

FIRST JUDICIAL DISTRICT
STATE OF NEW MEXICO
COUNTY OF SANTA FE

DOYLE HARTMAN, OIL OPERATOR,

Plaintiff,

v.

No. D-0101-CV9902927

NEW MEXICO OIL CONSERVATION
DIVISION, LORI WROTENBERY, DIVISION
DIRECTOR,

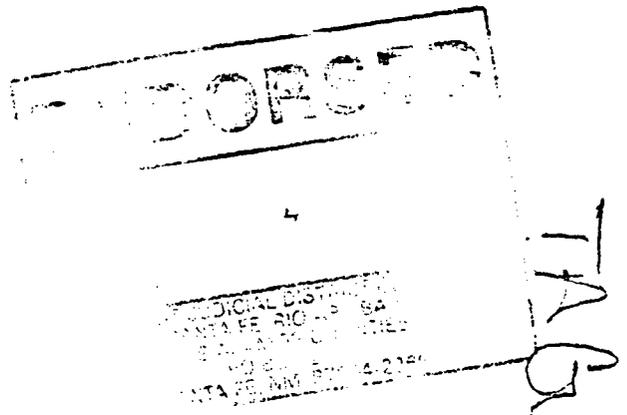
Defendants.

STIPULATED DECLARATORY JUDGMENT

Plaintiff Doyle Hartman, Oil Operator filed his Motion for Summary Judgment herein on December 15, 2000, which was supported by a Memorandum and Affidavit of Linda Land. The defendants New Mexico Oil Conservation Division ("Division") and Lori Wrotenbery, Division Director, agree to the granting of the plaintiff's motion by the entry of this Declaratory Judgment in the terms hereafter stated and the Court being fully advised IT IS THEREFORE ORDERED AND DECREED as follows:

1. The approval of drilling an additional well or wells on a spacing unit ("infill drilling") in the Eumont and Jalmat Gas Pools shall be administered in a manner that affords due process to affected parties, including notice, an opportunity to object and in the case of objection a right to public hearing in accordance with Division Rule 104.

2. In accordance with those principles it is provided that in the event an operator files an application with the Division for approval of an additional well or wells in the Eumont Gas Pool or the Jalmat Gas Pool, which if allowed would result in spacing



of less than 160 acres per well on a proration unit, the infill well or wells may be permitted only after notice pursuant to Division Rule 1207A(2) and opportunity for hearing for affected persons. The application must be supported by evidence that the additional well or wells are necessary to efficiently and economically drain the proration unit, will prevent waste and protect correlative rights.

3. Each party shall bear their own costs and fees incurred in this matter.

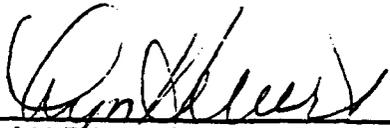
JUDGE JIM HALL

JAMES A. HALL
DISTRICT COURT JUDGE

AGREED AND APPROVED:

GALLEGOS LAW FIRM, P.C.

By 
J.E. GALLEGOS
MICHAEL J. CONDON
Attorneys for Doyle Hartman, Oil Operator

By 
MARILYN S. HEBERT
Attorney for New Mexico Oil Conservation
Division and Lori Wrotenbery, Director



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

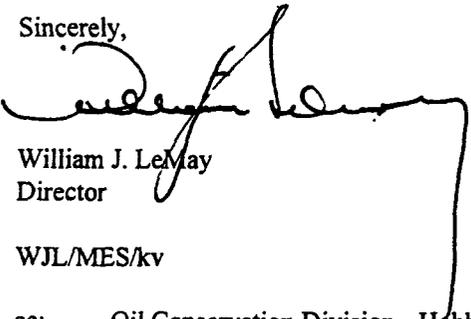
Dear Mr. Saenz:

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,


William J. LeMay
Director

WJL/MES/kv

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

OIL CONSERVATION COMMISSION

P. O. BOX 871

SANTA FE, NEW MEXICO

June 27, 1956

C Gulf Oil Corporation
P. O. Drawer 1290
Fort Worth 1, Texas

Attention: Mr. E. E. Thompson

Administrative Order NSP-272

O Gentlemen:

Reference is made to your application for approval of a 160-acre non-standard gas proration unit in the Eumont Gas Pool consisting of the following acreage:

P Township 21 South, Range 36 East
SE/4 of Section 28

Y It is understood that this unit is to be ascribed to your S. E. Felton Well No. 1, located 660 feet from the south and east lines and in the SE/4 SE/4 of Section 28, Township 21 South, Range 36 East, NMPM, Lea County, New Mexico.

By authority granted me under provisions of Rule 5, Section (b)-6 of the Special Rules and Regulations for the Eumont Gas Pool, as set forth in Order R-520, you are hereby authorized to operate the above described acreage as a non-standard gas proration unit, with allowable to be assigned thereto in accordance with pool rules, based upon the unit size of 160 acres.

Very truly yours,

A. L. PORTER, JR.,
Secretary - Director

ALP:WWM:ds

cc: Oil Conservation Commission
N. M. Oil & Gas Engineering Committee - Hobbs
El Paso Natural Gas Co. - Jal
El Paso Natural Gas Co. - El Paso

CMD : ONGARD 02/13/01 13:02:00
OG6C101 C101-APPLICATION FOR PERMIT TO DRILL OGOMES -TPII

OGRID Idn : 4323 API Well No: 30 25 35395 APD Status(A/C/P): A
Opr Name, Addr: CHEVRON U S A INC Aprvl/Cncl Date : 02-07-2001
PO BOX J SECTION 975R
CONCORD, CA 94524

Prop Idn: 2622 S E FELTON Well No: 6

	U/L	Sec	Township	Range	Lot	Idn	North/South	East/West
Surface Locn	: I	28	21S	36E			FTG 1980 F S	FTG 660 F E
OCD U/L	: I		API County	: 25				

Work typ(N/E/D/P/A) : N Well typ(O/G/M/I/S/W/C): G Cable/Rotary (C/R) : F
Lease typ(F/S/P/N/J/U/I): P Ground Level Elevation : 3586

State Lease No: Multiple Comp (S/M/C) : S
Prpsd Depth : 3800 Prpsd Frmtn : YATES-7RQ

E0009: Enter data to modify record

PF01 HELP PF02 PF03 EXIT PF04 GoTo PF05 PF06 CONFIRM
PF07 PF08 PF09 PRINT PF10 C102 PF11 HISTORY PF12

District I
1625 N. French Dr., Hobbs, NM 88240
District II
811 S. 1st Street, 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 - 6 Copies
Fee Lease - 5 Copies

AMENDED REPORT

APPLICATION FOR PERMIT TO DRILL, RE-ENTER, DEEPEN, PLUGBACK, OR ADD A ZONE

¹ Operator Name and Address Chevron U.S.A. Inc. P.O. Box 1150 Midland, TX 79702		² OGRID Number 4323
		³ API Number 30-025-35395
⁴ Property Code 2622	⁵ Property Name S. E. FELTON	⁶ Well No. 6

⁷ Surface Location

UL or lot no.	Section	Township	Range	Lot. Idn	Feet from the	North/South Line	Feet from the	East/West line	County
I	28	21S	36E		1980	SOUTH	660	EAST	LEA

⁸ Proposed 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

⁹ Proposed Pool 1 EUMONT; YATES-7 RVR-S-QUEEN (PRO GAS) 76480	¹⁰ Proposed Pool 2
--	-------------------------------

¹¹ Work Type Code N	¹² Well Type Code G	¹³ Cable/Rotary ROTARY	¹⁴ Lease Type Code P	¹⁵ Ground Level Elevation 3586'
¹⁶ Multiple	¹⁷ Proposed Depth 3800'	¹⁸ Formation	¹⁹ Contractor UNKNOWN	²⁰ Spud Date UNKNOWN

²¹ Proposed Casing and Cement Program

Hole Size	Casing Size	Casing weight/foot	Setting Depth	Sacks of Cement	Estimated TOC
12-1/4"	8-5/8"	24	500'	300	SURF
7-7/8"	5-1/2"	15.5	3800'	850	SURF

²² Describe the proposed program. If this application is to DEEPEN or PLUG BACK, give the data on the present productive zone and proposed new productive zone. Describe the blowout prevention program, if any. Use additional sheets if necessary.

CHEVRON PROPOSES TO:
DRILL 12-1/4" HOLE TO 500', RUN 8-5/8" CSG. CMT W/CL "C" TO SURF.
DRILL 7-7/8" HOLE TO 3800', RUN 5-1/2" CSG. CMT W/CL "C" TO SURF.

MOD PROGRAM: **0' - 500' 8.4 PPG FRESH WATER**
 500' - 3800' 10.0 PPG BRINE WATER

Permit Expires 1 Year From Approval
Date Unless Drilling Underway

CHEVRON CLASS II BOPE

²³ I hereby certify that the information given above is true and complete to the best of my knowledge and belief.		OIL CONSERVATION DIVISION	
Signature: <i>J. K. Ripley</i>		Approved by: <i>[Signature]</i>	
Printed name: J. K. RIPLEY		Title: REGULATORY O.A.	
Date: 2/1/01		Approval Date: FEB 06 2001	Expiration Date:
Phone: (915) 687-7148		Conditions of Approval: Attached <input type="checkbox"/>	

OIL CONSERVATION DIVISION
P.O. Box 2088
Santa Fe, New Mexico 87504-2088

DISTRICT I
1920, Hobbs, NM 88241-1920
DISTRICT II
P.O. Brewer Rd., Artesia, NM 88211-0719
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 30-025-35395	Pool Code 76480	Pool Name EUMONT; YATES-7 RVRS-QUEEN (PRO GAS)
Property Code 2622	Property Name S.E. FELTON	Well Number 6
OGRID No. 4323	Operator Name CHEVRON U.S.A. PRODUCTION COMPANY	Elevation 3586

Surface Location

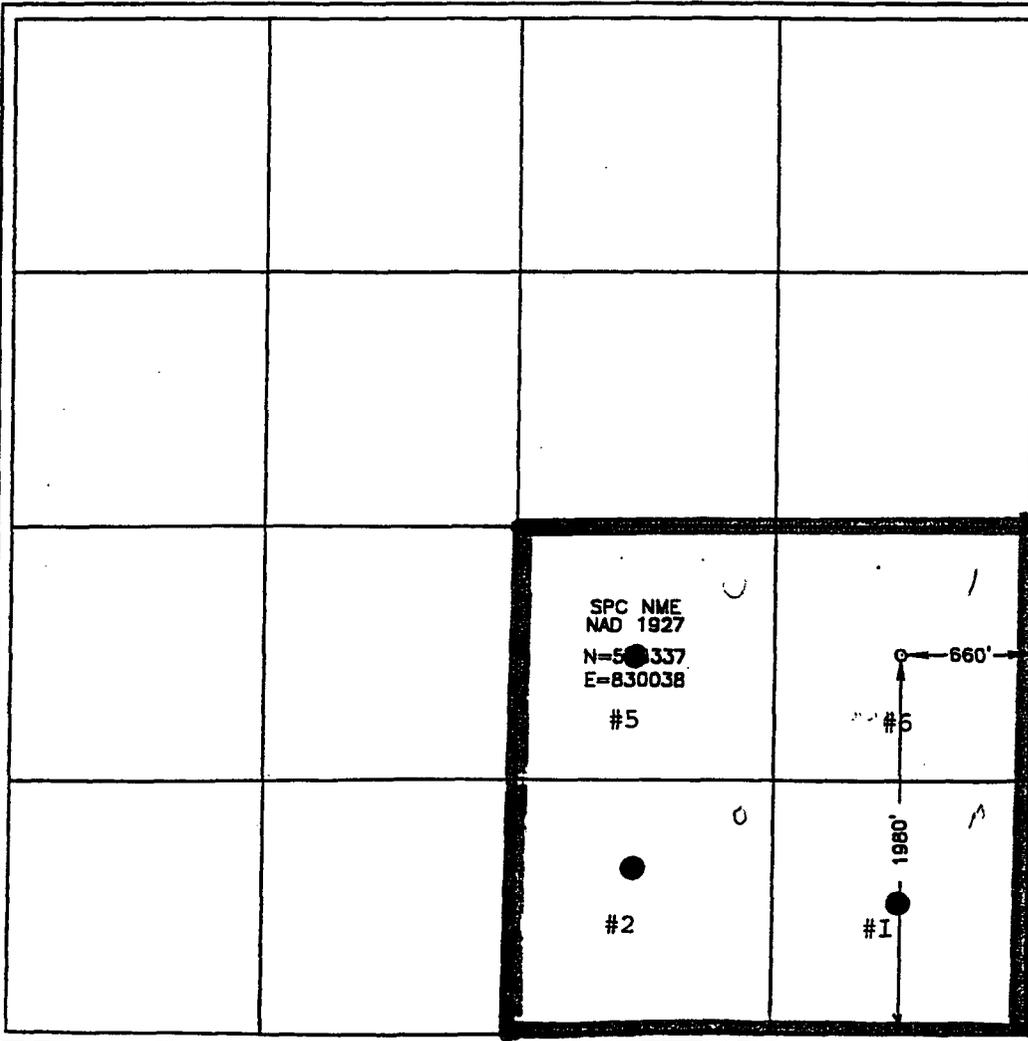
UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
1	28	21S	36E		1980	SOUTH	660	EAST	LEA

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



OPERATOR CERTIFICATION

I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.

J. K. Ripley
Signature
J. K. RIPLEY
Printed Name
REGULATORY O.A.
Title
2/1/01
Date

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.

JANUARY 10, 2001
Date Surveyed
AWB
Signature & Seal of Professional Surveyor
Ronald J. Eidson
60-11-1615
Certificate No. RONALD J. EIDSON 3239
GARY EIDSON 12641