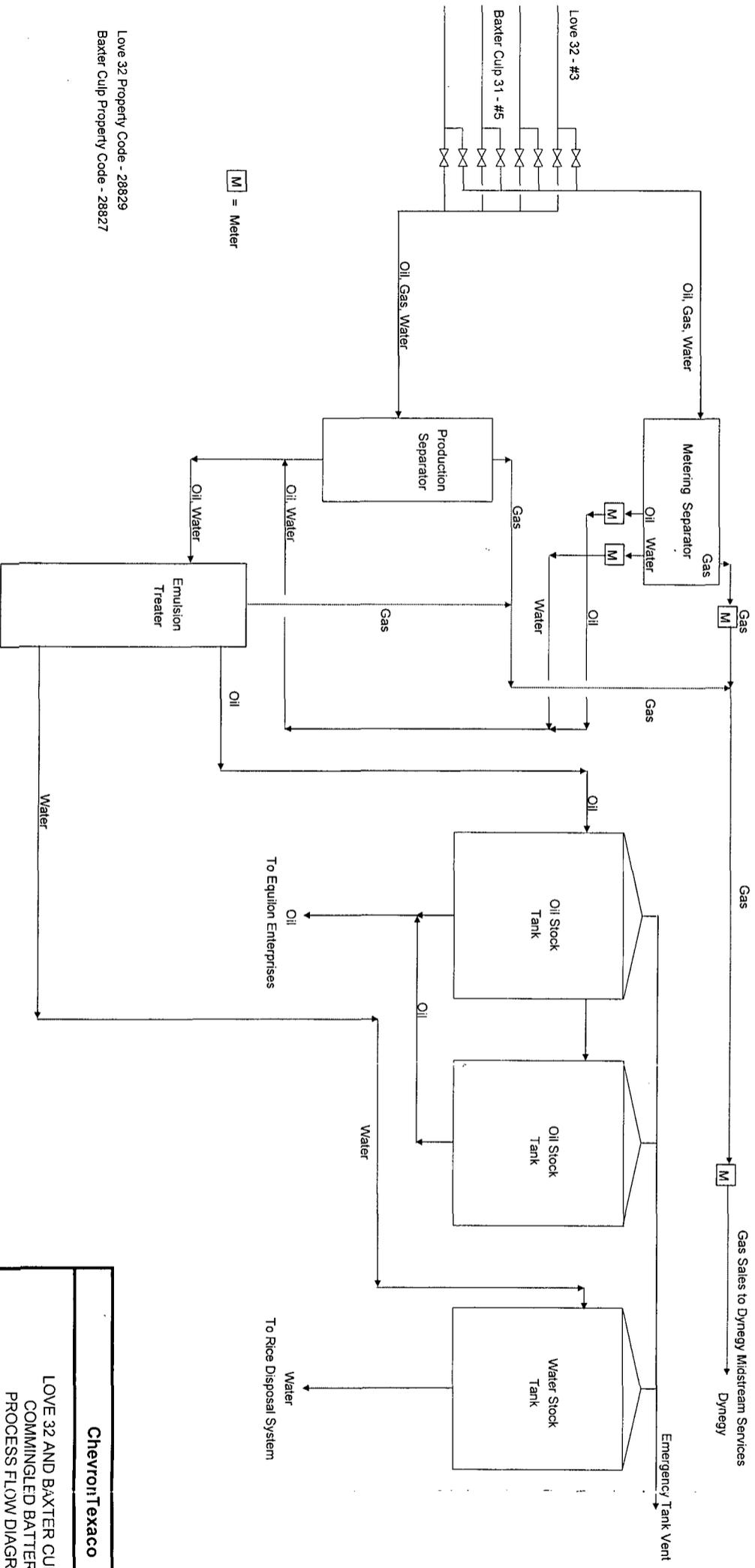
ChevronTexaco Exploration & Prod. Co.,  
 a division of Chevron U.S.A. Inc.  
**Baxter Culp Lease**  
 Sec. 31, T19S, R37E and  
**Love Lease**  
 Sec. 32, T19S, R37E  
 Lea County, New Mexico

Scale: 2" = 1 Mile

**EUNICE MONUMENT**  
**UNIT 16**  
**GREENHIL PET. (OPER.)**

**OXY**  
 62667  
 11-B  
 13-B  
 15

**Gilluly-Fed**  
 Mewbourne



M = Meter

Love 32 Property Code - 28829  
 Baxter Culp Property Code - 28827

**ChevronTexaco**

LOVE 32 AND BAXTER CULP 31  
 COMMINGLED BATTERY  
 PROCESS FLOW DIAGRAM

Section 31 & 32, T19S-R37E, Lea County, New Mexico  
 May 23, 2002