NSL (SD) 3/11/98

Chevron U.S.A. Production Company

Chevron

P.O. Box 1150 Midland, TX 79702

February 16, 1998

Administrative Application For Non-Standard Gas Well Location And Simultaneous Dedication Eumont Yates 7Rvrs Qn (Pro Gas) Pool H. T. Orcutt (NCT-B) # 14 1500' FNL and 725' FWL Section 4, T-21-S, R-36-E Lea County, New Mexico

State of New Mexico
Energy, Minerals & Natural Resources Dept.
Oil Conservation Division
2040 South Pacheco
Santa Fe, New Mexico 87504

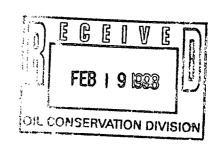
Attn.: Mrs. Kathleen A. Garland - Acting Director

Gentlemen:

Chevron U.S.A. Inc. respectfully requests your approval of this administrative application for a Non-Standard Gas Well Location and Simultaneous Dedication in the Eumont Yates 7 Rvrs Qn (Pro Gas) Pool.

Chevron will drill H. T. Orcutt (NCT-B) # 14 in the Eumont Yates 7 Rvrs Qn (Pro Gas) Pool at the beginning of 1998. We are requesting NMOCD approval for a Non-Standard Gas well location. It is also our desire to simultaneously dedicate the 160-acre Eumont Gas Proration Unit currently assigned to our H. T. Orcutt (NCT-B) # 1 (Order No. R-652) to both wells. The 160-acre gas proration unit comprises Lots 4 and 5 of Section 4 and Lots 7 and 8 of Section 5, T-21-S, R-36-E, Lea County, New Mexico. As the H. T. Orcutt (NCT-B) # 1 is producing at a current rate of 150 MCF/D, the completion of Well # 14 will essentially capture reserves which otherwise would not be produced from this GPU.

The nearest "Standard Location" (1980' FNL & 660' FWL) to this proposed well is occupied by the Eunice Monument South Unit well # 200. The proposed location at 1500' FNL and 725' FWL is "Non-Standard" because it is less than 660 feet from the edge of the GPU boundary. There is a primary EDS power line west of the current proposed location. The Eunice Monument South Unit's (EMSU) power lines and injection lines are also to the west. To the north and south are injection manifolds and other injection equipment for EMSU. In addition to the EMSU operations, there is a water supply line for the Eunice Monument South Unit B (EMSUB) to the east. There is also a 2" flow line crossing the proposed location. The proposed location will





optimize recovery of reserves that would be otherwise unrecoverable by the unit well, H. T. Orcutt (NCT-B) # 1, and thus serve to protect correlative rights and prevent waste.

Chevron respectfully requests your approval of this administrative application for a Non-Standard Gas Well Location and Simultaneous Dedication. Attached is a vicinity map and a Form C-102 plat. A copy of this letter and attachments are being furnished by Certified Mail to offset operators as their notice of this application.

If you have any questions or require any further information concerning this application, please contact me at (915) 687-7347.

Yours very truly,

J. H. Saenz

Petroleum Engineer

Attachments

cc: NMOCD -- Hobbs, NM

J. K. Ripley

N. V. Mouser

D. K. Beckham

J. B. Wilkinson

Central Files - Lease/Well Files

OFFSETS

Arco Permian
P. O. Box 1089
Eunice, New Mexico 88231

Burlington Resources P. O. Box 51810 Midland, Texas 79710

Conoco 10 Desta Drive, Ste. 100W Midland, Texas 79705

Doyle Hartman 500 N. Main Midland, Texas 79701 DETRICT I P.O. Box 1980, Hobbs, NM 88241-1980

State of New Mexico

Energy, Minerals and Natural Resources Department

Form C-102 Revised February 10, 1994 Submit to Appropriate District Office State Lease - 4 Copies

Fee Lease - 3 Copies

DISTRICT II P.O. Drawer DD, Artesia, NM 68211-0719

OIL CONSERVATION DIVISION

P.O. Box 2088

Santa Fe. New Mexico 87504-2088

☐ AMENDED REPORT

DISTRICT IV

DISTRICT III

P.O. Box 2088, Santa Fe, NM 87504-2088

1000 Rio Brazos Rd., Aztec, NM 87410

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number	Pool Code	Pool Name	•
Property Code	-	L erty Name NCT—B	Well Number
OGRID No.	Oper CHEVRON U.S.A. PF	Elevation 3551	

Surface Location

1	UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
	5	4	21 S	36 E		1500	NORTH	725	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 Acre	Joint o	or Infill Co	nsolidation	Code Or	der 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

NAD27 SPC				
NME X=825891=E Y=553800=N LAT, 32°31'05.03" LONG. 103°16'33.93"	LOT 4 0 38.72 0 ACRES 40	LOT 3 38.50 ACRES	LOT 2 38.30 ACRES	LOT 1 38.08 ACRES
	725' I	LOT 6 40 ACRES	LOT 7 40 ACRES	LOT 8 40 ACRES
	LOT 12 40 ACRES	LOT 11 40 ACRES	LOT 10 40 ACRES	LOT 9 40 ACRES
	LOT 13 40 ACRES	LOT 14 40 ACRES	LOT 15 I 40 I ACRES	LOT 16 40 ACRES
			1	
			 1 1 1	
	[SCALE: 1	"=2000'	

OPERATOR	CERTI	FIC	ATION
I hereby co	ertifu the	the	informat

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 supervison and that the same is true and correct to the best of my belief.

FEBRUARY 2, 1998

JLP

676 3239

Date Surveyed
Signature & Seal of
Professional Surveyor

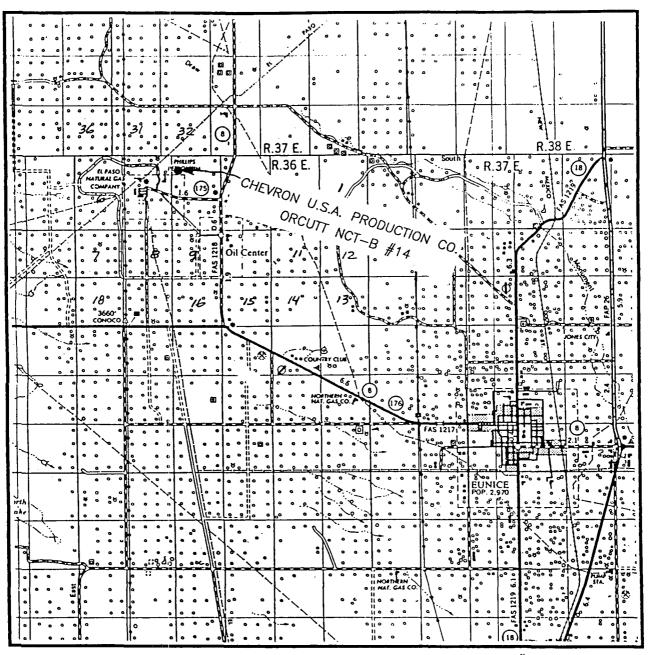
mol 1/3/3 Bulso 5 2-06-9

1 W.O. Num-98-11-0159

Certificate No. JOHNSWEWEST.

AOFEGRANDED EIDSON.

VICINITY MAP



SCALE: 1" = 2 MILES

SEC4_	TWP. <u>21-S</u> RGE. <u>36-E</u>	
SURVEY	N.M.P.M.	
COUNTY	LEA	
DESCRIPTIO	DN 1500' FNL & 725' FWL	
ELEVATION	3551'	
OPERATOR	CHEVRON U.S.A. PRODUCTION (20.
LEASE	ORCUIT NCT-B #14	

JOHN WEST ENGINEERING HOBBS, NEW MEXICO (505) 393-3117 District I PO Box 1986, Hobbs, NM 88241-1986 District II

State of New Mexico
Energy, Minerals & Natural Resources Department

Form C-102 Revised February 10, 1994 back ice ies ies

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PO Drawer DD, Artesia, NM District III 1000 Rio Brasos Rd., Axtec, District IV		OIL CONSERVATION DIVISION PO Box 2088 Santa Fe, NM 87504-2088					Appropri State	istructions on basize District Office Lease - 4 Copice Lease - 3 Copi	
PO Box 3088, Santa Fe, NM	875 04 -2088								ENDED REPOR
	WI	LL LC	CATIO	N AND ACI	REAGE DED	ICATION	PLAT		
30-025-0			76480	5 Fi	imont: Yate,	-7RURS	- Queen	(Pro	(cas)
* Property Code	H	1	2/cutt	1 Property					Well Number
'OGRED No. 4323	Che	Vron.	U.S.A	Product		pany			* Elevation 3568'
			<u> </u>	10 Surface	Location	/			
UL or lot no. Section 5	Township 2.15	36E	Lot Ida	Feet from the	North/Seeth Ene	Feet from the	East		LEA
		11 Bot	tom Hol	e Location I	f Different Fr	om Surface			<u></u>
Ui, or lot so. Section	Township	Range	Lot Ida	Fost from the	North/South fine	Feet from the	East/West	Line	County
" Dedicar-1 Acres " Joint e	e lafül " (omobidatio	a Code '' O	rder No.		1			
NO ALLOWABLE W					ON UNTIL ALL EN APPROVED			N CON	SOLIDATED
1			1			17 OPE	RATOR	CERT	TFICATION
			•			- 1	••		contained herein is browledge and belief
Dy 28 D39	10 D3	· ' ' ' ' ' ' ' ' ' ' ' ' ' ' ' ' ' ' '	(4) \(\begin{array}{c}	- I			7 /	 - <u> </u>	
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		cer		(+		Title 2	-16-0	98	
Section -			+	Section -					FICATION
1				.1		was plotted me or under	from field notes	of actual , and that	shown on this plat surveys made by the same is true
	 		 	<u>-</u> _ <u>+</u> _		Date of Surv Signature an	cy d Scal of Profes	usional Sur	veyer:

SCALE: 1"=2000'

Ceruficate Number

314638

BEFORE THE OIL CONSERVATION COMMISSION OF THE STATE OF NEW MEXICO

IN THE MATTER OF THE HEAR NO CALLED BY THE OIL CONSERVATION COMMISSION OF NEW MEXICO FOR THE PURPOSE OF CONSIDERING:

CASE NO. 911 4 Order No. R-652 (Lounge)

THE APPLICATION OF GULF OIL CORPORATION FOR APPROVAL OF A 160-ACRE NON-STANDARD GAS PRORATION UNIT IN THE EUMONT GAS POOL TO CONSIST OF LOTS 4 AND 5 OF SECTION 4 AND LOTS 7 AND 8 OF SECTION 5, TOWNSHIP 21 SOUTH, RANGE 36 EAST, NMPM, LEA COUNTY, NEW MEXICO, TO BE DEDICATED TO APPLICANT'S H. T. ORCUTT "B" WELL NO. 1, LOCATED 1980 FEET FIL OF SAID SECTION 5.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 o'clock a.m. on May 18, 1955, at Santa Fe, New Mexico, before the Oil Conservation Commission, herein-after referred to as the "Commission".

NOW, on this object day of June, 1955, the Commission, a quorum being present, having considered the record and the testimony adduced and being fully advised in the premises,

FINDS:

- (1) That due notice of the time and place of hearing and the purpose thereof having been given as required by law, the Commission has jurisdiction of this case and the subject matter thereof.
- (2) That the Commission has the authority to permit the formation of a gas proration unit consisting of other than a legal section after notice and hearing by the Commission.
- (3) That applicant, Gulf Oil Corporation, is the owner of oil and gas leases in Lea County, New Mexico, covering lands other than a legal section and described as follows:

TOWNSHIP 21 SOUTH, RANGE 36 EAST, NMPM

Section 4: Lots 4 and 5 Section 5: Lots 7 and 8

containing 160 acres, more or less.

- (4) That applicant, Gulf Oil Corporation, has a producing well on the aforesaid lands known as the H. T. Orcutt 'B' Well No. 1, located 1980 feet from the North and East lines of Section 5, Township 21 South, Range 36 East, NMPM, Lea County, New Mexico.
- (5) That approval of the above-described As0-acro nonstandard gas provation unit will enable applicant to recover its just and equitable share of the natural gas in the Eumont Gas Pool.
- (6) That it is impractical to pool applicant's said acreage with adjoining acreage in the frament Uns Fool, and that the owners of adjoining acreage have not objected to the formation of the proposed proration unit.
- (7) That the creation of a non-standard gas proration unit consisting of the aforesaid acreage will prevent waste and will protect correlative rights.

IT IS THEREFORE CRDERED:

(1) That the application of Gulf Oil Corporation for approval of a non-standard gas provation unit in the Eumont Gas Pool to consist of the following described acreage:

TOWNSHIP 21 SOUTH, RANGE 36 EAST, NMPM Section 4: Lots 4 and 5
Section 5: Lots 7 and 8

be and the same hereby is approved, and a proration unit consisting of the aforesaid acreage is hereby created.

(2) That applicant's well, H. T. Orcutt "B" Well No. 1, located 1980 feet from the North and East lines of Section 5, Township 21 South, Range 36 East, NMPM, Lea County, New Mexico, shall be granted an allowable in the proportion that the above described 160-acre unit bears to the standard or orthodox proration unit for said pool, all until further order of the Commission.

DONE at Santa Fe. New Mexico, on the day and year herein-

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION

JOHN F. SIMMS, Chairman

E. S. WALKER, Member

W. B. MACEY, Member and Secretary

SEAL

NSL - 396,8(SD)

STATE OF NEW MEXICO ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION HOBBS DISTRICT OFFICE

February 23, 1998

GOVERNOR

POST OFFICE BOX 1980 HOBBS, NEW MEXICO 88241-1980 (505) 393-6161

OIL CONSERVATION DIVISION P. O. BOX 2088 SANTA FE, NEW MEXICO 87501		
RE: Proposed: MC DHC NSL X NSP SWD WFX PMX		
Gentlemen:	•	
I have examined the application	ation for the:	
Chevron U.S.A., Inc. Operator	H.T. Orcutt (NCT-B) #14-E Lease & Well No. Unit	4-21-36 S-T-R
and my recommendations are	as follows:	
Mor.		
		
Yours very truly,	·	
Chus Willeann		
Chris Williams		
Supervisor, District 1		