

January 6, 1998



**Administrative Application for  
Simultaneous Dedication  
Blinebry Gas Pool  
Hugh Well #1  
660' FNL & 660' FWL, Unit D  
Hugh Well #5  
1980' FNL & 1980' FWL, Unit F  
Section 14, T22S, R37E  
Lea County, New Mexico**

**Chevron U.S.A. Production Company**  
P.O. Box 1150  
Midland, TX 79702

State of New Mexico  
Energy, Minerals & Natural Resources Dept.  
Oil Conservation Division  
2040 S. Pacheco  
Santa Fe, New Mexico 87505

Attention: Mr. William J. LeMay - Director

Dear Mr. LeMay:

Chevron U.S.A. Inc. respectfully requests administrative approval for simultaneous dedication of the Hugh Well No. 1 and Hugh Well No. 5 with the Hugh Well No. 8.

Chevron U.S.A is planning to recomplete the Hugh #1 and Hugh #5 into the Blinebry Gas Pool. Hugh #1 is currently completed in the Wantz/Abo pool. The location of the proposed recompletion is 660' FNL and 660' FWL. Hugh #5 is currently completed in the Wantz/Abo pool. The location of the proposed recompletion is 1980' FNL and 1980' FWL. Both wells are located in Section 14, T22S, R37E, Lea County, New Mexico.

The Hugh Well No. 8 is dedicated to a non-standard 120 acre Gas Proration Unit which consists of the NW/4 NW/4 and S/2 NW/4 of Section 14, T22S, R37E. This was approved October 28, 1997 under Administrative Order NSP-1780(L). Well No. 8 is located 2030' FNL and 560' FWL (Unit E) of said Section 14.

Hugh Well No. 1 was drilled in 1946 as a Drinkard producer. The Penrose Skelly and Paddock were dually completed in 1961. The well was shut-in for poor economics in 1962. In 1974 the Drinkard was restimulated and returned to production. The wellbore was deepened to the Wantz/Abo in 1987 and placed on production.