



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

October 2, 1990

Administrative Application for
Unorthodox Gas Well Location
and Simultaneous Dedication
Eumont Yates 7 Rvrs QN
1195' FEL AND 1190' FSL
Section 5, T19S, R37E, NMPM
(Pro Gas) Pool
Lea County, New Mexico

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

Gentlemen:

Chevron U.S.A. Inc. respectfully requests your approval of our administrative application for the subject Unorthodox Gas Well Location and Simultaneous Dedication, per our conversation of 09/26/90 with Mr. Mike Stogner.

We are currently planning to drill the J. R. Holt (NCT-C) Com No.2, and complete this well in the Eumont Yates 7 Rivers Queen (Pro Gas) Pool. The well will be located 1195' FEL and 1190' FSL of Section 5, T-19-S, R-37-E, Lea County, New Mexico. The location will be within an existing 240-acre Eumont Gas Proration Unit currently dedicated to Chevron's J. R. Holt (NCT-C) Com No. 1 (Order NSP-397). We plan to Simultaneously Dedicate this 240-acres to both of these wells. This location will be unorthodox since it is less than 330' from the quarter/quarter section line. The location is chosen as a result of pipelines and a natural lake in the area, and is the only acceptable location to the landowner based on drainage patterns and ground cover.

In order to prevent waste, Chevron respectfully requests your approval of this administrative application under the provisions of Rule 104 (F). Attached are a map showing offset operators and