

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
1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico
Energy, Minerals and Natural Resources

Form C-103
May 27, 2004

OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

WELL API NO.

30-025-35694

5. Indicate Type of Lease

STATE ☐ FEE ☒

6. State Oil & Gas Lease No.

7. Lease Name or Unit Agreement Name

LOVE 32

8. Well Number **3**

9. OGRID Number

4323

10. Pool name or Wildcat

Monument; Blinebry & Monument; Tubb

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 **O** : **330'** feet from the **South** line and **2310'** feet from the **East** line
Section **32** Township **19S** Range **37E** NMPM County **LEA**

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

3559' 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 ☐
PULL OR ALTER CASING ☐ MULTIPLE COMPL ☐

OTHER: **DHC Blinebry and Tubb** ☒

SUBSEQUENT REPORT OF:

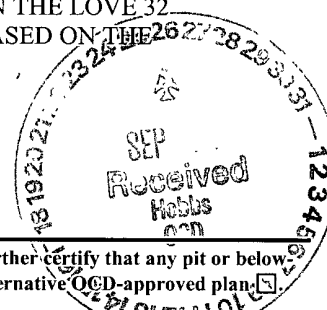
REMEDIAL WORK ☐ ALTERING CASING ☐
COMMENCE DRILLING OPNS. ☐ P AND A ☐
CASING/CEMENT JOB ☐

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.

IT IS PROPOSED TO DOWNHOLE COMMINGLE POOLS, MONUMENT; BLINEBRY, (Pool 46990) PERFS 5694'-5781', AND MONUMENT; TUBB (Pool # 47090) PERFS 6494'-6583', IN THE LOVE 32 WELL # 3. PRODUCTION WILL BE ALLOCATED BACK TO THE TWO POOLS BASED ON THE PERCENTAGES SHOWN IN THE ATTACHED SUPPORT DATA.

DHC Order No. HOB-219



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 NMOC guidelines ☐, a general permit ☐ or an (attached) alternative OGD-approved plan ☒.

SIGNATURE [Signature] TITLE PETR. ENGINEER DATE 9/24/2007

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

For State Use Only

APPROVED BY: [Signature] TITLE OC DISTRICT SUPERVISOR/GENERAL MANAGER DATE OCT 01 2007

Conditions of Approval (if any):

REQUEST FOR EXCEMPTION 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

Love 32 # 3
330' FSL & 2310' FEL, Unit Letter O
Section 32, T19S, R37E
Lea County, New Mexico

Division Order

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

Pools To Be Commingled In Love 32 # 3

(46990) Monument; Blinebry
(47090) Monument; Tubb

Perforated Intervals

Monument; Blinebry (5694' - 5781')
Monument; Tubb (6494' - 6583')

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	67	58	168	Orcutt E # 3 - Well Test Report 8/9/2005
Tubb	8	5	13	Love 32 # 3 - Well Test Report 4/3/2007
Totals	75	63	181	

<u>Allocated %</u>	<u>Oil %</u>	<u>Water %</u>	<u>Gas %</u>	<u>Remarks</u>
Blinebry	89.93 89.5%	92.06	92.82 93.1%	Calculated using above production volumes
Tubb	10.67 10.5%	7.94	7.18 7.7%	Calculated using above production volumes
Totals	100.00	100.00	100.00	<i>h m</i>

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

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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
X 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

LOVE 32 #3 O-32-19S-37E LEA
Lease Well No Unit Letter-Section-Township-Range County

OGRID No. 4323 Property Code 28829 API No. 30-025-35694 Lease Type: Federal State X Fee

DATA ELEMENT	UPPER ZONE	INTERMEDIATE ZONE	LOWER ZONE
Pool Name	MONUMENT, BLINEBRY	-	MONUMENT, TUBB
Pool Code	46990	-	47090
Top and Bottom of Pay Section (Perforated or Open-Hole Interval)	5694'- 5781'	-	6494' - 6583'
Method of Production (Flowing or 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
Producing, Shut-In or New Zone	NEW ZONE	-	PRODUCING
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)	H T. Orcutt NCT E #3 - Offset Date: 7/10/06 Rates: Oil Gas 67 BOPD 168 MCFPD	-	Date: 4/3/07 Rates: Oil GAS 8 BOPD 12 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 89.33 % 92.82 %	-	Oil Gas 10.67 % 7.18 %

ADDITIONAL DATA

Are all working, royalty and overriding royalty interests identical in all commingled zones? Yes X 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 X No
Will commingling decrease the value of production? Yes No X
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 9-24-07
TYPE OR PRINT NAME Richard A. Jenkins TELEPHONE NO. (432)687-7120
E-MAIL ADDRESS jrdg@chevron.com

WELL TEST REPORT

Lease: LOVE 32

Field: MONUMENT

Reservoir: TUBB

Well: 3

Field Code: U93

Resv Code: 0000009303

Unique Code: UCU936300

Battery: LOVE 32

Wellbore: 103347

API No: 300253569400

Test Date	BOPD	BWPD	MCFPD	Tbg PSI	GOR	% Oil	Comp No.	Status	Remarks	Fluid Level	Fld Lvl Date	BTFPD	% Runtime
	0	0	0	200			01	PR		6560	1/20/05		23.0
	0	0	0	200			01	PR		6561	8/27/05		21.0
4/3/07	8	5	12	200	1500	61.5	01	PR		6561	4/2/06	13	21.0
3/29/07	6	11	8	200	1333	35.3	01	PR		6561	4/2/06	17	21.0
12/12/06	9	22	8	200	889	29.0	01	PR		6561	4/2/06	31	21.0
11/25/06	11	22	8	200	727	33.3	01	PR		6561	4/2/06	33	21.0
10/29/06	13	24	9	200	692	35.1	01	PR		6561	4/2/06	37	21.0
10/29/06	13	24	9	200	692	35.1	01	PR		6561	4/2/06	37	21.0
9/5/06	14	23	10	200	714	37.8	01	PR		6561	4/2/06	37	21.0
8/23/06	9	21	19	200	2111	30.0	01	PR		6561	4/2/06	30	21.0
8/7/06	13	21	17	200	1308	38.2	01	PR		6561	4/2/06	34	21.0
6/12/06	12	23	15	200	1250	34.3	01	PR		6561	4/2/06	35	21.0
5/1/06	14	18	8	200	571	43.8	01	PR		6561	4/2/06	32	21.0
4/3/06	8	15	10	200	1250	34.8	01	PR		6561	4/2/06	23	21.0
3/1/06	13	25	12	200	905	34.2	01	PR		6561	8/27/05	38	21.0
2/21/06	11	21	11	200	980	34.4	01	PR		6561	8/27/05	32	21.0
1/3/06	10	23	10	200	980	30.3	01	PR		6561	8/27/05	33	21.0
12/7/05	9	32	10	200	1089	22.0	01	PR		6561	8/27/05	41	21.0
11/14/05	14	33	13	200	910	29.8	01	PR		6561	8/27/05	47	21.0
10/4/05	12	34	13	200	1062	26.1	01	PR		6561	8/27/05	46	21.0
9/14/05	8	31	29	200	3676	20.5	01	PR		6561	8/27/05	39	21.0
8/9/05	12	25	30	200	2533	32.4	01	PR		6561	3/9/05	37	21.0
7/6/05	13	25	31	200	2413	34.2	01	PR		6561	3/9/05	38	21.0
6/22/05	13	27	30	200	2338	32.5	01	PR		6561	3/9/05	40	21.0
5/19/05	13	25	31	200	2413	34.2	01	PR		6561	3/9/05	38	21.0
4/23/05	14	27	30	200	2171	34.1	01	PR		6561	3/9/05	41	21.0
3/18/05	13	29	30	200	2338	31.0	01	PR		6561	3/9/05	42	21.0
2/18/05	14	32	23	200	1611	30.4	01	PR		6560	1/20/05	46	23.0
1/14/05	14	34	19	200	1331	29.2	01	PR		6571	12/3/04	48	23.0
12/4/04	7	41	14	200	1961	14.6	01	PR		6571	12/3/04	48	33.0
12/4/04	7	41	14	200	1961	14.6	01	PR		6571	12/3/04	48	33.0
11/18/04	5	96	17	200	3334	5.0	01	PR		6510	11/18/04	101	53.0
10/8/04	0	190	0	200	#DIV/0!	0.0	01	PR		1267	10/8/04	190	100.0
9/17/04	0	192	0	200	#DIV/0!	0.0	01	PR		652	9/17/04	192	100.0
8/6/04	13	22	18	250	1385	37.1	01	PR		5953	7/24/04	35	30.0
7/22/04	14	21	20	250	1429	40.0	01	PR		5953	7/24/04	35	16.0
6/27/04	16	21	25	250	1563	43.2	01	PR		5953	6/27/04	37	16.0
5/26/04	13	20	28	250	2154	39.4	01	PR		5953	5/20/04	33	16.0
4/15/04	15	19	21	250	1400	44.1	01	PR		5953	4/20/04	34	13.0
3/19/04	18	17	20	250	1111	51.4	01	PR		6585	3/20/04	35	13.0
2/22/04	20	19	21	250	1050	51.3	01	PR		6585	2/22/04	39	14.0
1/23/04	21	19	19	250	905	52.5	01	PR		6585	1/23/04	40	16.0
12/24/03	22	20	18	250	818	52.4	01	PR		6585	12/24/03	42	14.0
11/27/03	21	20	21	250	1000	51.2	01	PR		6585	11/27/03	41	14.0
10/29/03	18	24	18	250	1000	42.9	01	PR		6585	10/2/03	42	14.0
9/20/03	20	25	20	250	1000	44.4	01	PR		6585	8/20/03	45	15.0
8/22/03	19	22	20	250	1053	46.3	01	PR		6585	8/20/03	41	15.0
7/28/03	21	25	20	250	952	45.7	01	PR		6585	7/28/03	46	16.0
6/20/03	18	24	17	250	944	42.9	01	PR		6585	6/20/03	42	16.0
5/15/03	20	25	14	250	700	44.4	01	PR		6585	5/25/03	45	20.0
3/21/03	22	28	20	250	909	44.0	01	PR		6585	3/21/03	50	20.0
2/26/03	25	25	22	250	880	50.0	01	PR		6585	2/25/03	50	20.0
1/9/03	24	26	20	250	833	48.0	01	PR		6585	1/9/03	50	20.0
12/20/02	25	22	24	250	960	53.2	01	PR		6585	12/20/02	47	23.0

WELL TEST REPORT**Lease: ORCUTT, H. T. NCT-E**
Well: 3T**Field: MONUMENT**
Field Code: U93
Unique Code:
Wellbore: 101903**Reservoir: Blinebry****API No: _____**

Test Date	BOPD	BWPD	MCFPD	Tbg PSI	GOR	% Oil	BTFPD
8/29/06	54	48	150		2778	52.9	102
7/10/06	56	50	131		2339	52.8	106
6/9/06	60	52	139		2317	53.6	112
5/22/06	63	55	143		2270	53.4	118
4/16/06	53	58	116		2189	47.7	111
3/19/06	59	69	122		2061	46.1	128
2/10/06	55	57	125		2264	49.1	112
12/27/05	53	54	146		2756	49.5	107
11/27/05	45	44	42		937	50.6	89
10/11/05	68	17	115		1687	80.0	85
9/5/05	70	60	185		2647	53.8	130
8/9/05	67	58	168		2502	53.6	125

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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 30-025-35694	² Pool Code 46990	³ Pool Name Monument; Blinebry
⁴ Property Code 28829	⁵ Property Name Love 32	⁶ Well Number 3
⁷ OGRID No 4323	⁸ Operator Name Chevron U.S.A., Inc.	⁹ Elevation 3559'

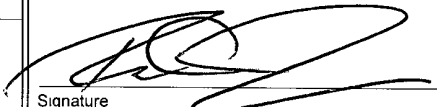
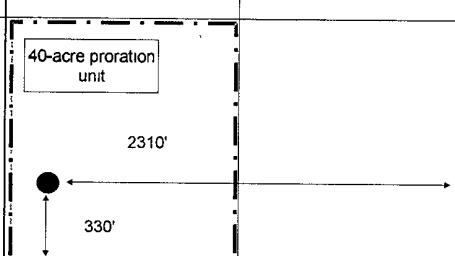
¹⁰ Surface Location

UL or Lot No	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
O	32	19S	37E		330'	South	2310'	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						

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>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief</i>  Signature Richard A. Jenkins Printed Name NM Petroleum Engineer Title 9/24/2007
				1 SURVEYOR CERTIFICATION <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> Signature and Seal of Professional Surveyor Certificate Number
			40-acre proration unit 2310' 330' 	

☐ **AMENDED REPORT**

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number 30-025-35694	² Pool Code 47090	³ Pool Name Monument; Tubb	
⁴ Property Code 28829	⁵ Property Name Love 32		⁶ Well Number 3
⁷ OGRID No 4323	⁸ Operator Name Chevron U.S.A., Inc.		⁹ Elevation 3559'

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
O	32	19S	37E		330'	South	2310'	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

16					1 OPERATOR CERTIFICATION <i>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief</i>  Signature Richard A. Jenkins Printed Name NM Petroleum Engineer Title 9/24/2007
					1 SURVEYOR CERTIFICATION <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> Signature and Seal of Professional Surveyor Certificate Number

32

80-acre proration unit

2310'

330'

Well: **Love 32 # 3**Field: **Monument**Reservoir: **Tubb****Location:**

330' FSL & 2310' FEL
 Section. 32
 Township 19S
 Range 37E Unit E
 County. Lea State: NM

Elevations:

GL. 3559'
 KB: 3570'
 DF: 3569'

This wellbore diagram is based on the most recent information regarding wellbore configuration and equipment that could be found in the Midland Office well files and computer databases as of the update date below. Verify what is in the hole with the well file in the Eunice Field Office. Discuss w/ WFO Engineer, WFO Rep. OS, ALS, & FS prior to rigging up on well regarding any hazards or unknown issues pertaining to the well.

Tubing Detail:

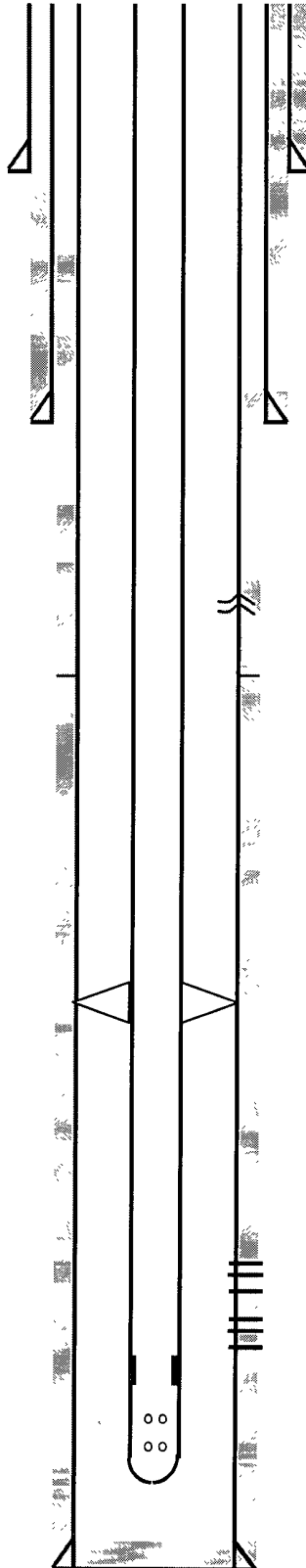
#Jts:	Size:	Footage
	KB Correction	15.00
210	Jts 2 7/8" EUE 8R J-55 Tbg	6419.06
	TAC	2.75
5	Jts 2 7/8" EUE 8R J-55 Tbg	148.99
	SN	1.10
	2 7/8" x 4' Perf Tbg Sub	4.00
1	Jt 2 7/8" EUE 8R J-55 Tbg	31.00
	Bull Plug	0.50
216	Bottom Of String >>	6622.40

COTD: 6635'
 PBTD: 6635'
 TD: 6662'

Updated: 7/16/2007

Love 32 #3_WBD.xls

Current
Wellbore Diagram



By: svyo

Well ID Info:

Chevno HD9954
 API No: 30-025-35694
 L5/L6
 Spud Date: 9/25/2001
 Compl Date: 2/12/2002

Surf. Csg: 11 3/4", 42#, H-40
Set: @ 300' w/ 350 sks
Hole Size: 14 3/4"
Circ: Yes **TOC:** Surface
TOC By: Circulated

Interm. Csg: 8 5/8", 24#, K-55
Set: @ 2569' w/ 900 sks
Hole Size: 11"
Circ: Yes **TOC:** Surface
TOC By: Circulated

8/04 - Repair casing leak btw 4228'-4260'

primary TOC @ 4384'

Perfs:	Status:
6494-6502'	Tubb - Open
6515-21'	Tubb - Open
6543-54'	Tubb - Open
6570-83'	Tubb - Open

Prod. Csg: 5 1/2", 15.5#, K-55
Set: @ 6660' w/ 895 sks
Hole Size: 7 7/8"
Circ: No **TOC:** 4384'
TOC By: CBL

*actual TOC unknown due to remedial squeeze job in 2004 - not circulated to surface

9/25/2007 12:29 PM

Well: **Love 32 # 3**

Field: **Monument**

Reservoir: **Blinebry**

Location:

330' FSL & 2310' FEL
Section: 32
Township: 19S
Range 37E
County: Lea State: NM

Elevations:

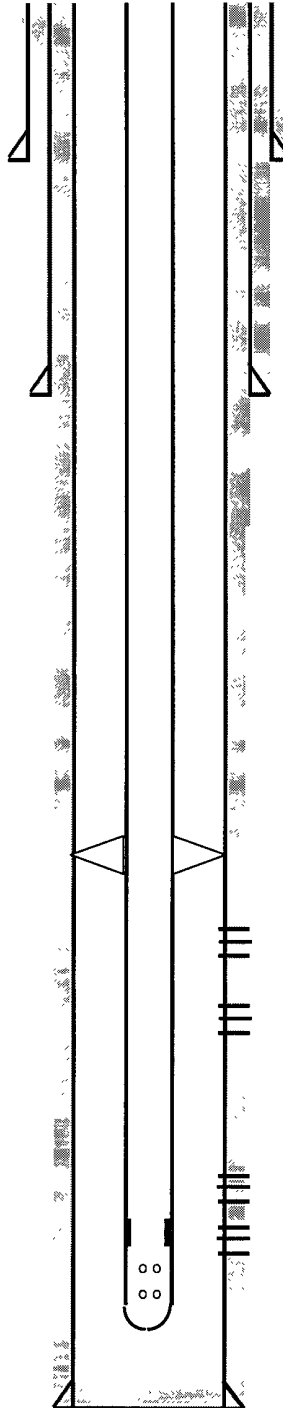
GL: 3559'
KB: 3570'
DF: 3569'

This wellbore diagram is based on the most recent information regarding wellbore configuration and equipment that could be found in the Midland Office well files and computer databases as of the update date below. Verify what is in the hole with the well file in the Eureka Field Office. Discuss w/ WEO Engineer, WO Rep, OS, ALS & FS prior to rigging up on well regarding any hazards or unknown issues pertaining to the well.

COTD: 6665'
PBTD: 6665'
TD: 6662'

Updated: 7/16/2007

**Proposed
Wellbore Diagram**



By: rjdg

Well ID Info:

Chevron: HD9954
API No: 30-025-35694
L5/L6.
Spud Date: 9/25/2001
Compl. Date: 2/12/2002

Surf. Csg: 11 3/4", 42#, H-40
Set: @ 300' w/ 350 sks
Hole Size: 14 3/4"
Circ: Yes **TOC:** Surface
TOC By: Circulated

Interm. Csg: 8 5/8", 24#, K-55
Set: @ 2569' w/ 900 sks
Hole Size: 11"
Circ: Yes **TOC:** Surface
TOC By: Circulated

Perfs:	Status:
5694'-01'	Binebry - Open
5704'-10'	Binebry - Open
5745'-47'	Binebry - Open
5755'-65'	Binebry - Open
5772'-81'	Binebry - Open

Perfs:	Status:
6494-6502'	Tubb - Open
6515-21'	Tubb - Open
6543-54'	Tubb - Open
6570-83'	Tubb - Open

Prod. Csg: 5 1/2", 15 5#, K-55
Set: @ 6660' w/ 895 sks
Hole Size: 7 7/8"
Circ: yes **TOC:** surface
TOC By: sqz job/circulation

