



STATE OF NEW MEXICO
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION
2040 S. PACHECO
SANTA FE, NEW MEXICO 87505
(505) 827-7131

March 27, 1995

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

Case 11259

Attention: Lloyd V. Trautman

Re: *Application for Administrative Approval of an Unorthodox Gas Well Location for the W. T. McComack Well No. 18: 210'FNL - 2390'FEL (Unit B) of Section 32, Township 21 South, Range 37 East, NMPM, Tubb oil and Gas Pool, Lea County, New Mexico.*

Dear Mr. Trautman:

Reference is made to your letter dated March 16, 1995 concerning the subject application and Division's correspondence dated January 6, 1995. A most interesting administrative dilemma appears to have developed in this situation in that:

- (1) Texaco Exploration and Production Company ("Texaco") has refused to submit a waiver of objection in this matter; and,
- (2) no written record of notification to Zia Energy, Inc. ("Zia") exist in this filing.

The Division, having reviewed this matter further, will not act on this application under the administrative process; therefore, this application will be set for hearing on the next available docket scheduled for April 20, 1995.

Because of the unique situation that exists in this matter, the Division will accept for the record Chevron's application in this matter, the Division's records and file on the subject well, the waiver letter submitted by Amoco Production Company, dated January 24, 1995 (provided the "original" and not a "faxed" copy is submitted for the record), and a copy of the certified notification of this case, pursuant to the procedures in General Rule 1207. A, to both Texaco and Zia. It will not be necessary for Chevron to appear at this hearing, unless either party objects to the application.

Chevron U.S.A. Production Company
March 27, 1995
page 2

Should you have any questions or comments concerning this matter and/or procedure, please contact me in Santa Fe at (505) 827-8185.

Thank you for your cooperation.

Sincerely,

A handwritten signature in black ink, appearing to read "Michael E. Stogner", with a long horizontal flourish extending to the right.

Michael E. Stogner
Chief Hearing Officer/Engineer

cc: Jerry Sexton - Oil Conservation Division, Hobbs
William J. LeMay, Director - OCD, Santa Fe
Rand Carroll, Counsel - OCD, Santa Fe
William F. Carr - Santa Fe

OIL CONSERVATION DIVISION
RECEIVED

1995 MAR 24 PM 8 52



Chevron

March 16, 1995
Midland, Texas

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

Administrative Application for
Non-Standard Gas Well Location,
Tubb Oil and Gas Pool
W. T. McComack # 18
210' FNL and 2390' FEL, Unit B,
Section 32, T21S, R37E
Lea County, New Mexico

Case 11259

State of New Mexico
Energy, Minerals & Natural Resources Dept.
Oil Conservation Division
P.O. Box 2088
Santa Fe, New Mexico 87504
Attention: Mr. William J. LeMay - Director

Dear Mr. LeMay:

Chevron U.S.A. Inc. submitted an administrative approval for a non-standard gas well location for the W. T. McComack No. 18 on December 8, 1994. The OCD responded on January 6, 1995 with a letter advising Chevron to obtain written waivers from the offset operators (copy attached).

Chevron has recieved a written waiver from Amoco, attached. Arco sold their interest in the Tubb to Zia Energy Inc. and in numerous verbal communications with Zia, Zia indicated they will not sign the waiver, but will not object to the non-standard location. Texaco also indicated they will not sign the waiver, due to internal procedures, but will not object to the non-standard location.

Chevron U.S.A. Inc. respectfully requests your approval of our original application filed on December 8, 1994, in light of the information provided. If you have any questions, or if you require further information, please contact Lloyd Trautman at (915) 687-7152.

Sincerely,

L. V. Trautman
Sr. Petroleum Engineer
New Mexico Area

Attachments

cc: NMOCD - Hobbs, New Mexico
C.O. Blake
J.K. Ripley
Central Files - Lease and Well Files



OIL CONSERVATION DIVISION



January 6, 1995

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

Case 11259

Attention: Lloyd V. Trautman

Re: Application for Administrative Approval of an Unorthodox Gas Well Location for the W. T. McComack Well No. 18: 210'FNL - 2390'FEL (Unit B) of Section 32, Township 21 South, Range 37 East, NMPM, Tubb oil and Gas Pool, Lea County, New Mexico.

Dear Mr. Trautman:

Subsequent to the Division's initial review of the subject application we have determined that due to the extreme nature of this matter and the crowding to other off-set operators, written waiver from Amoco, Texaco and ARCO would be advisable.

Please provide me with waivers from the three aforementioned off-set operators so that I may process this application.

Thank you for your cooperation.

Sincerely,

A handwritten signature in black ink, appearing to read "Michael E. Stogner".

Michael E. Stogner
Chief Hearing Officer/Engineer

cc: Jerry Sexton - Oil Conservation Division, Hobbs

VILLAGRA BUILDING - 406 Galisteo

Forestry and Resources Conservation Division
P.O. Box 1948 87504-1948
827-5830

Park and Recreation Division
P.O. Box 1147 87504-1147
827-7465

2040 South Pacheco

Office of the Secretary
827-5950

Administrative Services
827-5925

Energy Conservation & Management
827-5900

Mining and Minerals
827-5970

Oil Conservation
827-7131

CHEVRON U.S.A. INC.
W. T. McComack # 18

**Non-Standard Gas Well Location,
Tubb Oil and Gas Pool
210' FNL and 2390' FEL, Unit B,
Section 32, T21S, R37E
Lea County, New Mexico**

WAIVER TO OBJECTION

We, the undersigned, as an offset operator, waive any objection to Chevron U. S. A., Inc.'s application for NMOCD approval of a Non-Standard gas well location in the Tubb Oil and Gas Pool. The location is 210 feet FNL and 2390 feet FEL, Section 32, Township 21 South, Range 37 East, NMPM, Lea County, New Mexico. We further understand that this well will be dedicated to a standard 160-acre gas proration unit. This proration unit comprises the NE/4 of Section 32, Township 21 South, Range 37 East, NMPM, Lea County, New Mexico.

Company: Amoco

Representative: HENRY R. WELCH

Signature: Henry R. Welch

Title: PETROLEUM ENGINEER S.G.

Date: 4/5/95

State of New Mexico
ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT
Santa Fe, New Mexico 87505



OIL CONSERVATION DIVISION



January 6, 1995

1 mile west of Fenice

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

Case 11259

Attention: Lloyd V. Trautman

Re: Application for Administrative Approval of an Unorthodox Gas Well Location for the W. T. McComack Well No. 18: 210'FNL - 2390'FEL (Unit B) of Section 32, Township 21 South, Range 37 East, NMPM, Tubb oil and Gas Pool, Lea County, New Mexico.

Dear Mr. Trautman:

Subsequent to the Division's initial review of the subject application we have determined that due to the extreme nature of this matter and the crowding to other off-set operators, written waiver from Amoco, Texaco and ARCO would be advisable.

Please provide me with waivers from the three aforementioned off-set operators so that I may process this application.

Thank you for your cooperation.

Sincerely,

Michael E. Stogner
Chief Hearing Officer/Engineer

cc: Jerry Sexton - Oil Conservation Division, Hobbs

VILLAGRA BUILDING - 406 Galisteo
Forestry and Resources Conservation Division
P.O. Box 1948 87504-1948
827-5830
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827-5970
Oil Conservation
827-7131



W. T. McComack No. 18
[Redacted] 11259

December 8, 1994
Midland, Texas

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

Administrative Application for
Non-Standard Gas Well Location,
Tubb Oil and Gas Pool

~~W. T. McComack~~
210' FNL and 2390' FEL, Unit B,
Section 32, T21S, R37E
Lea County, New Mexico

Case 11259

State of New Mexico
Energy, Minerals & Natural Resources Dept.
Oil Conservation Division
P.O. Box 2088
Santa Fe, New Mexico 87504

NSL-Tubb

Attention: Mr. William J. LeMay - Director

Dear Mr. LeMay:

Chevron U.S.A. Inc. respectfully requests administrative approval for a non-standard gas well location for the W. T. McComack No. 18.

Chevron U.S.A. is planning to recomplete the W. T. McComack No. 18 well from the Drinkard into the Tubb Oil and Gas Pool. Well No. 18 is located at 210' FNL and 2390' FEL in Section 32, T21S, R37E, Lea County, New Mexico. This makes the well a non-standard location per the Tubb Gas Pool regulations. The standard gas proration unit would consist of the NE/4 of Section 32, T21S, R37E, Lea County, New Mexico. This is the only well bore available for this recompletion and we can not justify a new well to acquire these reserves.

A copy of this administrative application is being provided to our offset operators via Certified Mail. Attached is a commercial map and a Form C-102 plat illustrating the proration unit acreage and well location. Also included is a copy of the letter sent to our offset operators.

If you have any questions, or if you require further information, please contact Lloyd Trautman at (915) 687-7152.

Sincerely,



L. V. Trautman
Sr. Petroleum Engineer
New Mexico Area

/tmdr
14625.DOC

Attachments

cc: NMOCD - Hobbs, New Mexico
C.O. Blake
L.V. Trautman
J.K. Ripley
R.E. Green
J.A. Howard
Central Files - Lease and Well Files

District I
 PO Box 1988, Hobbs, NM 88241-1988
 District II
 PO Drawer DD, Artesia, NM 88211-0719
 District III
 1000 Rio Brazos Rd., Aztec, NM 87410
 District IV
 PO Box 2088, Santa Fe, NM 87504-2088

State of New Mexico
 Energy, Minerals & Natural Resources Department

OIL CONSERVATION DIVISION
 PO Box 2088
 Santa Fe, NM 87504-2088

Form C-102
 Revised February 10, 1994
 Instructions on back
 Submit to Appropriate District Office
 State Lease - 4 Copies
 Fee Lease - 3 Copies

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number 30-025-26447		Pool Code 86440	Pool Name Tubb Oil & Gas
Property Code	Property Name W.T. McCormack		Well Number 18
OGRID No.	Operator Name Chevron USA Inc		Elevation

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
B	32	21S	37E		210	North	2390	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

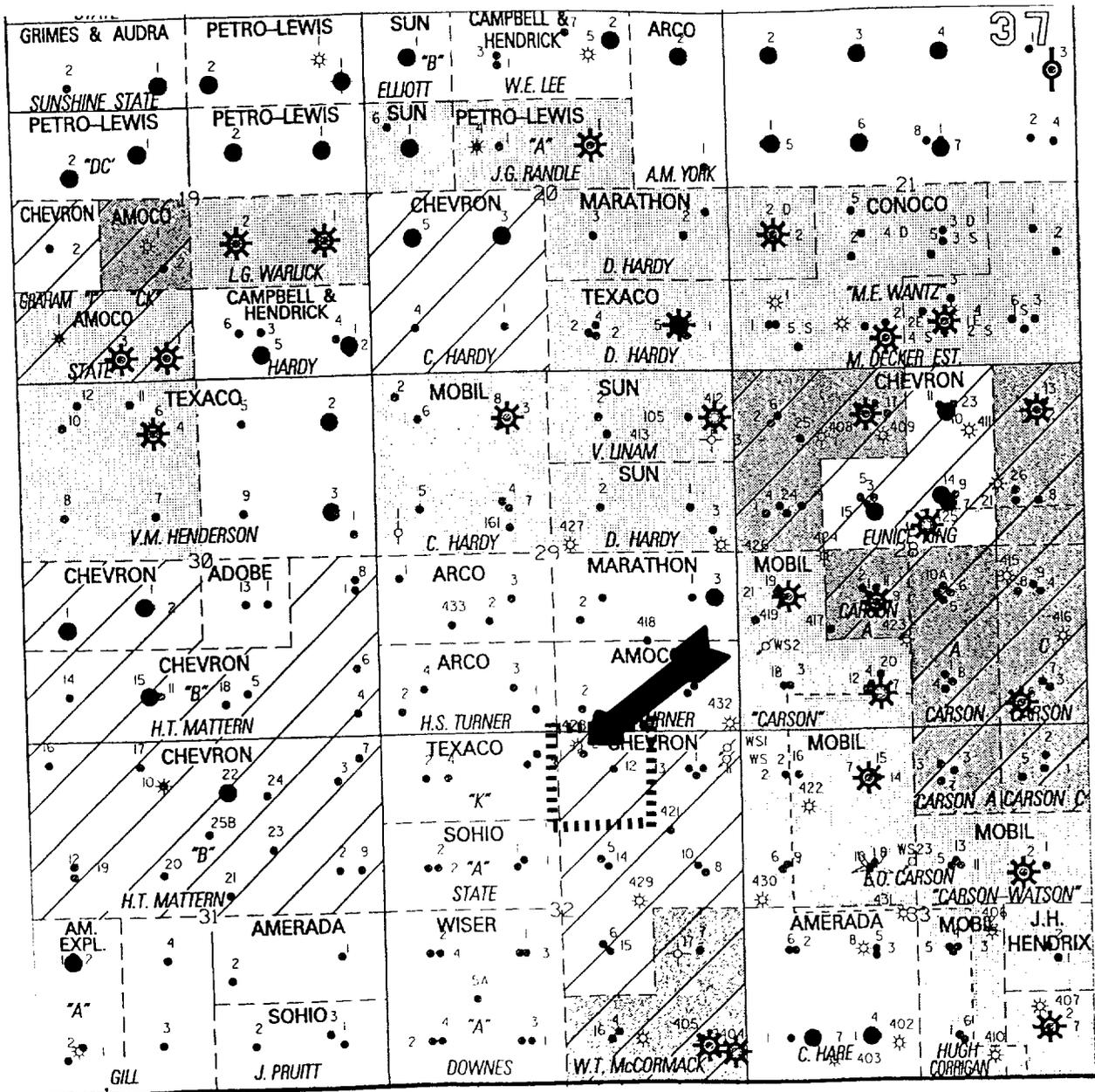
12 Ductile 1 Acres 160	13 Joint or Infill N	14 Consolidation Code	15 Order No. 3
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NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION

16	<p>210' #18</p> <p>NSL-1071 11-2-79</p>	<p>17 OPERATOR CERTIFICATION</p> <p>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.</p> <p><i>L.V. Trautman</i> Signature L.V. Trautman Printed Name Sr Pet Eng Title 12/8/94 Date</p>
	<p>Central District Unit # 428</p>	

CHEVRON U.S.A. INC.

Administrative Application for Non-Standard Gas Well Location, Tubb Oil and Gas Pool W. T. McComack # 18 210' FNL and 2390' FEL, Unit B, Section 32, T21S, R37E Lea County, New Mexico





December 8, 1994
Midland, Texas

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

Administrative Application for
Non-Standard Gas Well Location,
Tubb Oil and Gas Pool
W. T. McComack # 18
210' FNL and 2390' FEL, Unit B,
Section 32, T21S, R37E
Lea County, New Mexico

(Offset Operators)

Gentlemen:

Attached is a copy of an administrative application for NMOCD approval of a non-standard gas well location.

Chevron U.S.A. is planning to recomplete the W. T. McComack # 18 into the Tubb Oil and Gas Pool from the Drinkard. The location of the proposed workover is 210' FNL and 2390' FEL in Section 32, T21S, R37E, Lea County, New Mexico.

If you have any questions about the application, please contact Lloyd Trautman at (915) 687-7152.

Sincerely,

A handwritten signature in cursive script that reads "L. V. Trautman".

L. V. Trautman
Sr. Petroleum Engineer
New Mexico Area

/s/ldr
14625.DOC

Attachments

cc: Central Files-Lease and Well Files

CHEVRON U.S.A. INC.

**Administrative Application for
Non-Standard Gas Well Location,
Tubb Oil and Gas Pool
W. T. McComack # 18
210' FNL and 2390' FEL, Unit B,
Section 32, T21S, R37E
Lea County, New Mexico**

Offset Operators

Mobil Producing Texas and New Mexico
P. O. Box 633
Midland, TX 79702

Amoco Production Company
P. O. Box 3092
Houston, TX 77253-3092
Attn: Henry Welch

Amerada Hess Corporation
Drawer D
Monument, NM 88265

ARCO Oil and Gas Company
600 N. Marenfeld St.
Midland, TX 79702

Wiser Oil Company
8115 Preston Rd.
Dallas, TX 75225

Texaco Exploration and Production Inc.
Box 730
Hobbs, NM 88241-0730



STATE OF NEW MEXICO
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION
HOBBS DISTRICT OFFICE

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

BRUCE KING
GOVERNOR

OIL CONSERVATION DIVISION
P. O. BOX 2088
SANTA FE, NEW MEXICO 87501

RE: Proposed:

MC	_____
DHC	_____
NSL	<u> X </u> _____
NSP	_____
SWD	_____
WFX	_____
PMX	_____

Gentlemen:

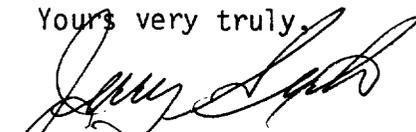
I have examined the application for the:

<u>Chevron USA Inc</u>	<u>WT McComack</u>	<u>#18-B</u>	<u>32-21-37</u>
Operator	Lease & Well No.	Unit	S-T-R

and my recommendations are as follows:

~~Should~~ Should probably GET APPROVED FROM
Amoco & TENAC BEFORE GRANTING.

Yours very truly,


 Jerry Sexton
 Supervisor, District 1

/ed



STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
OIL CONSERVATION DIVISION

BRUCE KING
GOVERNOR

LARRY KEHOE
SECRETARY

September 4, 1979

POST OFFICE BOX 2088
STATE LAND OFFICE BUILDING
SANTA FE, NEW MEXICO 87501
(505) 827-2434

Gulf Oil Exploration and Production
Company
P. O. Box 670
Hobbs, New Mexico 88240

Attention: R. C. Anderson

Administrative Order NSL-1071

Gentlemen:

Reference is made to your application for seven non-standard locations for the following wells in the Drinkard Pool, Lea County, New Mexico:

All in Township 21 South, Range 37 East

Central Drinkard Unit No. 426 to be located 2530 feet from the North line and 220 feet from the East line of Section 29;

Central Drinkard Unit No. 427 to be located 2530 feet from the North line and 2430 feet from the East line of Section 29;

Central Drinkard Unit No. 428 to be located 210 feet from the North line and 2390 feet from the East line of Section 32;

Central Drinkard Unit No. 429 to be located 2500 feet from the North line and 1540 feet from the East line of Section 32;

Central Drinkard Unit No. 430 to be located 2500 feet from the North line and 275 feet from the West line of Section 33;

Central Drinkard Unit No. 431 to be located 2493 feet from the South line and 2392 feet from the West line of Section 33;
and

Central Drinkard Unit No. 432 to be located 110 feet from the South line and 150 feet from the East line of Section 29.

Gulf Oil Exploration and
Production Company

-2-

September 4, 1979

By authority granted me under the provisions of Rule 3 of
Order No. R-5030, the above-described unorthodox location is
hereby approved.

Sincerely,

JOE D. RAMEY,
Director

JDR/RLS/dr

cc: Oil Conservation Division - Hobbs
Oil & Gas Engineering Committee - Hobbs
Oil & Gas Division - State Land Office - Santa Fe

NSL-TUBB

January 9, 1995

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

Case 11259

Attention: Lloyd V. Trautman

*Administrative Order NSL-*****

Dear Mr. Trautman:

Reference is made to your application dated December 8, 1994 for a non-standard Tubb gas well location for your existing W. T. McComack Well No. 18 (API No. 30-025-86440) which was originally drilled as the Central Drinkard Unit Well No. 428 and completed in the Drinkard Pool at an unorthodox oil well location (approved by Division Administrative Order NSL-1071, dated September 4, 1979) 210 feet from the North line and 2390 feet from the East line (Unit B) of Section 32, Township 21 South, Range 37 East, NMPM, Lea County, New Mexico.

It is our understanding that the Drinkard interval will be properly plugged back and said well will be recompleted as a gas well in the Tubb Oil and Gas Pool, which pursuant to the "*General Rules for the Prorated Gas Pools of New Mexico/Special Rules and Regulations for the Tubb Oil and Gas Pool*", as promulgated by Division Order No. R-8170, as amended, is also unorthodox. Further, the NE/4 of said Section 32 shall be dedicated to the well forming a standard 160-acre gas spacing and proration unit for the Tubb Oil and Gas Pool.

By authority granted me under the provisions of Rule 2(c) of said Special Rules and Regulations, the aforementioned W. T. McComack Well No. 18 located at an unorthodox Tubb gas well location is hereby approved.

Sincerely,

William J. LeMay
Director

WJL/mes

*Administrative Order NSL-*****
Chevron U.S.A. Production Company
January 9, 1995
Page 2

cc: Oil Conservation Division - Hobbs