



July 5, 1991

OIL CONSERVATION DIVISION
RECEIVED

'91 JUL 10 AM 8 36

Amoco Production Company

501 WestLake Park Boulevard
Post Office Box 3092
Houston, Texas 77253

File: 986.51

New Mexico Oil Conservation Division
P. O. Box 2088
Santa Fe, New Mexico 87504

Case 10366

Gentlemen:

Waiver Request of Chevron U.S.A., Inc.
For Unorthodox Gas Well Location
And Simultaneous Dedication
Eumont Yates 7-Rivers Queen
(Prorated Gas) Pool
Lea County, New Mexico

Amoco Production Company, as an offset operator in this matter, hereby **objects** to the application of Chevron for an unorthodox gas well location at 2070' FSL and 1970' FEL of Section 22, T-21-S, R-36-E, Lea County, New Mexico, and to the simultaneous dedication of acreage consisting of the E/2 and the SW/4 of Section 22, T-21-S, R-36-E, Lea County.

We believe that the multiple well unit consisting of the 480 acres as described above should be classified marginal since its highest monthly production was less than the average allowable allocation during the December-March classification period and it was underproduced. However, it has been carried as non-marginal on the gas proration schedule.

If any questions come up about Amoco's position on this matter, please call Mr. Jim Collier at 713-556-3371.

Yours very truly,

James F. Trickett, Manager
Environmental, Safety and Regulatory Affairs

JWC/kcf

cc: D. R. Currens
Chevron USA Inc.

STATE OF NEW MEXICO

ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION



BRUCE KING
GOVERNOR

July 10, 1991

POST OFFICE BOX 2088
STATE LAND OFFICE BUILDING
SANTA FE, NEW MEXICO 87504
(505) 827-5800

Chevron USA, Inc.
P.O. Box 1159
Midland, Texas 79702

Case 10366

Attention: A.W. Bohling

RE: *Application for an unorthodox gas well location and simultaneous dedication for the Harry Leonard (NCT-A) Well No. 13, 2070' FSL - 1970' FEL (Unit J) Section 22, Township 21 South, Range 36 East, NMPM, Eumont Gas Pool, Lea County, New Mexico.*

Dear Mr. Bohling:

The subject application was received in this office on July 1, 1991. On Wednesday, July 10, 1991 an objection was received from Amoco Production Company to your request (see copy attached).

Since this objection was filed within the allotted time frame permitted under Rule 2(c) of the Special Rules and Regulations for the Eumont Gas Pool, as promulgated by Division Order No. R-8170, as amended, your application will be placed on the next available docket for the Examiner Hearing scheduled for August 8, 1991. Please provide adequate notice pursuant to Division General Rules 1207(a) 2 and 3.

Should you have any questions, please contact me.

Sincerely,

A handwritten signature in black ink, appearing to read "Michael E. Stogner", written over a horizontal line.

MICHAEL E. STOGNER
Chief Hearing Officer/Engineer

MES/jc

cc: Oil Conservation Division - Hobbs
NM State Land Office - Santa Fe
William F. Carr -Santa Fe
James F. Trickett - Amoco Production Company, Houston, TX



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Environmental, Safety and Regulatory Affairs

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