

STATE OF NEW MEXICO
ENERGY, MINERALS, AND NATURAL RESOURCES DEPARTMENT
OIL CONSERVATION DIVISION

IN THE MATTER OF THE HEARING
CALLED BY THE OIL CONSERVATION
DIVISION FOR THE PURPOSE OF
CONSIDERING:

CASE NO. 12610
ORDER NO. R-11631

APPLICATION OF CHEVRON USA INC. FOR SIMULTANEOUS
DEDICATION, LEA COUNTY, NEW MEXICO.

ORDER OF THE DIVISION

BY THE DIVISION:

This case came on for hearing at 8:15 a.m. on August 9, 2001, at Santa Fe, New Mexico, before Examiner David R. Catanach.

NOW, on this 10th day of August, 2001, the Division Director, having considered the record and the recommendations of the Examiner,

FINDS THAT:

The applicant's request for dismissal should be granted.

IT IS THEREFORE ORDERED THAT:

Case No. 12610 is hereby dismissed.

DONE at Santa Fe, New Mexico, on the day and year hereinabove designated.



STATE OF NEW MEXICO
OIL CONSERVATION DIVISION

Lori Wrotenbery
LORI WROTENBERY
Director



NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

GARY E. JOHNSON
Governor
Jennifer A. Salisbury
Cabinet Secretary

February 13, 2001

Lori Wrotenbery
Director
Oil Conservation Division

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

Case 12610

Attention: C. J. Affeld

Re: *Administrative application for simultaneous dedication of Eumont gas production to the previously approved 160-acre non-standard gas spacing and proration unit comprising the SE/4 of Section 28, Township 21 South, Range 36 East, Eumont Gas Pool, Lea County, New Mexico (approved by Division Administrative Order NSP-272, dated June 27, 1956) from Chevron U.S.A., Inc.'s S. E. Fulton Wells No. 1, 2, 5, and 6.*

Dear Mr. Affeld:

Since there are no clear procedures for administrative review, either contained in the Division's rules governing the Eumont Gas Pool or the stipulated declaratory judgement issued by the First Judicial District Court in Santa Fe County, New Mexico on December 15, 2000, for future infill gas wells that result in spacing of less than 160 acres per well on a proration unit, your application dated January 22, 2001 will be placed on the next available docket scheduled for hearing on March 8, 2001.

I have prepared the attached advertisement for this matter. Should you have any questions concerning this matter, please contact Mr. William F. Carr, Legal Counsel for Chevron U.S.A., Inc., in Santa Fe at (505) 988-4421.

Sincerely

Michael E. Stogner
Chief Hearing Officer/Engineer

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

CASE 17610 : Application of Chevron U.S.A., Inc. for simultaneous dedication, Lea County, New Mexico.

Applicant, pursuant to the rules governing the Eumont Gas Pool and the stipulated declaratory judgement issued by the First Judicial District Court in Santa Fe County, New Mexico on December 15, 2000, seeks to simultaneously dedicate Eumont gas production to the previously approved 160-acre non-standard gas spacing and proration unit comprising the SE/4 of Section 28, Township 21 South, Range 36 East (approved by Division Administrative Order NSP-272, dated June 27, 1956) from the following four wells:

- existing S. E. Felton Well No. 1 (API No. 30-025-04815) located at a standard gas well location 660 feet from the South and East lines (Unit P) of Section 28;
- existing S. E. Felton Well No. 2 (API No. 30-025-25352) located at a standard gas well location either 800 feet or 880 feet from the South line and 1980 feet from the East line (Unit O) of Section 28; and,
- existing S. E. Felton Well No. 5 (API No. 30-025-33796) located at a standard Eumont gas well location 1980 feet from the South and East lines (Unit J) of Section 28; and
- proposed S. E. Felton Well No. 6 (API No. 30-025-35395) to be drilled at a standard infill gas well location 1980 feet from the South line and 660 feet from the East line (Unit I) of Section 28.

This unit is located approximately eight miles southwest of Monument, New Mexico.

DATE IN	SUSPENSE	ENGINEER	LOGGED	TYPE
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ABOVE THIS LINE FOR DIVISION USE ONLY

NEW MEXICO OIL CONSERVATION DIVISION
- Engineering Bureau -

ADMINISTRATIVE APPLICATION COVERSHEET

THIS COVERSHEET 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 APPLICATION - Check Those Which Apply for [A]

- [A] Location - Spacing Unit - Directional Drilling
 NSL NSP DD SD

Check One Only for [B] and [C]

- [B] Commingling - Storage - Measurement
 DHC CTB PLC PC OLS OLM

- [C] Injection - Disposal - Pressure Increase - Enhanced Oil Recovery
 WFX PMX SWD IPI EOR PPR

Case 12610

01 JAN 24 PM 4:33
OIL CONSERVATION DIV

[2] NOTIFICATION REQUIRED TO: - Check Those Which Apply, or Does Not Apply

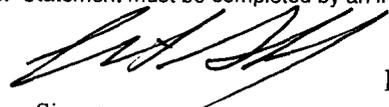
- [A] Working, Royalty or Overriding Royalty Interest Owners
- [B] Offset Operators, Leaseholders or Surface Owner
- [C] Application is One Which Requires Published Legal Notice
- [D] Notification and/or Concurrent Approval by BLM or SLO
U.S. Bureau of Land Management - Commissioner of Public Lands, State Land Office
- [E] For all of the above, Proof of Notification or Publication is Attached, and/or,
- [F] Waivers are Attached

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

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.

Christian J Affeld
Print or Type Name


Signature

Petroleum Engineer
Title

January 22, 2001
Date



Chevron

January 22, 2001

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

Administrative Application For
Simultaneous Dedication
Eumont (Pro Gas) Pool
S.E. Felton # 6
1980' FSL and 660' FEL, Unit I
Section 28, T-21-S, R-36-E
Lea County, New Mexico

Case 12610

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

Attn: Mr. Stogner

Dear Mr. Stogner:

Chevron U.S.A. Inc. respectfully requests your approval of this administrative application for Simultaneous Dedication.

Chevron is planning to drill the **S.E. Felton # 6** in the Eumont (Pro Gas) Pool. We are requesting the approval to simultaneously dedicate the existing 160 acre Non-Standard Gas Proration Unit assigned to our S.E. Felton wells # 1, # 2, and # 5 (Administrative Order SD-97-3) to all three wells. This 160 acre GPU consist of SE/4 of Section 28, T-21-S, R-36-E, NMPM, Lea County, New Mexico.

Chevron respectfully requests your approval of this administrative application for Simultaneous Dedication.

Attachments to this request include:

- Commercial Map with Proration Unit Outline and Offset Operators
- Form C-102 plat
- Copy of Administrative Order SD-97-3 Dated 7/10/1997
- List of "Affected Persons" as defined in Division Rule 1207.A(2)
- Copy of Letters to Affected Persons
- Copy of Certified Mailing Labels
- Supporting Evidence

All offset operators have been properly notified by certified mail in compliance with Division rules and orders and the stipulated declaratory judgement of the district court of the Santa Fe County, dated January 4, 2001. If you have any questions or require any further information concerning this application, please feel free to contact me.

Yours very truly,

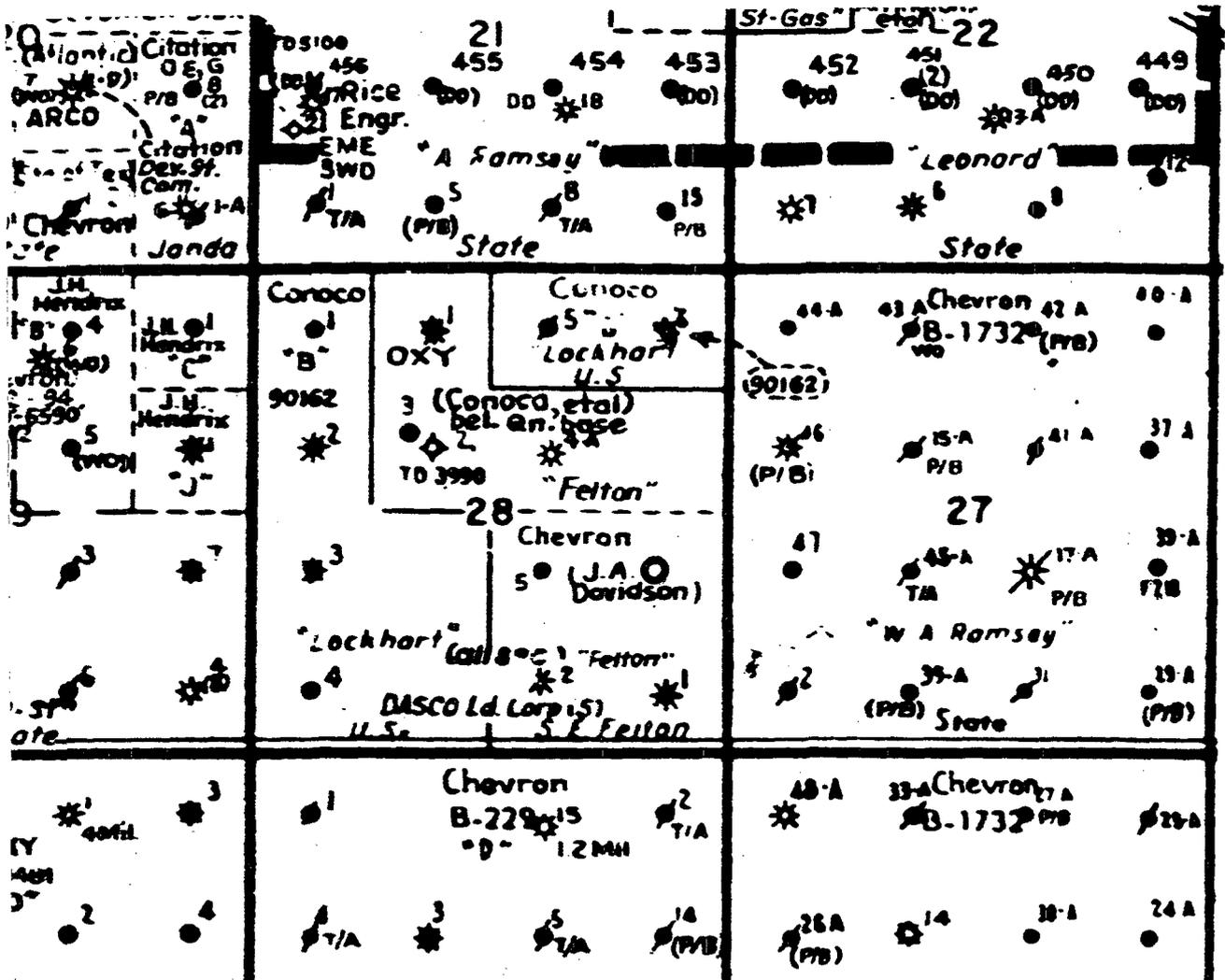


C.J. Affeld
Chevron U.S.A. Production Co.
Petroleum Engineer
Midland, Texas
ph. (915) 687 - 7271
fx. (915) 687 - 7905
e-mail: caff@chevron.com

Attachments

cc: CJ Affeld – Engineering
Bill Dees – Geology
Marcia Barabash – Land
Janice Ripley – Regulatory
Central Files
Nathan Mouser – Field
Hobbs District Office

Chevron U.S.A. Production Co.
 Administrative Application For Non-Standard Location and Simultaneous Dedication
 Eumont (Pro Gas) Pool
S.E. Felton # 6
 1980' FSL and 660' FEL, Unit I
 Section 28, T-21-S, R-36-E
Commercial Map



District I
 PO Box 1900, Hobbs, NM 88241-1900
 District II
 PO Drawer DD, Artesia, NM 88211-0719
 District III
 1000 Rio Grande 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 30-025-25352		* Pool Code 76480		* Pool Name EUMONT; YATES-7 RVRS-QUEEN (PRO GAS)	
* Property Code 2622		* Property Name S. E. FELTON			* Well Number 2
* OGRID No. 4323		* Operator Name CHEVRON U.S.A., 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
0	28	21S	36E		880	South	1980	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 Deduct - 1 Acre	¹³ Joint or Infill	¹⁴ Consolidation Code	¹⁵ Order No.
160			

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				¹⁷ OPERATOR CERTIFICATION <i>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief</i> Signature _____ Printed Name _____ Title _____ Date _____
		#5	#6	¹⁸ SURVEYOR CERTIFICATION <i>I hereby certify that the well location shown on this plat was placed 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.</i> Date of Survey _____ Signature and Seal of Professional Surveyor: _____
		#2	#1	
				Certificate Number _____

District I
 PO Box 1908, Hobbs, NM 88241-1908
 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 30-025-04815		* Pool Code 76480		* Pool Name EUMONT; YATES-7 RVRS-QUEEN (PRO GAS)	
* Property Code 2622		* Property Name S. E. FELTON			* Well Number 1
* OGRID No. 4323		* Operator Name CHEVRON U.S.A., 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
P	28	21S	36E		660	South	660	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 Deduct - 1 Acre	¹³ Joint or Infill	¹⁴ Consolidation Code	¹⁵ Order No.
160			

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		#5	#6	¹⁸ SURVEYOR CERTIFICATION <i>I hereby certify that the well location shown on this plat was placed 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.</i>
		#2	#1	

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

State of New Mexico
 Energy, Minerals & Natural Resources Department

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

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

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

* API Number 30-025-33796		* Pool Code 76480		* Pool Name EUMONT; YATES-7 RVR5-QUEEN (PRO GAS)	
* Property Code 2622		* Property Name S. E. FELTON			* Well Number 5
* OGRID No. 4323		* Operator Name CHEVRON U.S.A., 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
J	28	21S	36E		1980	South	1980	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 Dedication Acres 160	¹³ Joint or Infill	¹⁴ Consolidation Code	¹⁵ Order No.
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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				¹⁷ OPERATOR CERTIFICATION <i>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.</i> _____ Signature _____ Printed Name _____ Title _____ Date
		#5	#6	¹⁸ SURVEYOR CERTIFICATION <i>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.</i> _____ Date of Survey _____ Signature and Seal of Professional Surveyor: _____ Certificate Number
		#2	#1	

DISTRICT I
P.O. Box 1888, Hobbs, NM 88241-1888

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 110, Artesia, NM 88211-0719

OIL CONSERVATION DIVISION

P.O. Box 2088

Santa Fe, New Mexico 87504-2088

DISTRICT III
1000 Rio Brazos Rd., Artec, NM 87410

DISTRICT IV
P.O. BOX 2088, SANTA FE, N.M. 87504-2088

WELL LOCATION AND ACREAGE DEDICATION PLAT

AMENDED REPORT

API Number		Pool Code	Pool Name	
		76480	EUMONT;YATES-7 RVRS-QUEEN (PRO GAS)	
Property Code	Property Name		Well Number	
2622	S.E. FELTON		6	
OGRID No.	Operator Name		Elevation	
4323	CHEVRON U.S.A. PRODUCTION COMPANY		3586	

Surface Location

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
1	28	21S	36E		1980	SOUTH	660	EAST	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 Acres	Joint or Infill	Consolidation Code	Order No.
160			

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

	<p align="center">OPERATOR CERTIFICATION</p> <p align="center"><i>I hereby certify the the information contained herein is true and complete to the best of my knowledge and belief.</i></p> <p>Signature _____</p> <p>Printed Name _____</p> <p>Title _____</p> <p>Date _____</p>
	<p align="center">SURVEYOR CERTIFICATION</p> <p align="center"><i>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.</i></p> <p align="center">JANUARY 10, 2001</p> <p>Date Surveyed _____ AWB</p> <p>Signature & Seal of Professional Surveyor</p> <p align="center"><i>Ronald J. Edson 01/16/01</i></p> <p align="center">60-11-1615</p>
	<p>Certificate No. RONALD J. EDSON 3239 GARY EDSON 12841</p>



STATE OF NEW MEXICO
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

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

July 10, 1997

Chevron U.S.A. Inc.
P. O. Box 1150
Midland, Texas 79702
Attention: J. H. Saenz

Administrative Order SD-97-3

Dear Mr. Saenz:

Reference is made to your application dated May 5, 1997. Chevron U.S.A. Inc. ("Chevron") is hereby authorized to simultaneously dedicate Eumont Gas Pool production to the previously approved non-standard 160-acre gas spacing and proration unit ("GPU") comprising the SE/4 of Section 28, Township 21 South, Range 36 East, NMPM, Lea County, New Mexico (approved by Division Administrative Order NSP-272, dated June 27, 1956) from the following three wells:

- the existing S. E. Felton Well No. 1 (API No. 30-025-04815) located at a standard gas well location 660 feet from the South and East lines (Unit P) of said Section 28;
- the existing S. E. Felton Well No. 2 (API No. 30-025-25352) located at a standard gas well location 800 feet from the South line and 1980 feet from the East line (Unit O) of said Section 28; and,
- the newly drilled S. E. Felton Well No. 5 (API No. 30-025-33796) located at a standard Eumont gas well location 1980 feet from the South and East lines (Unit J) of said Section 28.

Further, Chevron is permitted to produce the allowable assigned said non-standard 310.01-acre GPU from all three wells in any proportion.

Sincerely,

A handwritten signature in black ink, appearing to read "William J. LeMay".

William J. LeMay
Director

WJL/MES/kv

cc: Oil Conservation Division - Hobbs
New Mexico State Land Office - Santa Fe
File: NSP-272

Chevron U.S.A. Production Co.
Administrative Application For Simultaneous Dedication
Eumont (Pro Gas) Pool

S.E. Felton # 6

1980' FSL and 660' FEL, Unit I
Section 28, T-21-S, R-36-E

Affected Persons

TEXACO
500 N. Loraine
Midland, Texas 79702

BURLESON, LEWIS B
P.O. Box 2479
Midland, Texas 79702

CITATION O&G
8223 Willow Pl. Dr. S., Ste 250
Houston, Texas 77070-5623

EXXON
P.O. Box 4697
Houston, Texas 77210

CONOCO Inc.
10 Desta Drive, Ste. 100W
Midland, Texas 79705

OXY U.S.A.
P. O. Box 50250
Midland, Texas 79702



Chevron

January 22, 2001

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

Administrative Application For
Simultaneous Dedication
Jalmat (Pro Gas) Pool
S.E. Felton # 6
1980' FSL and 660' FEL, Unit I
Section 28, T-21-S, R-36-E
Lea County, New Mexico

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

New Mexico Operations Director:

Attached is a copy of an administrative application to the NMOCD for simultaneous dedication and of a standard location for the **S.E. Felton # 6** to be drilled and operated by Chevron U.S.A.

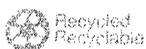
"Affected Persons", as defined in Division Rule 1207.A(2), are required by NMOCD Rule 104.D (2) to be notified. "Affected Persons" are allowed 20 days from the Division's receipt of this application to file any objections in writing.

If you have any questions or require any further information concerning this application, please feel free to contact me.

Yours very truly,

C.J. Affeld
Chevron U.S.A. Production Co.
Petroleum Engineer
Midland, Texas
ph. (915) 687 - 7271
fx. (915) 687 - 7905
e-mail: caff@chevron.com

Attachments





Chevron

January 22, 2001

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

Administrative Application For
Simultaneous Dedication
Jalmat (Pro Gas) Pool
S.E. Felton # 6
1980' FSL and 660' FEL, Unit I
Section 28, T-21-S, R-36-E
Lea County, New Mexico

Lewis B. Burluson
P. O. Box 2479
Midland, Texas 79702

New Mexico Operations Director:

Attached is a copy of an administrative application to the NMOCD for simultaneous dedication and of a standard location for the **S.E. Felton # 6** to be drilled and operated by Chevron U.S.A.

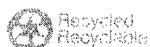
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If you have any questions or require any further information concerning this application, please feel free to contact me.

Yours very truly,

C.J. Affeld
Chevron U.S.A. Production Co.
Petroleum Engineer
Midland, Texas
ph. (915) 687 - 7271
fx. (915) 687 - 7905
e-mail: caff@chevron.com

Attachments





Chevron

January 22, 2001

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

Administrative Application For
Simultaneous Dedication
Jalmat (Pro Gas) Pool
S.E. Felton # 6
1980' FSL and 660' FEL, Unit I
Section 28, T-21-S, R-36-E
Lea County, New Mexico

Citation O&G
8223 Willow Place Drive South, Ste 250
Houston, Texas 77070-5623

New Mexico Operations Director:

Attached is a copy of an administrative application to the NMOCD for simultaneous dedication and of a standard location for the **S.E. Felton # 6** to be drilled and operated by Chevron U.S.A.

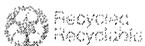
"Affected Persons", as defined in Division Rule 1207.A(2), are required by NMOCD Rule 104.D (2) to be notified. "Affected Persons" are allowed 20 days from the Division's receipt of this application to file any objections in writing.

If you have any questions or require any further information concerning this application, please feel free to contact me.

Yours very truly,

C.J. Affeld
Chevron U.S.A. Production Co.
Petroleum Engineer
Midland, Texas
ph. (915) 687 - 7271
fx. (915) 687 - 7905
e-mail: caff@chevron.com

Attachments





Chevron

January 22, 2001

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

Administrative Application For
Simultaneous Dedication
Jalmat (Pro Gas) Pool
S.E. Felton # 6
1980' FSL and 660' FEL, Unit I
Section 28, T-21-S, R-36-E
Lea County, New Mexico

Exxon
P. O. Box 4697
Houston, Texas 77210

New Mexico Operations Director:

Attached is a copy of an administrative application to the NMOCD for simultaneous dedication and of a standard location for the **S.E. Felton # 6** to be drilled and operated by Chevron U.S.A.

"Affected Persons", as defined in Division Rule 1207.A(2), are required by NMOCD Rule 104.D (2) to be notified. "Affected Persons" are allowed 20 days from the Division's receipt of this application to file any objections in writing.

If you have any questions or require any further information concerning this application, please feel free to contact me.

Yours very truly,

C.J. Affeld
Chevron U.S.A. Production Co.
Petroleum Engineer
Midland, Texas
ph. (915) 687 - 7271
fx. (915) 687 - 7905
e-mail: caff@chevron.com

Attachments



Chevron

January 22, 2001

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

Administrative Application For
Simultaneous Dedication
Jalmat (Pro Gas) Pool
S.E. Felton # 6
1980' FSL and 660' FEL, Unit I
Section 28, T-21-S, R-36-E
Lea County, New Mexico

Oxy U.S.A.
P. O. Box 50250
Midland, Texas 79702

New Mexico Operations Director:

Attached is a copy of an administrative application to the NMOCD for simultaneous dedication and of a standard location for the **S.E. Felton # 6** to be drilled and operated by Chevron U.S.A.

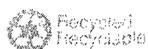
"Affected Persons", as defined in Division Rule 1207.A(2), are required by NMOCD Rule 104.D (2) to be notified. "Affected Persons" are allowed 20 days from the Division's receipt of this application to file any objections in writing.

If you have any questions or require any further information concerning this application, please feel free to contact me.

Yours very truly,

C.J. Affeld
Chevron U.S.A. Production Co.
Petroleum Engineer
Midland, Texas
ph. (915) 687 - 7271
fx. (915) 687 - 7905
e-mail: caff@chevron.com

Attachments





January 24, 2001

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

**Administrative Application For
Simultaneous Dedication
Jalmat (Pro Gas) Pool
S.E. Felton # 6
1980' FSL and 660' FEL, Unit I
Section 28, T-21-S, R-36-E
Lea County, New Mexico**

**TEXACO
500 N. Loraine
Midland, Texas 79702**

New Mexico Operations Director:

Attached is a copy of an administrative application to the NMOCD for simultaneous dedication and of a standard location for the **S.E. Felton # 6** to be drilled and operated by Chevron U.S.A.

"Affected Persons", as defined in Division Rule 1207.A(2), are required by NMOCD Rule 104.D (2) to be notified. "Affected Persons" are allowed 20 days from the Division's receipt of this application to file any objections in writing.

If you have any questions or require any further information concerning this application, please feel free to contact me.

Yours very truly,

A handwritten signature in black ink, appearing to read "C.J. Affeld", written over a white background.

**C.J. Affeld
Chevron U.S.A. Production Co.
Petroleum Engineer
Midland, Texas
ph. (915) 687 - 7271
fx. (915) 687 - 7905
e-mail: caff@chevron.com**

Attachments

Chevron U.S.A. Production Co.
 Administrative Application For Simultaneous Dedication
 Eumont (Pro Gas) Pool
S.E. Felton # 6
 1980' FSL and 660' FEL, Unit I
 Section 28, T-21-S, R-36-E
Supporting Evidence

In September of 2000 the WA Ramsay NCT A #43 well in the adjoining lease (T:21S R:36E S:27) was worked over in the Eumont with a fracture stimulation. This is the ninth Eumont gas well in the 640-acre WA Ramsay NCT A lease. Two of the wells are direct offsets to the WA Ramsay NCT A #43 to the East, West and a third is diagonally offset to the Southwest (Figure 1). There is a dip in production in August, this is due to the El Paso line explosion that caused production to be shut down for 2 weeks. The WA Ramsay #42 is completed lower in the Eumont (Queen and Penrose) and has experienced some difficulty recovering from the El Paso Shut down. The WA Ramsay #44, #46, and #43 are all completed in the same interval and have not seen adverse affects to production from the recompletion of the WA Ramsay NCT A #43 (Figure 2). The lease production has shown an increase in production and reserves from the WA Ramsay NCT A lease that would otherwise have gone undeveloped (Figure 3).

The WA Ramsay lease is analogous to the **S.E. Felton** lease and the same increased Gas production and increased reserves response is expected in the **S.E. Felton** Lease. The Geology for the WA Ramsay lease is similar to the **S.E. Felton** lease of the proposed new well location and therefore an additional well location is necessary to efficiently and economically drain the proration unit to prevent waste and protect correlative rights.

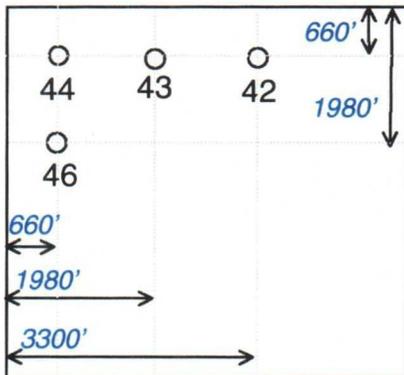


Figure 1

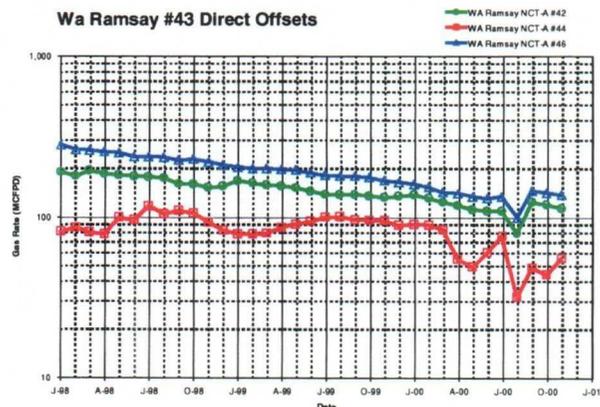


Figure 2

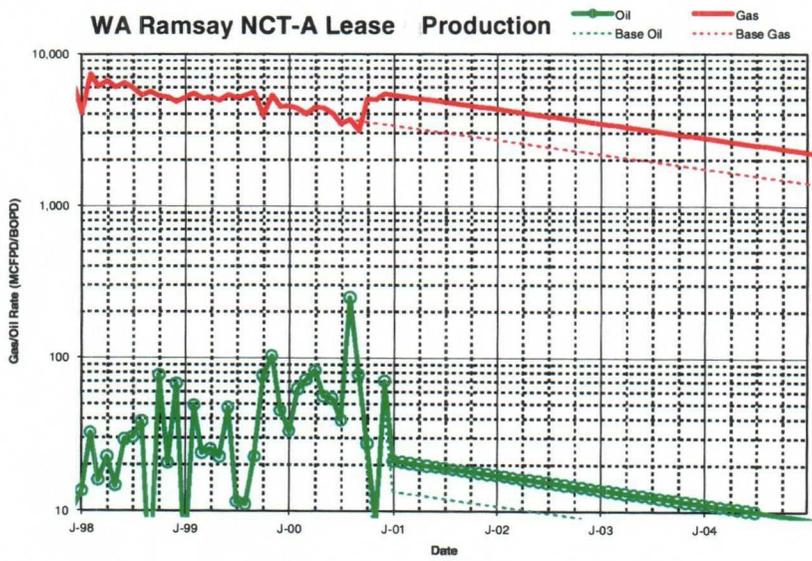


Figure 3

First Class Mail

SENDER: COMPLETE THIS SECTION

- Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:

TEXACO
500 N LORRAINE
MIDLAND TX 79702

Felton #6

2. Article Number (Copy from service label)

PS Form 3811, July 1999

Domestic Return Receipt

102595-00-M-0952

COMPLETE THIS SECTION ON DELIVERY

A. Received by (Please Print Clearly) B. Date of Delivery

C. Signature Agent Addressee

D. Is delivery different from item 1? Yes No
If YES, enter delivery address below:

3. Service Type

- Certified Mail Express Mail
- Registered Return Receipt for Merchandise
- Insured Mail C.O.D.

4. Restricted Delivery? (Extra Fee) Yes

First Class Mail

SENDER: COMPLETE THIS SECTION

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- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:

LEWIS B BURLESON
P O BOX 2479
MIDLAND TX 79702

Felton #6

2. Article Number (Copy from service label)

PS Form 3811, July 1999

Domestic Return Receipt

102595-00-M-0952

COMPLETE THIS SECTION ON DELIVERY

A. Received by (Please Print Clearly)

B. Date of Delivery

C. Signature

Agent
 Addressee

X

D. Is delivery address different from item 1?
If YES, enter delivery address below: Yes No

3. Service Type

Certified Mail Express Mail
 Registered Return Receipt for Merchandise
 Insured Mail C.O.D.

4. Restricted Delivery? (Extra Fee) Yes

First Class Mail

SENDER: COMPLETE THIS SECTION

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- Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:

CITATION O&G
8223 WILLOW PLACE DR S, STE 250
HOUSTON TX 77070

Felton #6

2. Article Number (Copy from service label)

PS Form 3811, July 1999

Domestic Return Receipt

102595-00-M-0952

COMPLETE THIS SECTION ON DELIVERY

A. Received by (Please Print Clearly)

B. Date of Delivery

C. Signature

Agent
 Addressee

X

D. Is delivery address different from item 1? Yes
If YES, enter delivery address below: No

Service Type

Certified Mail Express Mail
 Registered Return Receipt for Merchandise
 Insured Mail C.O.D.

4. Restricted Delivery? (Extra Fee) Yes

First Class Mail

SENDER: COMPLETE THIS SECTION

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- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:

EXXON
P O BOX 4697
HOUSTON TX 77210

Felton #6

2. Article Number (Copy from service label)

PS Form 3811, July 1999

COMPLETE THIS SECTION ON DELIVERY

A. Received by (Please Print Clearly)

B. Date of Delivery

C. Signature

Agent
 Addressee

X

D. Is delivery address different from item 1?
If YES, enter delivery address below:

Yes

No

Service Type

Certified Mail

Express Mail

Registered

Return Receipt for Merchandise

Insured Mail

C.O.D.

4. Restricted Delivery? (Extra Fee)

Yes

Domestic Return Receipt

102595-00-M-0952

First Class Mail

SENDER: COMPLETE THIS SECTION

- Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:

CONOCO INC
10 DESTA DRIVE STE 100W
MIDLAND TX 79705

Felton #6

2. Article Number (Copy from service label)

PS Form 3811, July 1999

Domestic Return Receipt

102595-00-M-0952

COMPLETE THIS SECTION ON DELIVERY

A. Received by (Please Print Clearly)

B. Date of Delivery

C. Signature

Agent

Addressee

X

D. Is delivery address different from item 1? Yes

If YES, enter delivery address below: No

Service Type

Certified Mail

Registered

Insured Mail

Express Mail

Return Receipt for Merchandise

C.O.D.

4. Restricted Delivery? (Extra Fee) Yes

First Class Mail

SENDER: COMPLETE THIS SECTION

- Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:

OXY USA
P O BOX 50250
MIDLAND TX 79702

Felton #6

2. Article Number (Copy from service label)

PS Form 3811, July 1999

COMPLETE THIS SECTION ON DELIVERY

A. Received by (Please Print Clearly)

B. Date of Delivery

C. Signature

Agent
 Addressee

X

D. Is delivery address different from item 1?
If YES, enter delivery address below.

Yes
 No

Service Type

Certified Mail
 Registered
 Insured Mail
 Express Mail
 Return Receipt for Merchandise
 C.O.D.

4. Restricted Delivery? (Extra Fee)

Yes

Domestic Return Receipt

102595-00-M-0952