DATE IN 6/22/01	SUSPENSE 7/12/01 ENGINEER MS LOOGED KN TYPE NSP								
ABOVE THIS LINE FOR DIVISION USE ONLY 1/71336/8 NEW MEXICO OIL CONSERVATION DIVISION - Engineering Bureau -									
	ADMINISTRATIVE APPLICATION COVERSHEET								
THIS COVER	ISHEET IS MANDATORY FOR ALL ADMINISTRATIVE APPLICATIONS FOR EXCEPTIONS TO DIVISION RULES AND REGULATIONS								
Application Acronyms: [NSP-Non-Standard Proration Unit] [NSL-Non-Standard Location] [DD-Directional Drilling] [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 <i>A</i> [A]	APPLICATION - Check Those Which Apply for [A] Location - Spacing Unit - Directional Drilling NSL Image: NSP DD SD								
Chec [B]	k One Only for [B] and [C] Commingling - Storage - Measurement DHC CTB PLC PC OLS OLM								
[C]	Injection - Disposal - Pressure Increase - Enhanced Oil Recovery WFX PMX SWD IPI EOR PPR								
[2] NOTIFICA [A]	TION REQUIRED TO: - Check Those Which Apply, or Does Not Apply Working, Royalty or Overriding Royalty Interest Owners								
[B]	I Offset Operators, Leaseholders or Surface Owner								
[C]	[C] Application is One Which Requires Published Legal Notice								
[D]	[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

INFORMATION / DATA SUBMITTED IS COMPLETE - Statement of Understanding [3]

I hereby certify that I, or personnel under my supervision, have read and complied with all applicable Rules and Regulations of the Oil Conservation Division. Further, I assert that the attached application for administrative approval is accurate and complete to the best of my knowledge and where applicable, verify that all interest (WI, RI, ORRI) is common. I understand that any omission of data, information or notification is cause to have the application package returned with no action taken.

Note: Statement must be completed by an individual with supervisory capacity.

Van Howell Title

Sr. Petro. Engineer 6/15/2001

Print or Type Name

A. M. Howell

June 15, 2001



P.O. Box 1150 Midland, TX 79702

Chevron U.S.A. Production Company

Request for Administrative Approval 120-Acre Non-Standard Proration Unit Vivian # 11 660' FNL & 990' FEL Unit A, Section 30, T22S, R38E Lea County, New Mexico

New Mexico Oil Conservation Division Attn: Lori Wrotenbery 2040 South Pacheco Santa Fe. NM 87505

Dear Ms. Wrotenbery:

Attached is an amended application for NMOCD administrative approval of a 120-acre nonstandard gas proration unit for the subject well.

This re-filing for the subject well is in response to the NMOCD letter dated June 8, 2001 (copy attached), which notified Chevron that our original application requesting a non-standard 160-acre proration unit had been set for hearing. Rather than go to the considerable preparation and expense required for a hearing, we prefer to amend our application to a 120-acre non-standard gas proration unit, consisting of the E ½ NE ¼ and the NW ¼ NE ¼ of Section 30. As mentioned in our original letter (copy attached), this gas proration unit is needed because the producing GOR for the Vivian # 11 increased to above 50,000:1 on the last annual gas-oil ratio test filed. Please remove the original application from the hearing docket, and process this amended application requesting administrative approval for a 120-acre non-standard gas proration unit in the Tubb Oil & Gas Pool, dedicated to Vivian # 11.

A copy of this application was mailed via certified mail to all affected offset operators.

If you have any questions concerning this application, please contact Mike Howell at (915) 687-7516.

Sincerely,

In Lowell

A. M. Howell Sr. Petroleum Engineer

cc: NMOCD – Hobbs District A.M. Howell D. K Beckham J. K. Ripley N. V. Mouser W. F. Carr Central Files – Lease and Well Files



NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

GARY E. JOHNSON Governor Jennifer A. Salisbury Cabinet Secretary

June 8, 2001

Lori Wrotenbery Director Oil Conservation Division

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

Attention: A. M. Howell

Dear Mr. Howell:

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I have reviewed the two subject applications, as you know the Tubb Oil and Gas Pool is subject to: (i) special pool rules (see Division Order No. R-8170, as amended); (ii) the gas proration rules under Division Rule 605; and (iii) Division Rule 104. Since both proposed 160-acre units are to cross a governmental quarter section line and take portions of acreage from two quarter sections, these applications can not be processed administratively [see Division Rules 605.B (2) (b) and 104.D (2) (b) (ii)].

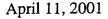
Both applications have therefore been set for hearing and will appear on the Division's first available docked scheduled for July 12, 2001. Should you have any questions concerning this matter please refer them to your legal counsel.

Sincerely

Michael E. Stogner Chief Hearing Officer/Engineer

cc: New Mexico Oil Conservation Division – Hobbs
 Mr. Ray Vaden, Chevron U.S.A. Production Company - Midland
 William F. Carr, Legal Counsel for Chevron U.S.A. Production Company - Santa Fe
 Kathy Valdes - NMOCD, Santa Fe

Re: Two administrative applications to form non-standard 160-acre gas spacing and proration units within the Tubb Oil and Gas Pool in Section 30, Township 22 South, Range 38 East, NMPM, Lea County, New Mexico, comprising: (i) the NE/4 SW/4, S/2 SW/4, and SW/4 SE/4 of Section 30; and (ii) the N/2 NE/4, SE/4 NE/4, and NE/4 NW/4 of Section 30.





Request for Administrative Approval 160-Acre Non-Standard Proration Unit Vivian # 11 660' FNL & 990' FEL Unit A, Section 30, T22S, R38E Lea County, New Mexico

New Mexico Oil Conservation Division Attn: Lori Wrotenbery 2040 South Pacheco Santa Fe, NM 87505

Dear Ms. Wrotenbery:

Attached is a copy of an administrative application for NMOCD approval for a 160-acre nonstandard gas proration unit for the subject well.

The Vivian # 11 was plugged back from the Brunson (Drinkard-Abo) Pool to the Tubb Oil & Gas Pool during October 1996. The well has produced since initial completion in the Tubb as an oil well, with 40 acres assigned to the oil proration unit. However, on the last annual gas-oil ratio test filed, the GOR had increased to above 50,000:1, so it was necessary to reclassify the well as a gas well. Currently it is necessary to dedicate acreage to Vivian # 11 to establish a gas proration unit. There are 160 acres available for dedication to a Tubb gas proration unit in the N ½ of Section 30, but they do not comprise a standard governmental quarter-section. Therefore, NMOCD administrative approval is requested to form a 160-acre non-standard gas proration unit in the Tubb Oil & Gas Pool, dedicated to Vivian # 11.

A copy of this application was mailed via certified mail to all affected offset operators.

If you have any questions concerning this application, please contact Mike Howell at (915) 687-7516.

Sincerely,

Am Smoell

A. M. Howell Sr. Petroleum Engineer

cc: NMOCD – Hobbs District A. M. Howell D. K. Beckham J. K. Ripley N. V. Mouser Central Files – Lease and Well Files Chevron U.S.A. Production Company P.O. Box 1150 Midland, TX 79702 <u>District I</u> 1625 N. French Dr., Hobbs, NM 88240

<u>District II</u> 811 South First, Artesia, NM 88210

District III 1000 Rio Brazos Rd., Aztec, NM 87410

District IV 2040 South Pacheco, Santa Fe, NM 87505

OIL CONSERVATION DIVISION

2040 South Pacheco Santa Fe, NM 87505 Submit to Appropriate District Office State Lease - 4 Copies Fee Lease - 3 Copies

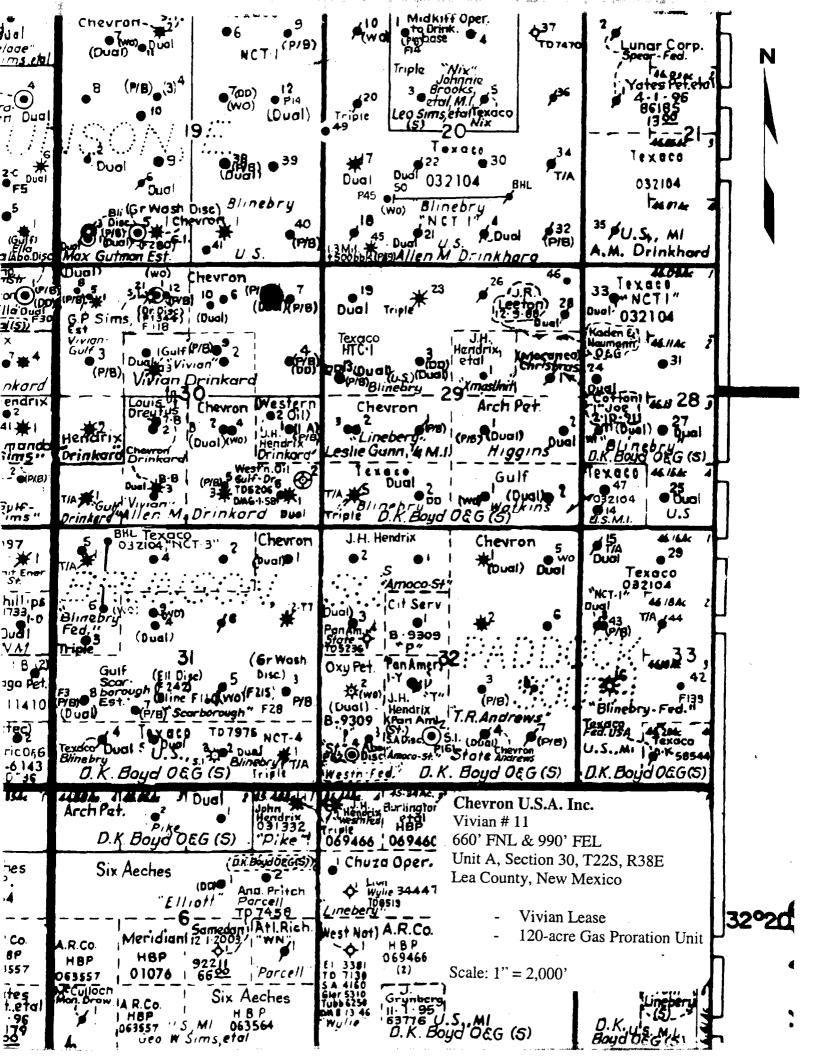
□ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number 30-025-25291			² Pool Code 86440		³ Pool Name Tubb Oll & Gas					
					⁵ Property Na Vivian	me			⁶ Well Number 11	
	⁷ OGRID No. 4323 ⁸ Operator Name Chevron U.S.A., Inc.							⁹ Elevation 3370'		
¹⁰ Surface Location										
UL or Lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County	
A	30	22\$	38E		660	North	990	East	Lea	
¹¹ 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	
¹² Dedicated Acres 120 13 Joint or Infill 14 Consolidation Code 15 Order No. 15										

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

16	40	120-acre proration unit	40 acres 660' 11 ••••••990'•	17 OPERATOR CERTIFICATION I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.
	<u>30</u>	Viviun ³² Jubb Dil (or/	40 acres	Signature A. M. Howell Printed Name Sr. Petroleum Engineer Title June 18, 2001
	J			18 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. Signature and Seal of Professional Surveyor:
				Certificate Number



Vivian # 11 Chevron U.S.A. Inc. 120-Acre Non-Standard Gas Proration Unit <u>Request For Administrative Approval</u>

List Of Offset Operators:

- Texaco Exploration And Production, Inc. P.O. Box 3109 Midland, TX 79702-3109
- John H. Hendrix Corporation P. O. Box 3040 Midland, TX 79702-3040



June 15, 2001

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

Notice of Request for Administrative Approval 120-Acre Non-Standard Proration Unit Vivian # 11 660' FNL & 990' FEL Unit A, Section 30, T22S, R38E Lea County, New Mexico

Texaco Exploration And Production, Inc. 205 E. Bender Blvd Hobbs, NM 88240

Dear Sir or Madam:

Attached is a copy of an amended administrative application for NMOCD approval for a 120-acre non-standard gas proration unit for the subject well.

Any objections must be filed with the Oil Conservation Division within 20 days of the division receiving this application.

If you have any questions concerning this application, please contact Mike Howell at (915) 687-7516.

Sincerely,

am Howell

A. M. Howell Sr. Petroleum Engineer



June 15, 2001

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

Notice of Request for Administrative Approval 120-Acre Non-Standard Proration Unit Vivian # 11 660' FNL & 990' FEL Unit A, Section 30, T22S, R38E Lea County, New Mexico

John H. Hendrix Corporation P. O. Box 3040 Midland, Texas 79702-3040

Dear Sir or Madam:

Attached is a copy of an amended administrative application for NMOCD approval for a 120-acre non-standard gas proration unit for the subject well.

Any objections must be filed with the Oil Conservation Division within 20 days of the division receiving this application.

If you have any questions concerning this application, please contact Mike Howell at (915) 687-7516.

Sincerely,

ann Howell

A. M. Howell Sr. Petroleum Engineer



NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

GARY E. JOHNSON Governor Jennifer A. Salisbury Cabinet Secretary

June 8, 2001

Lori Wrotenbery Director Oil Conservation Division

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

Case 12686

Attention: A. M. Howell

Re: Two administrative applications to form non-standard 160-acre gas spacing and proration units within the Tubb Oil and Gas Pool in Section 30, Township 22 South, Range 38 East, NMPM, Lea County, New Mexico, comprising: (i) the NE/4 SW/4, S/2 SW/4, and SW/4 SE/4 of Section 30; and (ii) the N/2 NE/4, SE/4 NE/4, and NE/4 NW/4 of Section 30.

Dear Mr. Howell:

I have reviewed the two subject applications, as you know the Tubb Oil and Gas Pool is subject to: (i) special pool rules (see Division Order No. R-8170, as amended); (ii) the gas proration rules under Division Rule 605; and (iii) Division Rule 104. Since both proposed 160-acre units are to cross a governmental quarter section line and take portions of acreage from two quarter sections, these applications can not be processed administratively [see Division Rules 605.B (2) (b) and 104.D (2) (b) (ii)].

Both applications have therefore been set for hearing and will appear on the Division's first available docked scheduled for July 12, 2001. Should you have any questions concerning this matter please refer them to your legal counsel.

Sincerely

Michael E. Stogner Chief Hearing Officer/Engineer

cc: New Mexico Oil Conservation Division – Hobbs
 Mr. Ray Vaden, Chevron U.S.A. Production Company - Midland
 William F. Carr, Legal Counsel for Chevron U.S.A. Production Company - Santa Fe
 Kathy Valdes - NMOCD, Santa Fe