

**STATE OF NEW MEXICO  
DEPARTMENT OF ENERGY, MINERALS AND NATURAL RESOURCES  
OIL CONSERVATION**

**IN THE MATTER OF THE APPLICATION  
OF CHEVRON U.S.A. PRODUCTION CO.  
FOR APPROVAL TO CONVERT THE  
EUNICE MONUMENT SOUTH UNIT WELLS  
210, 212, 222, 252 AND 258 TO INJECTION**

**NO. 12320**

**AFFIDAVIT OF JOHN ALLRED**

**STATE OF TEXAS            )  
                                      ) ss.  
COUNTY OF MIDLAND    )**

I, John Allred, being first duly sworn and under oath do state as follows:

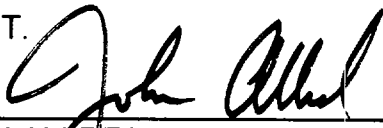
1.     My name is John Allred. I am over twenty-one years of age and am competent to testify in this proceeding. The statements in this Affidavit are based on my personal knowledge, and represent testimony I would provide before the Division or the Commission if called.

2.     I am a petroleum engineer employed by Doyle Hartman, Oil Operator. I am familiar with the frac jobs that were performed on the State "A" Com wells 4 and 5 in Sections 5 and 8, Township 21 South, Range 36 East, Lea County, New Mexico. The Nos. 4 and 5 are gas wells completed in the Eumont Gas pool (Yates, Seven Rivers and Queen formations). These wells are within the horizontal boundaries of the Chevron-operated Eunice Monument South Unit waterflood ("EMSU") in Lea County, New Mexico.

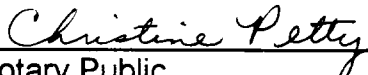
3.     I am advised by counsel for Hartman, and have reviewed the Chevron exhibits introduced at the hearing in this matter which indicate that Chevron

has offered its opinion in this case that the frac jobs Hartman performed on the State "A" Com wells 4 and 5 caused communication with the waterflood injection interval. In my professional opinion, Chevron's assertions are wrong. As demonstrated by the documents attached as Exhibit A, Hartman avoiding perforating and stimulating the well in the lower levels of the Yates gas zones specifically in order to avoid fracture growth down to the waterflood oil zones. The attached charts, Exhibits B-1 and B-2, show the significant water production in these gas wells did not start until approximately 6 months in one well and 12 months after the Hartman frac jobs were performed in the other well. If the frac jobs had indeed caused communication with the waterflood zones, we would have seen the increase in water production in the gas wells shortly after the well stimulations.

FURTHER AFFIANT SAYETH NAUGHT.

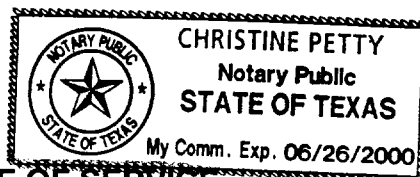
  
JOHN ALLRED

SUBSCRIBED AND SWORN before me on this 10th day of March, 2000, by John Allred.

  
Notary Public

My Commission Expires:

6/26/2000



**CERTIFICATE OF SERVICE**

I hereby certify that I have caused a true and correct copy of the foregoing Affidavit to be mailed on this \_\_\_ day of March, 2000, to the following counsel of record:

William F. Carr  
Paul Owen

Campbell, Carr, Berge & Sheridan, P.A.  
P.O. Box 2208  
Santa Fe, NM 87504-2208

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MICHAEL J. CONDON