

Submit 3 Copies To Appropriate District
Office
District I
1625 N. French Dr., Hobbs, NM 87240
District II
811 South First, Artesia, NM 87210
District III
1000 Rio Brazos Rd., Aztec, NM 87410
District IV
2040 South Pacheco, Santa Fe, NM 87505

State of New Mexico
Energy, Minerals and Natural Resources

OIL CONSERVATION DIVISION
2040 South Pacheco
Santa Fe, NM 87505

Form C-103
Revised March 25, 1999

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.)		WELL API NO. 30-025-35747
1. Type of Well: Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other		5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
2. Name of Operator Chevron U.S.A. INC.		6. State Oil & Gas Lease No.
3. Address of Operator 15 Smith Rd, MIDLAND, TX 79705		7. Lease Name or Unit Agreement Name: NORTH LUSK 32 STATE
4. Well Location Unit Letter C : 330 feet from the NORTH line and 2258 feet from the WEST line Section 32 Township 18-S Range 32-E NMPM County LEA		8. Well No. 1
10. Elevation (Show whether DR, RKB, RT, GR, etc.) 3703'		9. Pool name or Wildcat LUSK NORTH

11. 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 COMPLETION ☐
OTHER: REQUEST FOR SURFACE COMMINGLING ☒

SUBSEQUENT REPORT OF:

- REMEDIAL WORK ☐ ALTERING CASING ☐
COMMENCE DRILLING OPNS. ☐ PLUG AND ABANDONMENT ☐
CASING TEST AND CEMENT JOB ☐
OTHER: ☐

12. 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 recompilation.

REQUEST FOR SURFACE COMMINGLING HAS BEEN SENT TO THE NMCD IN SANTA FE, NM

SEE ATTACHED LETTER

I hereby certify that the information above is true and complete to the best of my knowledge and belief.

SIGNATURE J. Denise Leake TITLE REGULATORY SPECIALIST DATE 1-21-02

Type or print name J. DENISE LEAKE Telephone No. 915-687-7375
(This space for State use)

APPROVED BY _____ TITLE _____ DATE _____
Conditions of approval, if any:

RE reviewed by

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.

R. A. Holzer
 Print or Type Name

RA Holzer
 Signature

Sr. FACIL. ENGR
 Title

1-14-02
 Date

ReggieHolzer@ChevronTexaco.com
 e-mail Address

Chevron U.S.A. Inc.
Permian Business Unit
15 Smith Road
Midland, Texas 79705
Tel 915 687 7123
Fax 915 687 7224
kleieaa@chevrontexaco.com

Alan A. Kleier
Vice President

ChevronTexaco

January 14, 2002

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

Attention: Oil & Gas Regulatory Department

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

ChevronTexaco, Inc. is requesting NMOCD approval to lease (surface) commingle Lusk North oil and gas production from the N. Lusk 32 State #1 with oil and gas production from the N. Lusk 29 Federal #1.

ChevronTexaco, Inc., formerly Chevron USA, Production Co., Inc., respectfully requests approval to lease (surface) commingle

N. Lusk 32 State #1 (330' FNL & 2258' FWL, C-32-T18S-R32E), and
N. Lusk 29 Federal #1 (330' FSL & 2005' FWL, N-29-T18S-R32E),

into the N. Lusk 29 Federal #1 Central Production Facility (N-29-T18S-R32E). N. Lusk 29 Federal #1 currently produces from the Lusk North Strawn pool #96678 and the new N. Lusk 32 State #1 will produce from the same pool. The N. Lusk 32 State #1 has been drilled and ChevronTexaco is currently completing the well for production. The API gravity of the oil produced from N. Lusk 29 Federal #1 is 40° API @ 60 degrees. Since the N. Lusk 32 State #1 will produce from the same reservoir, it is anticipated that the oil gravity will be similar. We will furnish actual fluid samples before this application is approved.

The gas specific gravity for the N. Lusk 29 Federal #1 is 0.74, and again we anticipate a similar specific gravity from the N. Lusk 32 State #1. ChevronTexaco is the operator of both wells with a 100% ownership of the N. Lusk 29 Federal #1 and a 57.0833% gross working interest in the N. Lusk 32 State #1 well. Chris Cullins owns 1.25%, Pride Energy Company owns 8.33333%, and Camterra Resources Partners, Ltd. owns 33.33334% gross working interest in the Lusk 32 State #1 well.

Current daily well tests are:

	Gas, Mcf	Oil, bbl	Water, bbl
N. Lusk 29 Federal #1	520	264	0
N. Lusk 32 State #1	Pending	Pending	Pending

Dry gas Btu content values are:

	Gas, Mcf	MBtu/ft ³	Value, \$/MMbtu
N. Lusk 29 Federal #1	520	1,257	3.39
N. Lusk 32 State #1	Pending	Pending	Pending

ChevronTexaco

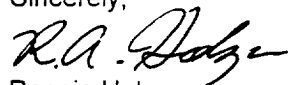
Oil API gravity values are:

	Oil, bbl	API Gravity	Value, \$/bbl
N. Lusk 29 Federal #1	365	40	26.15
N. Lusk 32 State #1	Pending	Pending	Pending

Gas, and oil, production from the N. Lusk 29 Federal #1, and the production from the N. Lusk 32 State #1, will be separately, accurately, and continuously measured prior to commingling 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 two wells would eliminate the need for separate production facility at the Lusk 32 State #1, resulting in substantially lower operating costs to ChevronTexaco.

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

Sincerely,



Reggie Holzer
Sr. Facilities Engineer

Cc: Mr. Chris Cullins
Pride Energy Company
Camterra Resources Partners, Ltd.

DISTRICT II
P.O. Drawer DD, Artesia, NM 88211-0719

DISTRICT III
1000 Rio Brazos Rd., Artec, NM 87410

DISTRICT IV
P.O. BOX 2088, SANTA FE, N.M. 87504-2088

WATER CONSERVATION DIVISION

P.O. Box 2088
Santa Fe, New Mexico 87504-2088

Revised February 10, 19
Submit to Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies

WELL LOCATION AND ACREAGE DEDICATION PLAT

☐ AMENDED REPORT

API Number		Pool Code	Pool Name
Property Code	Property Name N. LUSK 32 STATE		Well Number 1
OGRID No.	Operator Name CHEVRON U.S.A. PRODUCTION COMPANY		Elevation 3703'

Surface Location

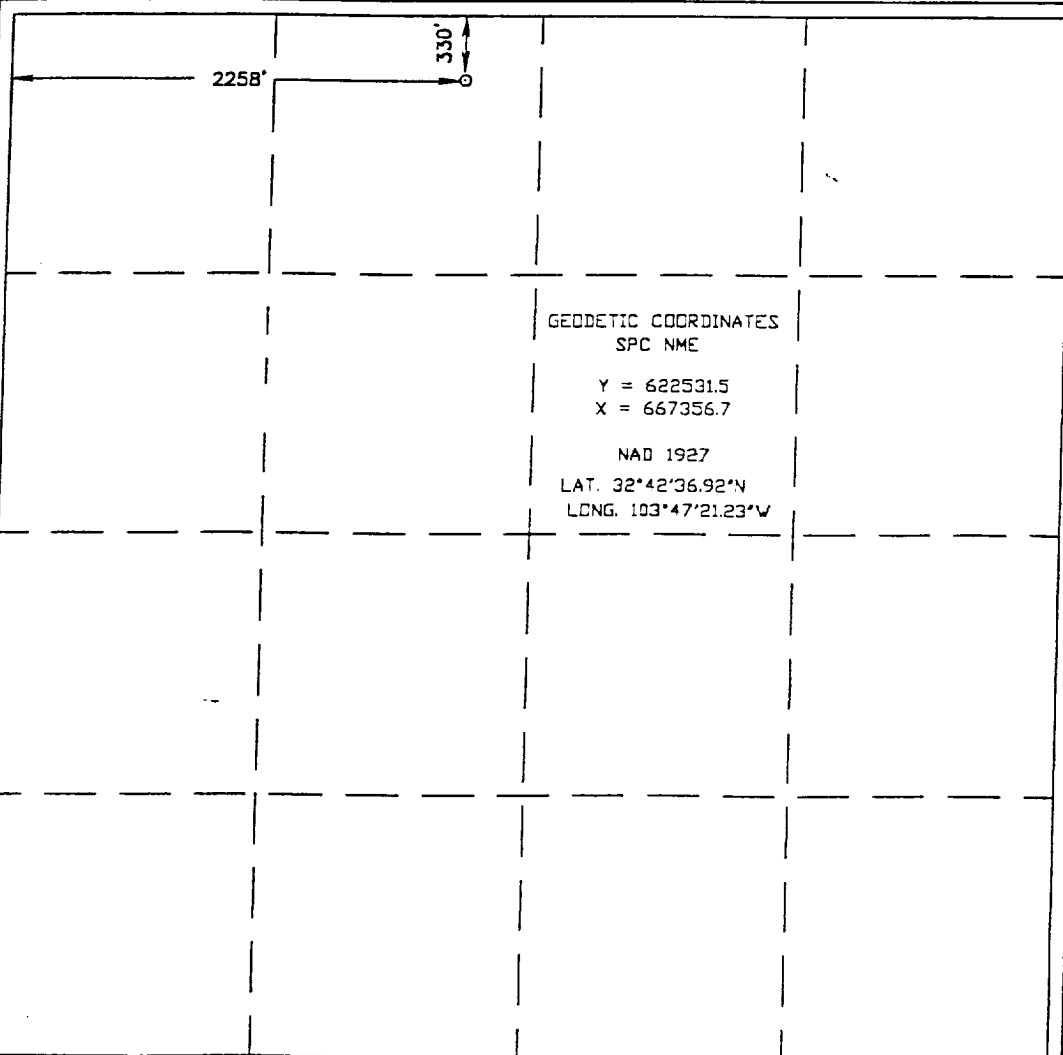
UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
C	32	18-S	32-E		330	NORTH	2258	WEST	LEA

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

Dedicated Acres	Joint or Infill	Consolidation Code	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**



OPERATOR CERTIFICATION

I hereby certify the information contained herein is true and complete to the best of my knowledge and belief.

Signature

Printed Name

Title

Date

SURVEYOR CERTIFICATION

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.

OCTOBER 03, 2001

Date Surveyed AWB

Signature & Seal of Professional Surveyor

Ronald J. Edson
78104/01
01.11.1095

Certificate No. RONALD J. EDSON 3239
CARY EDSON 12541

DISTRICT II

P.O. Drawer DD, Artesia, NM 88211-0719

DISTRICT III

1000 Rio Brazos Rd., Aztec, NM 87410

DISTRICT IV

P.O. BOX 2088, SANTA FE, N.M. 87504-2088

OIL CONSERVATION DIVISION

P.O. Box 2088

Santa Fe, New Mexico 87504-2088

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number		Pool Code	Pool Name
Property Code	Property Name N. LUSK "29" FEDERAL		Well Number 1
OGRID No.	Operator Name CHEVRON U.S.A. PRODUCTION COMPANY		Elevation 3705

Surface Location

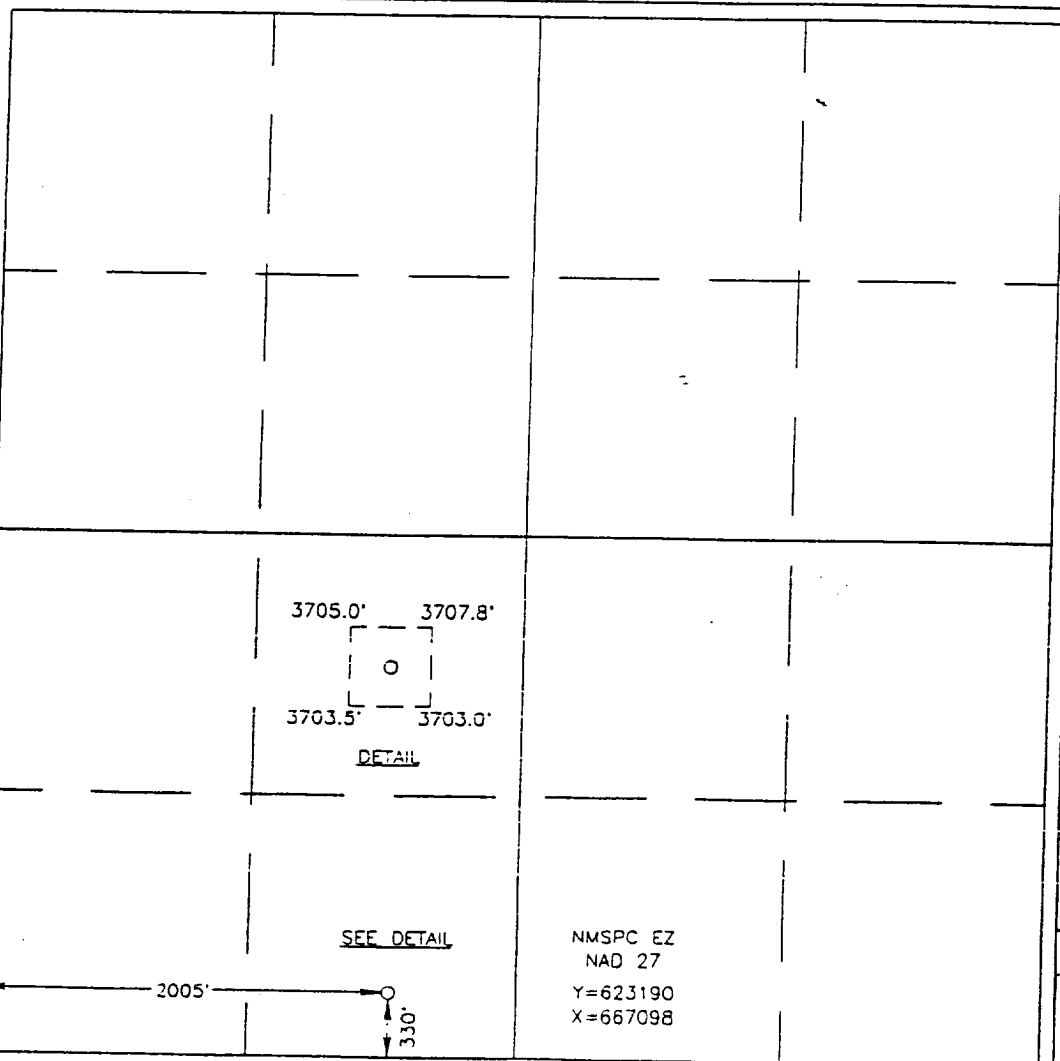
UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
N	29	18 S	32 E		330	SOUTH	2005	WEST	LEA

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

Dedicated Acres	Joint or Infill	Consolidation Code	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



OPERATOR CERTIFICATION

I hereby certify the the information
contained herein is true and complete to the
best of my knowledge and belief.

Signature

Printed Name

Title

Date

SURVEYOR CERTIFICATION

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.

APRIL 27, 1999

Date Surveyed

DMCC

Signature of Surveyor

Professional Surveyor

NEW MEXICO

3239

4-24-99

88-11-0312

Certificate No. RONALD EIDSON 3239

CARMICHAEL 12641

DONALD McDONALD 12185