

DATE IN <u>5/16/97</u>	SUSPENSE <u>6/5/97</u>	ENGINEER <u>BS</u>	LOGGED BY <u>NV</u>	TYPE <u>CTB</u>
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ABOVE THIS LINE FOR DIVISION USE ONLY

## NEW MEXICO OIL CONSERVATION DIVISION

- Engineering Bureau -

### ADMINISTRATIVE APPLICATION COVERSHEET

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

#### Application Acronyms:

[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 APPLICATION - Check Those Which Apply for [A]

[A] Location - Spacing Unit - Directional Drilling

☐ NSL ☐ NSP ☐ DD ☐ SD

Check One Only for [B] and [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

#### [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,

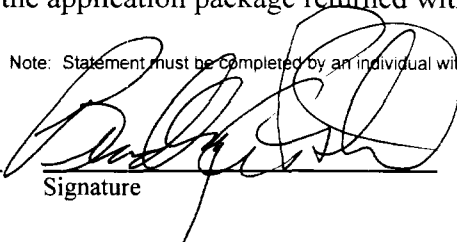
[F] ☒ Waivers are Attached

#### [3] INFORMATION / DATA SUBMITTED IS COMPLETE - Statement 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 individual with supervisory capacity.

BRADLEY A. FOSTER  
 Print or Type Name

  
 Signature

ASSET TEAM LEADER  
 Title

5/16/97  
 Date



May 14, 1997

**Chevron U.S.A. Production Company**  
P.O. Box 1150  
Midland, TX 79702

Administrative Application for Surface Commingling  
North Monument Field  
State A "26" #5  
1980' FSL & 330' FWL, Unit L, Sec. 26, T19S, R36E  
State A "26" #6  
410' FSL & 330' FWL, Unit M, Sec. 26, T19S, R36E  
Weir "B" #2  
1980' FSL & 2310' FEL, Unit J, Sec. 26, T19S, R36E  
Lea County, New Mexico

State of New Mexico  
Energy, Minerals & Natural Resources Department  
Oil Conservation Division  
2040 South Pacheco  
Santa Fe, New Mexico 87505

Attention: Mr. William J. LeMay - Director

Dear Mr. LeMay:

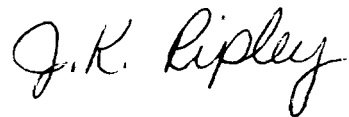
Chevron U.S.A., Inc. respectfully requests administrative approval for surface commingling of the production from the three above described wells.

State A "26" #5 is completed in North Monument Abo. The IP was 1112 bopd, 0 bwpd, and 758 mcfpd. The API gravity is 40.3° at 60° F. State "26" #6 is completed in North Monument Abo. The IP was 543 bopd, 0 bwpd, and 465 mcfpd. The API gravity is 40.3° at 60° F. Weir "B" #2 is completed in North Monument Abo. The IP was 320 bopd, 0 bwpd, and 350 mcfpd. The API gravity is 40.5° at 60° F.

The commingling of these three wells will allow the producing of the wells with one battery at a savings of approximately \$50,000. The oils are from the same zone and will be compatible. The value of the commingled oil will be the same as the individual oils. The working interest owners and royalty owners are the same on the two leases. Attached is a schematic diagram of the production facility.

**If you have any questions, or if you require further information, please contact Lloyd Trautman at (915) 687-7152.**

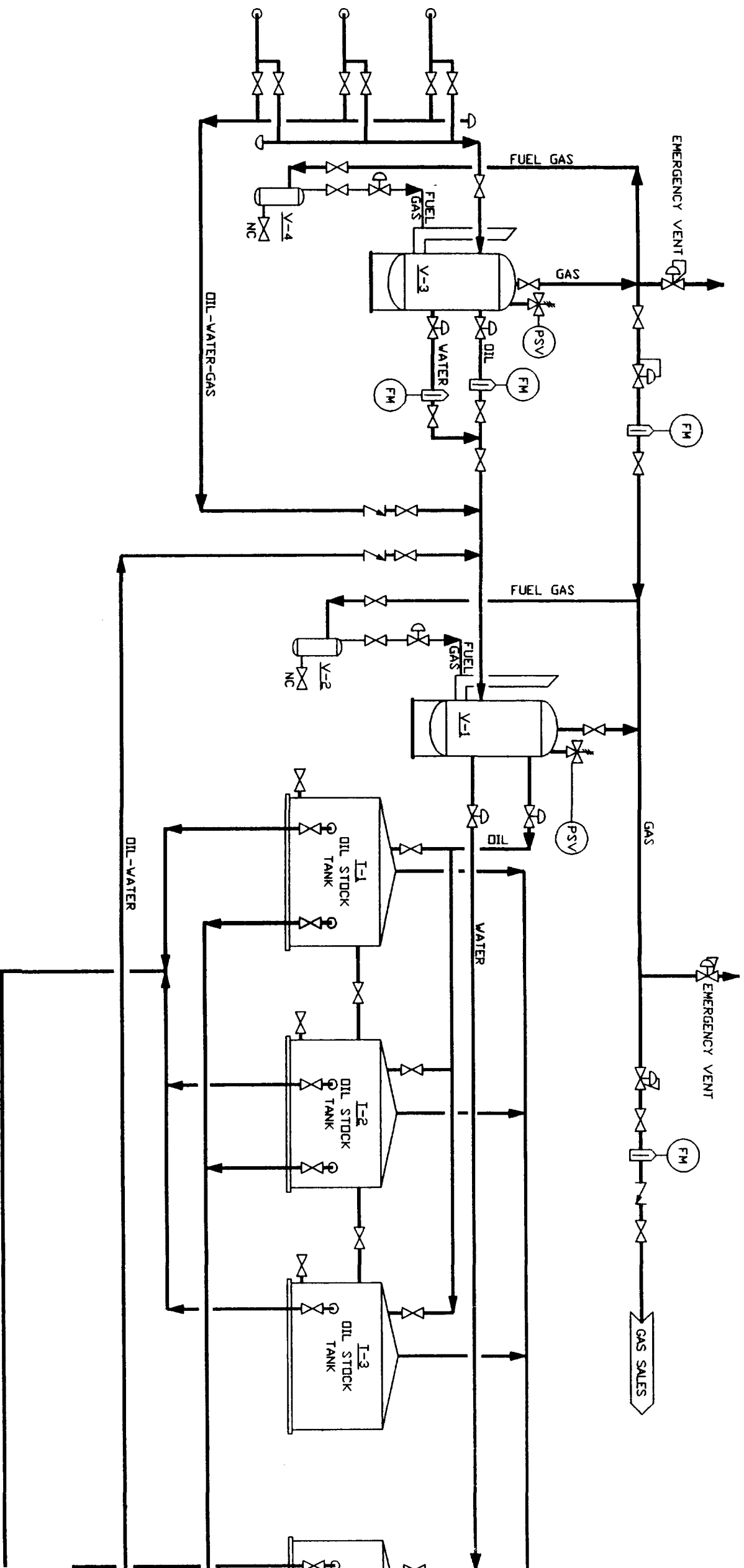
**Sincerely,**

A handwritten signature in black ink that reads "J. K. Ripley". The signature is written in a cursive style with a large, stylized "J" and "R".

**J. K. Ripley**

**Attachments**

**cc: NMOCD - Hobbs, NM  
NM State Land Office - Santa Fe, NM  
N. V. Mouser  
L. V. Trautman**





**Chevron U.S.A. Production Company**  
P.O. Box 1150  
Midland, TX 79702

May 14, 1997

**Administrative Application for Surface Commingling**  
**North Monument Field**  
State A "26" #5  
1980' FSL & 330' FWL, Unit L, Sec. 26, T19S, R36E  
State A "26" #6  
410' FSL & 330' FWL, Unit M, Sec. 26, T19S, R36E  
Weir "B" #2  
1980' FSL & 2310' FEL, Unit J, Sec. 26, T19S, R36E  
Lea County, New Mexico

**Commissioner of Public Lands**  
**New Mexico State Land Office**  
P. O. Box 1148  
Santa Fe, New Mexico 87504-1148

**Attention: Mr. Pete Martinez**

**Gentlemen:**

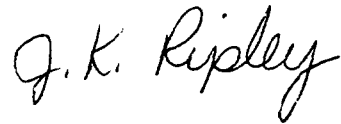
Enclosed herewith for the Land Commissioner's approval is a surface commingling application covering the above captioned wells. I have also enclosed a \$30.00 check which covers the application fee in this regard.

Chevron's application entails the commingling of Abo production from State A "26" #5, State A "26" #6, and Weir "B" #2. State A "26" #5 and State A "26" #6 are located on State of New Mexico Lease #B-2656; Weir "B" #2 is located on Fee Land. The tank battery facility site wherein said production will be commingled is located on State of New Mexico Lease #B-2656 in the SW ¼ of Section 26, T-19-S, R-36-E, N.M.P.M., Lea County, New Mexico. All three wells are operated by Chevron U.S.A., Inc.

**If you have any questions, or if you require further information, please contact Lloyd Trautman at (915) 687-7152.**

**Sincerely,**

**J. K. Ripley**

A handwritten signature in black ink that reads "J. K. Ripley". The signature is written in a cursive style with a large, stylized "J" and "R".

**Enclosures**

**cc: NMOCD - Santa Fe, NM**



CTB-452



COMMERCIAL RESOURCES  
(505)-827-5724

SURFACE RESOURCES  
(505)-827-5793

MINERAL RESOURCES  
(505)-827-5744

ROYALTY  
(505)-827-5772

June 9, 1997

State of New Mexico  
Commissioner of Public Lands

Ray Powell, M.S., D.V.M.  
310 Old Santa Fe Trail, P. O. Box 1148  
Santa Fe, New Mexico 87504-1148  
Phone (505)-827-5760, Fax (505)-827-5766

PUBLIC AFFAIRS  
(505)-827-5765

ADMINISTRATIVE MGMT.  
(505)-827-5700

LEGAL  
(505)-827-5715

PLANNING  
(505)-827-5752

Chevron USA Production Company  
P.O. Box 1150  
Midland, Texas 79702

Attn: Ms. J. K. Ripley

Re: Surface Commingling Application  
State A "26" Well No. 5, Unit Letter L  
State A "26" Well No. 6, Unit Letter M  
Section 26-19S-36E, Lease B-2656  
Weir "B" Well No. 2, Unit Letter J  
North Monument Field  
Lea County, New Mexico

Dear Ms. Ripley:

We have received your letter of May 14, 1997, wherein you requested our approval for surface commingling of production from the above wells.

We understand that production from the subject wells will be commingled at the State A "26" Well No. 5 tank battery located in the NW/4SW/4 of Section 26-19S-36E. Production from each of the wells will be allocated based upon monthly well tests.

Since it appears that there will be no loss of revenue to the State of New Mexico's beneficiaries as a result of your proposed operation, your request is hereby approved. Our approval is given with the understanding that the Commissioner of Public Lands reserves the right to amend or withdraw his approval, should this operation prove to be unprofitable to the state at any time in the future. Also, our approval is subject to like approval by the New Mexico Oil Conservation Division. Please submit a copy of the New Mexico Oil Conservation Division's approval.

Your \$30.00 filing fee has been received.

Our approval will be contingent upon Chevron securing the appropriate business lease and right-of-way.



Chevron USA Production Company

June 9, 1997

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Please notify Ms. Debbie Padilla of our Right-of-Way Section at 827-5729 regarding a right-of-way through the N/2SW/4 of Section 26-19S-36E.

Please notify Mr. Joseph Lopez of our Commercial Resources Division at 827-4003 regarding a possible business lease in the NW/4SW/4 of Section 26-19S-36E.

Your \$30.00 filing fee has been received.

Also, please submit the Oil Conservation approval number.

If you have any questions or if we may be of further help, please contact Pete Martinez at (505) 827-5791.

Very truly yours,

RAY POWELL, M.S., D.V.M.  
COMMISSIONER OF PUBLIC LANDS

BY: 

JAMI BAILEY, Director  
Oil, Gas and Minerals Division  
(505) 827-5744

RP/JB/cpm

Enclosure

cc: Reader File

OCD--Mr. David Catanach, Mr. Ben Stone  
BLM