

RECEIVED

JAN 28 2009

HOBBSOCD

CONSERVATION DIVISION

1220 South St. Francis Dr.

Santa Fe, NM 87505

WELL API NO.

30-025-39214

5. Indicate Type of Lease

STATE ☐ FEE ☐

6. State Oil &amp; Gas Lease No.

7. Lease Name or Unit Agreement Name

A.H. Blinebry Federal NCT-

1

8. Well Number 51

9. OGRID Number

4323

10. Pool name or Wildcat

Blinebry/Tubb/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 D : 760 feet from the North line and 660 feet from the West lineSection 29 Township 22S Range 38E NMPM County LEA

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

3392 (GL)

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/Tubb/Brunson; Drinkard-Abo, South ☒

## 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 PROVISION OF RULE 303C (5) IT IS PROPOSED TO DOWNHOLE COMMINGLE PRE-APPROVED POOLS, BLINEBRY OIL & GAS (6660) (5532-6086'), TUBB OIL & GAS (60240) (6086-6362'), & BRUNSON; DRINKARDABO, SOUTH (7900) (6362-7072') IN THE CAPTIONED WELL. PRODUCTION WILL BE ALLOCATED BACK TO THE THREE POOLS BASED ON THE PERCENTAGES SHOWN IN THE ATTACHED SUPPORT DATA.

DHC - 408 - 0294

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 [Signature] TITLE PETR. ENGINEER DATE 1/26/2009

Type or print name

E-mail address:

Telephone No.

For State Use Only

APPROVED BY: [Signature] TITLE PETROLEUM ENGINEER DATE FEB 03 2009

Conditions of Approval (if any):



**Lonnie Grohman**  
Petroleum Engineer  
New Mexico Team

**Permian Business Unit**  
Chevron U.S.A. Inc.  
15 Smith Road  
Midland, TX 79705  
Tel 432-687-7420  
Fax 432-687-7558  
lgek@chevron.com

January 26, 2009

State of New Mexico  
Oil Conservation Division  
1625 N. French Drive  
Hobbs, New Mexico 88240

Request DHC A.H. Blinebry Federal NCT-1 #51 (30-025-39214)

Attention: Oil and Gas Regulatory Department

Chevron U.S.A. Inc. respectfully requests administrative approval for an amendment to Downhole Commingle the Blinebry Oil & Gas (6660), Tubb Oil & Gas (60240), Brunson; Drinkard-Abo, South (7900) in the A.H. Blinebry Federal NCT-1 #51, API number 30-025-39214. The A.H. Blinebry Federal NCT-1 #51 is located 760' FNL & 660' FWL, Unit D, Section 29, Township 22 South, Range 38 East, Lea County, New Mexico.

The A.H. Blinebry Federal NCT-3 #7 is a new drill in the Brunson South area. It was spudded on January 6, 2009 targeting a total depth of 7100'. The proposed completion of the well would commingle production from the Blinebry, Tubb, and Drinkard-Abo formations.

The proposed allocation percentages were calculated using offset EUR data, as well as production test from offset wells. Attached in support of this request is a well test report, a proposed well schematic diagram for the A.H. Blinebry Federal NCT-1 #51, a C107, a C102 form for each pool, and a lease plat.

Chevron is the operator, with 100% working interest in the lease.

If you require additional information or have any questions, please contact me by telephone at 432-687-7420, or by email at lgek@chevron.com.

Sincerely,

A handwritten signature in black ink, appearing to read "Lonnie Grohman", with a stylized flourish at the end.

Lonnie Grohman  
Petroleum Engineer

Enclosure

cc: Denise Pinkerton  
Denise Beckham

**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**

A.H. Blinebry Federal NCT-1 #51  
30-025-39214  
760' FNL & 660' FWL, Unit Letter D  
Section 29, T22S, R38E  
Lea County, New Mexico

**Division Order**

Pre-approved Pools or Areas established by division order # R-11363

**Pools To Be Commingled In A.H. Blinebry Federal NCT-3 #7**

(6660) Blinebry Oil & Gas (OIL)  
(60240) Tubb Oil & Gas (OIL)  
(7900) Brunson; Drinkard-Abo, South (OIL)

**Perforated Intervals**

Blinebry Oil & Gas (5532-6086')  
Tubb Oil & Gas (6086-6362')  
Brunson; Drinkard-Abo, South (6362-7072')

**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	17	113	187	Calculated From Allocations %
Tubb	9	25	206	Calculated From Allocations %
Brunson; Drinkard Abo, South	16	113	86	Calculated From Allocations %
<b>Totals</b>	<b>42</b>	<b>250</b>	<b>480</b>	

<u>Allocated %</u>	<u>Oil %</u>	<u>Water %</u>	<u>Gas %</u>	<u>Remarks</u>
Blinebry	41	45	39	From offset EUR
Tubb	21	10	43	From offset EUR
Brunson; Drinkard Abo, South	38	45	18	From offset EUR
<b>Totals</b>	<b>100</b>	<b>100</b>	<b>100</b>	

**Ownership**

Ownership of all zones is identical so correlative rights will not be compromised.

**State / Federal Land Notification**

This is a Federal lease

A.H. Blinebry Federal NCT-1 #51 - Supporting Production Data

Blinebry		
Well	Oil	Gas
Blinebry NCT-1 #18	101,607.00	1,288,178.00
Blinebry NCT-1 #20	21,484.00	126,839.00
Blinebry NCT-1 #21	15,232.00	67,746.00
Blinebry NCT-1 #22	36,100.00	214,499.00
Blinebry NCT-1 #32	13,125.00	24,716.00
Blinebry NCT-1 #17	78,140.00	953,149.00
	44,281.33	445,854.50

Drinkard-Abo (Brunsons South)		
Well	Oil	Gas
Blinebry NCT-1 #34	42,051.00	151,813.00
Blinebry NCT-1 #36	16,179.00	86,802.00
Blinebry NCT-1 #4	19,701.00	95,126.00
Blinebry NCT-1 #45	4,118.00	23,504.00
Blinebry NCT-1 #49	6,296.00	259,500.00
Blinebry NCT-1 #50	40,668.00	265,680.00
WL Nix #3	38,395.00	150,933.00
WL NIX #4	55,150.00	231,093.00
WL NIX #1	81,537.00	207,661.00
Blinebry NCT-1 #20	74,686.00	405,226.00
Blinebry NCT-1 #21	22,822.00	161,372.00
Blinebry NCT-1 #22	60,323.00	210,370.00
Blinebry NCT-1 #30	74,481.00	285,051.00
	41,262.08	194,933.15

\*\* From PI Dewights CD

Tubb		
Well	Oil	Gas
Blinebry NCT-1 #45	53,884.00	979,782.00
Blinebry NCT-1 #20	15,359.00	174,654.00
Blinebry NCT-1 #32	7,524.00	35,159.00
Blinebry NCT-1 #3	16,117.00	777,793.00
	23,221.00	491,847.00

Total	108,764.41	1,132,634.65
	% oil	% Gas
Blinebry	0.41	0.39
Tubb	0.21	0.43
Drinkard-Abo	0.38	0.17