

Box 1980
NM 88211-1980
NM 87410

New Mexico
Energy Minerals and Natural Resources Department
Oil Conservation Division
2040 South Pacheco Street
Santa Fe, New Mexico 87505
(505) 827-7131

Form C-140
Originated 11/1/93
Submit Original
Plus 2 Copies
to appropriate
District Office

RECEIVED

APR 21 1999

H-0542

Environmental Bureau
Oil Conservation Division

APPLICATION FOR
QUALIFICATION OF WELL WORKOVER PROJECT
AND CERTIFICATION OF APPROVAL

THREE COPIES OF THIS APPLICATION AND ALL ATTACHMENTS MUST BE FILED WITH THE APPROPRIATE DISTRICT OFFICE OF THE OIL CONSERVATION DIVISION.

- I. Operator: CHEVRON U.S.A. INC. OGRID #: 4323
Address: P.O. Box 1150, Midland, TX 79702
Contact Party: CAROLYN HAYNIE; Technical Assistant Phone: (915) 687-7384
- II. Name of Well: C.L. Hardy #3 API #: 30-025-06686
Location of Well: Unit Letter K, 1980 Feet from the South line and 1980 feet from the West line,
Section 20, Township 21S, Range 37E, NMPM, LEA County
- III. Date Workover Procedures Commenced: 7-31-98
Date Workover Procedures were Completed: 8-13-98
- IV. Attach a description of the Workover Procedures undertaken to increase the projection from the Well.
- V. Attach an estimate of the production rate of the Well (a production decline curve or other acceptable method, and table showing monthly oil and/or gas Project Production) based on at least twelve (12) months of established production which shows the future rate of production based on well performance prior to performing Workover.
- VI. Pool(s) on which Production Projection is based: UPPER BLINEARY ZONE
BLINEARY O&G

VII. AFFIDAVIT:
State of TEXAS)
County of MIDLAND) ss.

I, being first duly sworn, upon oath states:

- 1. I am the Operator or authorized representative of the Operator of the above referenced Well.
- 2. I have made, or caused to be made, a diligent search of the production records which are reasonably available and contain information relevant to the production history of this Well.
- 3. To the best of my knowledge, the data used to prepare the Production Projection for this Well is complete and accurate and this projection was prepared using sound petroleum engineering principles.

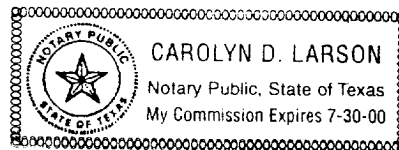
Carolyn Haynie
(Name)
Technical Assistance
(Title)

MP

SUBSCRIBED AND SWORN TO before me this 12th day of April, 1999

Carolyn D. Larson

Notary Public



My Commission expires: 7-30-00

FOR OIL CONSERVATION DIVISION USE ONLY:

VIII. CERTIFICATION OF APPROVAL:

This Application for Qualification of Well Workover Project is hereby approved and the above referenced Well is designated as a Well Workover Project pursuant to the "Natural Gas and Crude Oil Production Incentive Act" (Laws 1995, Chapter 15, Sections 1 through 8). The Oil Conservation Division hereby verifies the Production Projection for the Well Workover Project attached to this application. By copy of this Application and Certification of Approval, the Division notifies the Secretary of the Taxation and Revenue Department of this Approval and certifies that this Well Workover Project has been completed as of 8-13, 1998

Paul F. Kautz
District Supervisor, District 1
Oil Conservation Division

Date: 4/28/99

IX. DATE OF NOTIFICATION TO THE SECRETARY OF THE TAXATION AND REVENUE DEPARTMENT.

DATE: _____

BASIS FOR PRODUCTION FORECAST

Well Name: C.L. HARDY # 3

Well Location: 1980' FSL & 1980' FWL, UNIT K, SEC. 20,
T21S, R37E, LEA COUNTY, NEW MEXICO

Field Name: BLINEBRY

Dynamic Surveillance System Software Program was used to determine the decline through historical data points and to project forecasted production. The decline rate was derived from the slope of the best fit line through the historical production values over the time period shown below. The decline projection was then moved to start at the last point prior to the workover.

Start of Historical Production Period: Feb-94

End of Historical Production Period: Mar-98

Type of Decline Rate & Projection Used : X Exponential Hyperbolic

Submit 3 Copies
to Appropriate
District Office

State of ~~New Mexico~~
Energy, Minerals and Natural Resources Department

Form C-103
Revised 1-1-89

OIL CONSERVATION DIVISION

DISTRICT I

P.O. Box 1980, Hobbs NM 88241-1980

DISTRICT II

P.O. Drawer DD, Artesia, NM 88210

DISTRICT III

1000 Rio Brazos Rd., Aztec, NM 87410

2040 Pacheco St.
Santa Fe, NM 87505

WELL API NO. 30-025-06686
5. Indicate Type of Lease STATE ☐ FEE ☒
6. State Oil & Gas Lease No.
7. Lease Name or Unit Agreement Name C. L. HARDY
8. Well No. 3
9. Pool name or Wildcat BLINEBRY OIL & GAS (OIL)

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 P.O. Box 1150, Midland, TX 79702	4. Well Location Unit Letter <u>K</u> : <u>1980</u> Feet From The <u>SOUTH</u> Line and <u>1980</u> Feet From The <u>WEST</u> Line Section <u>20</u> Township <u>21S</u> Range <u>37E</u> NMPM LEA County
10. Elevation (Show whether DF, RKB, RT, GR, etc.) 3305'	

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 ☐
OTHER: ☐

SUBSEQUENT REPORT OF:

REMEDIAL WORK ☐ ALTERING CASING ☐
COMMENCE DRILLING OPNS. ☐ PLUG AND ABANDONMENT ☐
CASING TEST AND CEMENT JOB ☐
OTHER: 2A ROAD DRINKARD ☒

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.

POH W/PROD EQPT. SET CIBP @ 6450', CAPPED W/35' CMT. SET CIBP @ 5765', CAPPED W/20' CMT.
TESTED CSG TO 500#. PERFD 5484'-5592' W/3 JHPF. ACZD W/8000 GALS 15% & 70 RCNB'S.
SET CIBP @ 5640', CAPPED W/10' CMT. FRACD BLY PERFS W/73,000 GALS FOAM & 221,500# SAND.
RIH W/TBG, PUMP & RODS; TBG @ 5454'. RETURNED WELL TO PRODUCTION IN BLINEBRY.

7/31/98 - 8/13/98

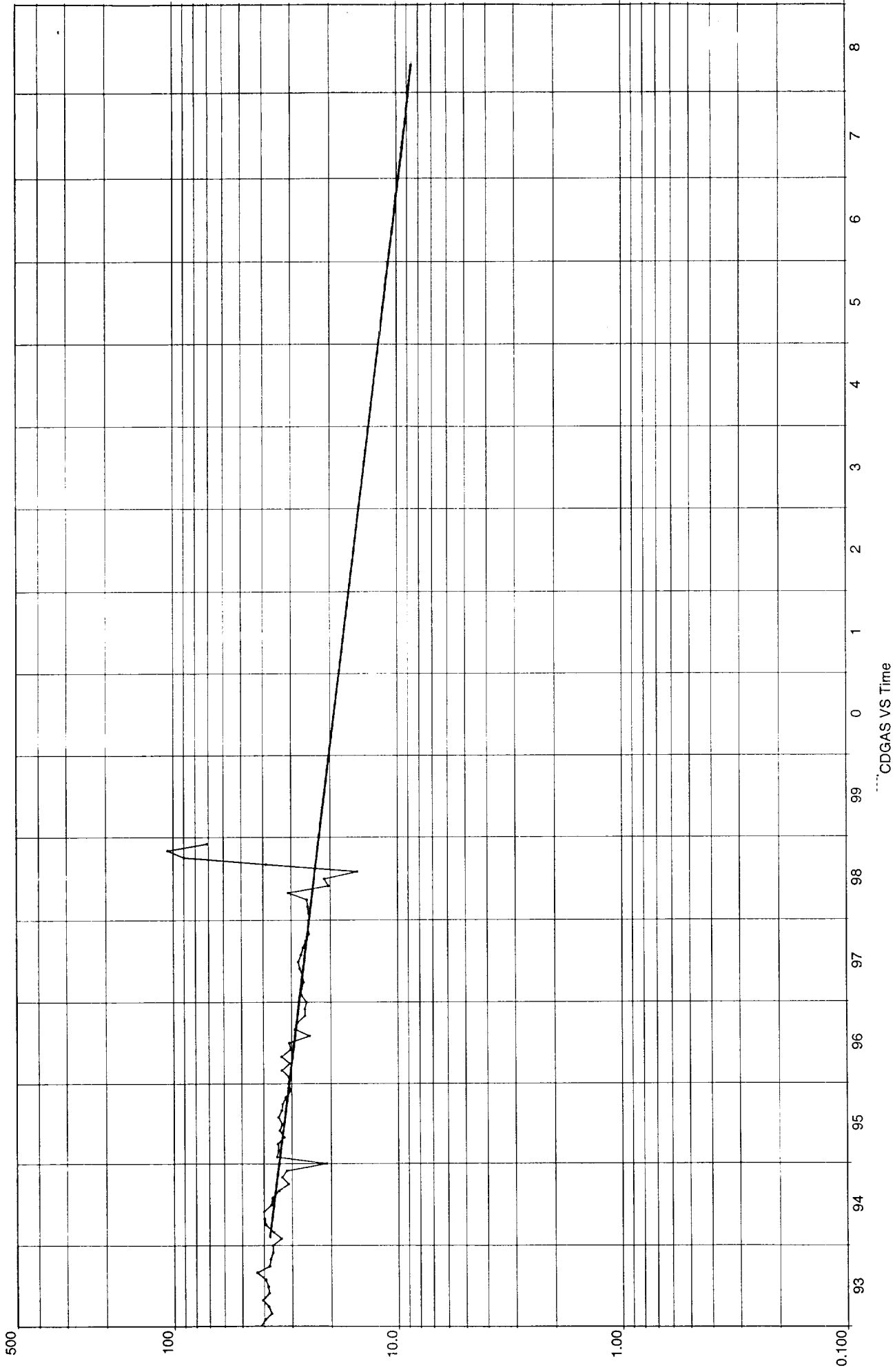
I hereby certify that the information above is true and complete to the best of my knowledge and belief.

SIGNATURE J. K. Ripley TITLE TECHNICAL ASSISTANT DATE 9/4/98
TYPE OR PRINT NAME J. K. RIPLEY TELEPHONE NO. (915)687-7148

(This space for State Use)

ORIGINAL SIGNED BY
GARY WINK
FIELD REP. II

APPROVED BY _____ TITLE _____ DATE OCT 26 1998
CONDITIONS OF APPROVAL, IF ANY:



Decline Stream: CDGAS
Nom Fit Decline, 1/yr:
Exp, 0.1041
Forecast Decline, 1/yr:
5/1/1998, 24.16
Begin Date, Rate:
End Date, Rate, Yrs:
5/10/2008, 8.53, 10.00
Remaining:
54841.21

C.L. Hardy # 3
Volume History

VHDATE	Monthly Gas Prod	Daily Avg. Gas Prod	Monthly CUMPROD GAS
-----	-----	-----	-----
9402	937	33	749015
9403	1,121	36	750136
9404	1,171	39	751307
9405	1,232	40	752539
9406	1,199	40	753738
9407	1,149	37	754887
9408	1,134	37	756021
9409	1,029	34	757050
9410	961	31	758011
9411	995	33	759006
9412	981	32	759987
9501	650	21	760637
9502	978	35	761615
9503	1,065	34	762680
9504	1,035	35	763715
9505	1,004	32	764719
9506	1,017	34	765736
9507	1,025	33	766761
9508	1,063	34	767824
9509	997	33	768821
9510	1,021	33	769842
9511	954	32	770796
9512	937	30	771733
9601	960	31	772693
9602	894	32	773587
9603	1,026	33	774613
9604	915	31	775528
9605	1,030	33	776558
9606	910	30	777468
9607	951	31	778419
9608	773	25	779192
9609	866	29	780058
9610	874	28	780932
9611	782	26	781714
9612	808	26	782522
9701	795	26	783317
9702	756	27	784073
9703	839	27	784912
9704	791	26	785703
9705	826	27	786529
9706	824	27	787353
9707	864	28	788217
9708	841	27	789058
9709	796	27	789854
9710	801	26	790655
9711	749	25	791404
9712	781	25	792185
9801	774	25	792959
9802	700	25	793659
9803	783	25	794442

Chevron U.S.A.	
Hardy # 3	
Monthly Production Forecast	
DATE	GAS
5/11/1998	24.432
6/1/1998	24.295
7/1/1998	24.101
8/1/1998	23.902
9/1/1998	23.705
10/1/1998	23.516
11/1/1998	23.322
12/1/1998	23.136
1/1/1999	22.945
2/1/1999	22.755
3/1/1999	22.586
4/1/1999	22.399
5/1/1999	22.22
6/1/1999	22.037
7/1/1999	21.861
8/1/1999	21.681
9/1/1999	21.502
10/1/1999	21.33
11/1/1999	21.154
12/1/1999	20.985
1/1/2000	20.812
2/1/2000	20.64
3/1/2000	20.481
4/1/2000	20.312
5/1/2000	20.15
6/1/2000	19.984
7/1/2000	19.824
8/1/2000	19.66
9/1/2000	19.498
10/1/2000	19.343
11/1/2000	19.183
12/1/2000	19.03
1/1/2001	18.873
2/1/2001	18.717
3/1/2001	18.578
4/1/2001	18.424
5/1/2001	18.277
6/1/2001	18.126
7/1/2001	17.982
8/1/2001	17.833
9/1/2001	17.686
10/1/2001	17.545
11/1/2001	17.4
12/1/2001	17.261
1/1/2002	17.119
2/1/2002	16.977
3/1/2002	16.851
4/1/2002	16.712
5/1/2002	16.578
6/1/2002	16.442
7/1/2002	16.31
8/1/2002	16.176
9/1/2002	16.042
10/1/2002	15.914

11/1/2002		15.783
12/1/2002		15.657
1/1/2003		15.528
2/1/2003		15.4
3/1/2003		15.285
4/1/2003		15.159
5/1/2003		15.038
6/1/2003		14.913
7/1/2003		14.794
8/1/2003		14.672
9/1/2003		14.551
10/1/2003		14.435
11/1/2003		14.316
12/1/2003		14.202
1/1/2004		14.084
2/1/2004		13.968
3/1/2004		13.86
4/1/2004		13.746
5/1/2004		13.636
6/1/2004		13.524
7/1/2004		13.416
8/1/2004		13.305
9/1/2004		13.195
10/1/2004		13.09
11/1/2004		12.982
12/1/2004		12.878
1/1/2005		12.772
2/1/2005		12.667
3/1/2005		12.572
4/1/2005		12.468
5/1/2005		12.369
6/1/2005		12.267
7/1/2005		12.169
8/1/2005		12.068
9/1/2005		11.969
10/1/2005		11.873
11/1/2005		11.775
12/1/2005		11.681
1/1/2006		11.585
2/1/2006		11.489
3/1/2006		11.404
4/1/2006		11.31
5/1/2006		11.219
6/1/2006		11.127
7/1/2006		11.038
8/1/2006		10.947
9/1/2006		10.856
10/1/2006		10.77
11/1/2006		10.681
12/1/2006		10.596
1/1/2007		10.508
2/1/2007		10.421
3/1/2007		10.344
4/1/2007		10.258
5/1/2007		10.177
6/1/2007		10.093
7/1/2007		10.012
8/1/2007		9.929
9/1/2007		9.847

10/1/2007		9.769
11/1/2007		9.688
12/1/2007		9.611
1/1/2008		9.532
2/1/2008		9.453
3/1/2008		9.38
4/1/2008		9.303
5/1/2008		9.228