

ABOVE THIS LINE FOR DIVISION USE ONLY

NEW MEXICO OIL CONSERVATION DIVISION
 - Engineering Bureau -
 1220 South St. Francis Drive, Santa Fe, NM 87505



5623

ADMINISTRATIVE APPLICATION CHECKLIST

THIS CHECKLIST IS MANDATORY FOR ALL ADMINISTRATIVE APPLICATIONS FOR EXCEPTIONS TO DIVISION RULES AND REGULATIONS WHICH REQUIRE PROCESSING AT THE DIVISION LEVEL IN SANTA FE

Application Acronyms:

- [NSL-Non-Standard Location] [NSP-Non-Standard Proration Unit] [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 - Simultaneous Dedication
 NSL NSP SD
- Check One Only for [B] or [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
- [D] Other: Specify _____
- [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] **SUBMIT ACCURATE AND COMPLETE INFORMATION REQUIRED TO PROCESS THE TYPE OF APPLICATION INDICATED ABOVE.**

[4] **CERTIFICATION:** I hereby certify that the information submitted with this application for administrative approval is **accurate** and **complete** to the best of my knowledge. I also understand that **no action** will be taken on this application until the required information and notifications are submitted to the Division.

Note: Statement must be completed by an individual with managerial and/or supervisory capacity.

Sarah C. Rittenhouse
 Print or Type Name

Sarah Rittenhouse
 Signature

Project Manager / Geologist
 Title

30/APR 07
 Date

Sarah.Rittenhouse@chevron.com
 e-mail Address



Sarah C. Rittenhouse
Project Manager / Geologist

North America Upstream
MCA Business Unit
11111 S. Wilcrest
Houston, Texas 77099
Tel (281) 561-3773
Fax (281) 561-3576
sarah.rittenhouse@chevron.com

April 26, 2007

Request for Administrative Approval of
Unorthodox Oil Well Location

Mr. Mark E. Fesmire
New Mexico Oil Conservation Division
1220 South St. Francis Drive
Santa Fe, New Mexico 87505

Dear Mr. Fesmire:

Chevron respectfully requests administrative approval of an unorthodox oil well location at the following well:

G.L. Erwin B Federal NCT-2 #13
2430' ~~EW~~ & 660' FEL, NE/4 SE/4 of
Section 35, ~~T21S~~, R37E, Unit Letter I
Lea County, New Mexico

The proposed well will be an infill producer in the Langlie-Mattix Pool [Pool Code 37240], which is an oil pool spaced on 40 acres. Chevron has moved this well location at the request of the Bureau of Land Management [BLM]. This well location has been approved by the BLM. Attached is an Administrative Application Checklist [Exhibit 1].

The NE/4 SE/4 of Section 35 is an undrilled spacing unit within the Langlie-Mattix Pool. The BLM had requested Chevron to move the location out of the localized playa in consideration of local water drainage and the wildlife habitat. The 450 foot move to the north locates the well in a non-standard location for an oil well in the Langlie-Mattix Pool. The proposed well will be located in the approximate northern center point of the NE/4 SE/4 and 210' off the north lease line. The location is 870' from the closest Langlie-Mattix Pool producer, C.C. Fristoe B Federal NCT-2 #5 [Exhibit 3].

A land plat highlighting the proposed well's location and relative position to affected offset wells is attached as Exhibit 2. The SE/4 of Section 35 is covered by a single federal lease [G.L. Erwin B] and has common royalty and Chevron is the sole working interest owner. The north offset lease [C.C. Fristoe B] is a single federal lease that covers the E/2 NW/4 and the NE/4 of section 35 and has identical common royalty and working interest ownership. For that reason and the proposed unorthodox location of the infill well, there are no adversely affected interest owners and no one has been notified of this application.

2007 MAY 3 AM 11:20

April 26, 2007

Page 2

Chevron requests administrative approval of this non-standard 40 acre oil well location in the Langlie-Mattix Pool to accommodate the BLM's request to move the well. The new location would be 210' from the north lease line that represents identical royalty and working interest ownership.

If you have any questions concerning this application or need additional information, please contact me by phone at (281) 561-3773 or by email at Sarah.Rittenhouse@chevron.com. If I am not available, you can also reach Andrew Lawther by phone at (281) 561- 4796 or by email at Lawther@chevron.com. Thank you for consideration of this matter.

Sincerely,

A handwritten signature in black ink that reads "Sarah Rittenhouse". The signature is written in a cursive, flowing style.

Sarah C. Rittenhouse
Project Manager / Geologist

Attachments

cc: NMOCD District 1 – Hobbs, NM
Sarah Rittenhouse
Andrew Lawther
Well File

DISTRICT I
1625 N. FRENCH DR., HOBBS, NM 88240

DISTRICT II
1301 W. GRAND AVENUE, ARTESIA, NM 88210

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

DISTRICT IV
1220 S. ST. FRANCIS DR., SANTA FE, NM 87505

State of New Mexico

Energy, Minerals and Natural Resources Department

OIL CONSERVATION DIVISION
1220 SOUTH ST. FRANCIS DR.
Santa Fe, New Mexico 87505

Form C-102
Revised October 12, 2005
Submit to Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies

WELL LOCATION AND ACREAGE DEDICATION PLAT

AMENDED REPORT

API Number	Pool Code	Pool Name
Property Code	Property Name GL ERWIN B FEDERAL NCT 2	
OGRID No.	Operator Name CHEVRON U.S.A. INC.	
		Well Number 13
		Elevation 3159'

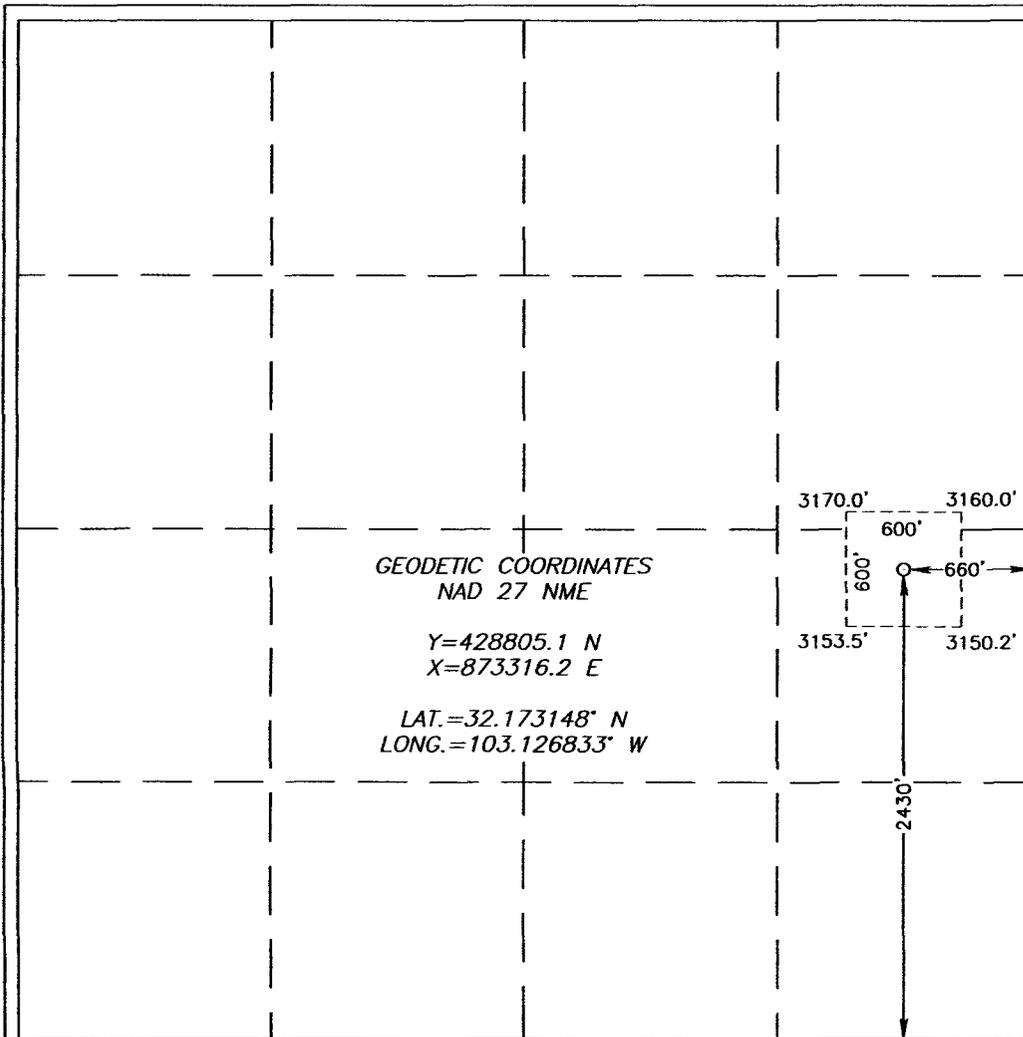
Surface Location

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
1	35	24-S	37-E		2430	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.			

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 herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.

Signature _____ Date _____

Printed Name _____

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.

FEBRUARY 8, 2007

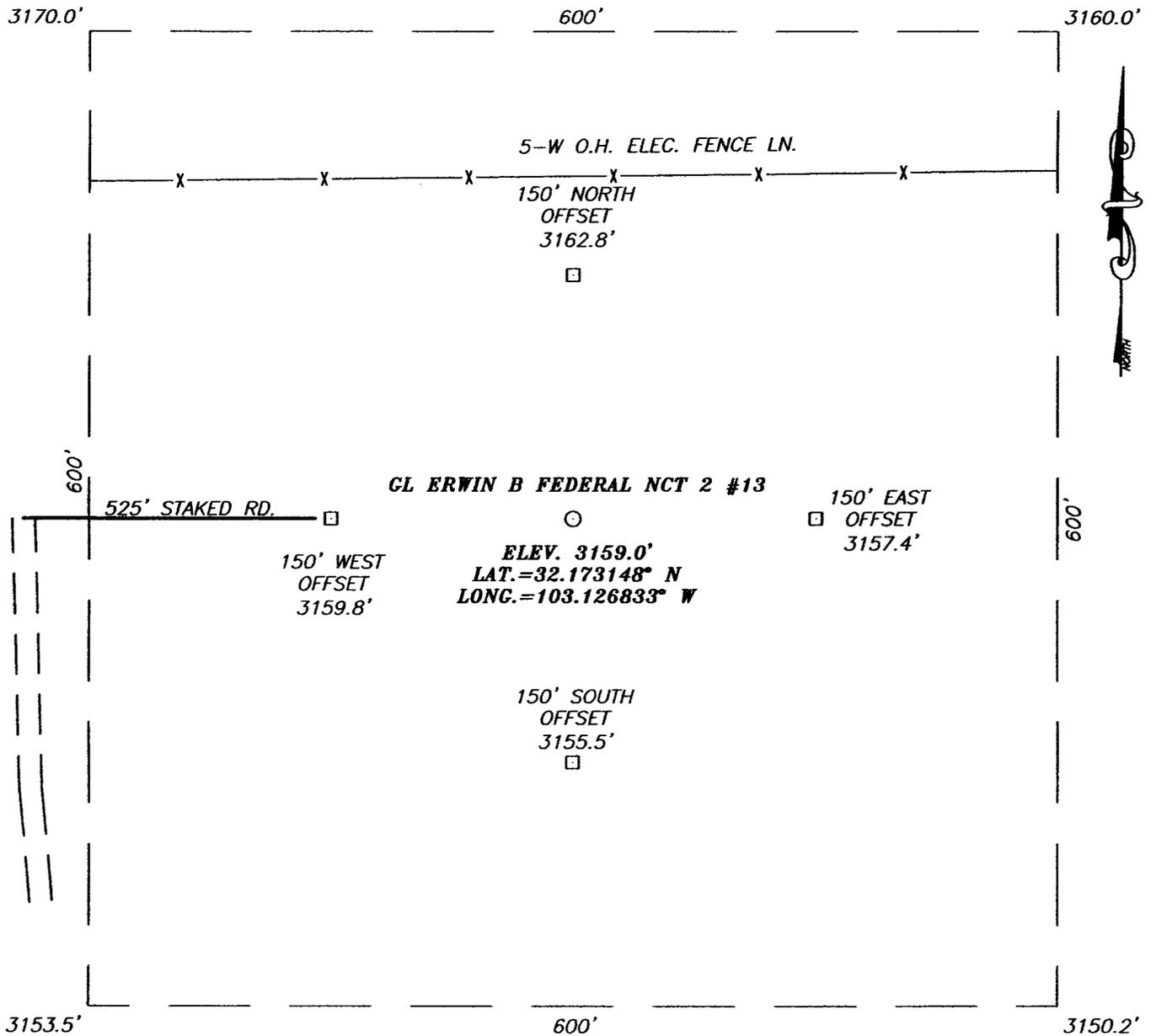
Date Surveyed _____ AR

Signature & Seal of Professional Surveyor

Ronald J. Eidson 02/14/07
07.11.0176

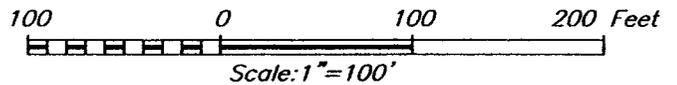
Certificate No. GARY EIDSON 12641
RONALD J. EIDSON 3239

SECTION 35, TOWNSHIP 24 SOUTH, RANGE 37 EAST, N.M.P.M.,
 LEA COUNTY, NEW MEXICO



DIRECTIONS TO LOCATION

FROM THE INTERSECTION OF ST. HWY. 18 AND ST. HWY. 128 IN JAL, N.M., GO EAST ON ST. HWY 128 APPROX. 2.9 MILES. TURN LEFT ON CO. RD. #113 (WILLIS RD.) AND GO NORTH APPROX. 2.9 MILES. TURN RIGHT AND GO EAST APPROX. 0.8 MILES. TURN LEFT AND GO NORTHWEST APPROX. 0.3 MILES. TURN RIGHT AND GO EAST APPROX. 0.1 MILE. TURN LEFT AND GO NORTH APPROX. 0.5 MILES. TO EXISTING ERWIN B NCT 2 #10. FOLLOW STAKED ROAD EAST APPROX. 525 FEET TO THIS LOCATION.



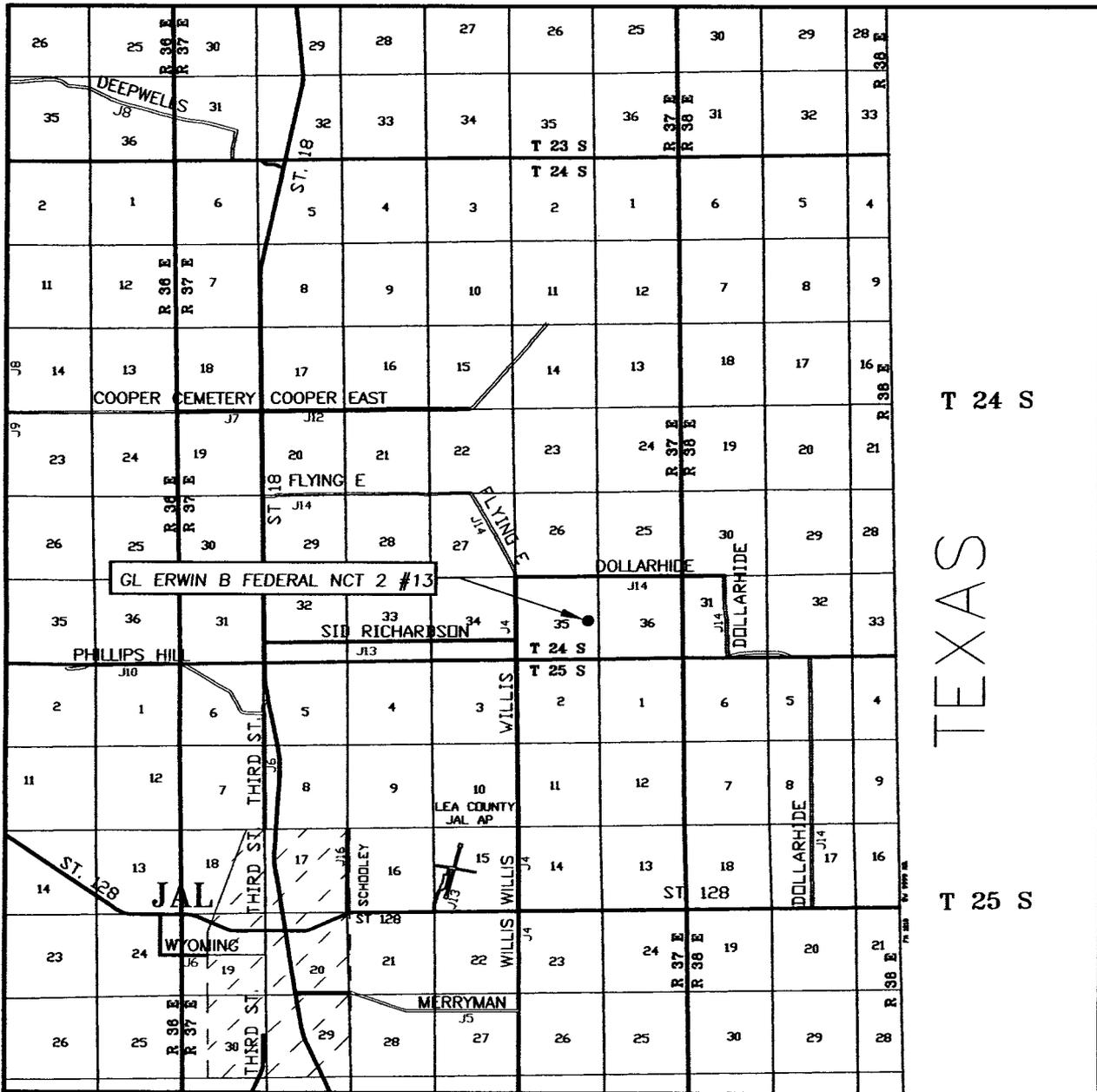
PROVIDING SURVEYING SERVICES
 SINCE 1946
JOHN WEST SURVEYING COMPANY
 412 N. DAL PASO
 HOBBS, N.M. 88240
 (505) 393-3117

CHEVRON U.S.A. INC.

GL ERWIN B FEDERAL NCT 2 #13
 LOCATED 24.30 FEET FROM THE SOUTH LINE
 AND 660 FEET FROM THE EAST LINE OF SECTION 35,
 TOWNSHIP 24 SOUTH, RANGE 37 EAST, N.M.P.M.,
 LEA COUNTY, NEW MEXICO.

Survey Date: 02/08/07	Sheet 1 of 1 Sheets
W.O. Number: 07.11.0176	Dr By: AR
Date: 02/12/07	Rev 1:
Disk:	07110176
	Scale: 1"=100'

VICINITY MAP



T 24 S
 TEXAS
 T 25 S

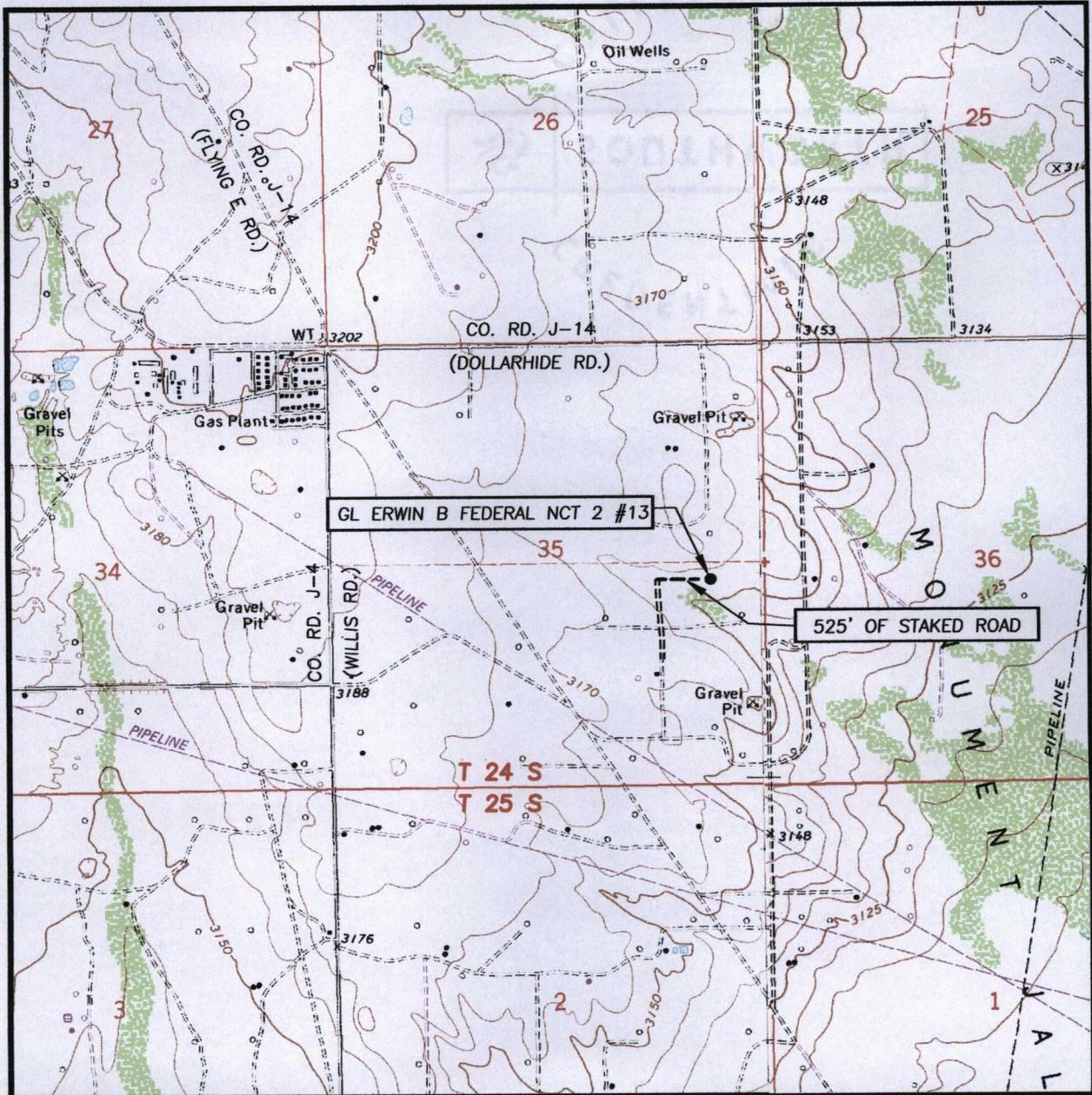
SCALE: 1" = 2 MILES

SEC. 35 TWP. 24-S RGE. 37-E
 SURVEY N.M.P.M.
 COUNTY LEA STATE NEW MEXICO
 DESCRIPTION 2430' FSL & 660' FEL
 ELEVATION 3159'
 OPERATOR CHEVRON U.S.A. INC.
 LEASE GL ERWIN B FEDERAL NCT 2



PROVIDING SURVEYING SERVICES
SINCE 1946
JOHN WEST SURVEYING COMPANY
 412 N. DAL PASO
 HOBBS, N.M. 88240
 (505) 393-3117

LOCATION VERIFICATION MAP



SCALE: 1" = 2000'

CONTOUR INTERVAL:
 JAL N.W., N.M. - 10'
 JAL N.E., N.M. - 5'

SEC. 35 TWP. 24-S RGE. 37-E

SURVEY N.M.P.M.

COUNTY LEA STATE NEW MEXICO

DESCRIPTION 2430' FSL & 660' FEL

ELEVATION 3159'

OPERATOR CHEVRON U.S.A. INC.

LEASE GL ERWIN B FEDERAL NCT 2

U.S.G.S. TOPOGRAPHIC MAP

JAL N.W., N.M.



PROVIDING SURVEYING SERVICES
 SINCE 1946
JOHN WEST SURVEYING COMPANY
 412 N. DAL PASO
 HOBBS, N.M. 88240
 (505) 393-3117

District I
1625 N. French Dr., Hobbs, NM 88240

District II
1301 W. Grand Avenue, Artesia, NM 88210

District III
1000 Rio Brazos Rd., Aztec, NM 87410

District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico
Energy, Minerals & Natural Resources Department
OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
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Revised October 12, 2005
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AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number		² Pool Code 37240		³ Pool Name Langlie-Mattix	
⁴ Property Code		⁵ Property Name G. L. Erwin B NCT-2			⁶ Well Number 13
⁷ OGRID No.		⁸ Operator Name Chevron U.S.A. Inc.			⁹ Elevation 3159

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
I	35	24S	37E		2430	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 Dedicated Acres 40		¹³ Joint or Infill		¹⁴ Consolidation Code		¹⁵ Order No.			

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.

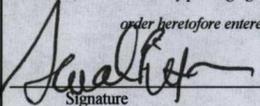
¹⁶ C.C. Fristoe A Lease C.C. Fristoe B Lease	14 ● 4 ●	¹⁷ OPERATOR CERTIFICATION <i>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.</i>  Signature 4/30/07 Date Sarah C. Rittenhouse Printed Name
G.L. Erwin A Lease	3 5 G.L. Erwin B Lease 12 ●	13 ● 660' 2430' 1 ●
G.L. Erwin C Lease	7 ●	

EXHIBIT 3

ENGINEERING AND GEOLOGICAL JUSTIFICATION

Application of Chevron U.S.A. Inc. for Administrative Approval of a Non-Standard Oil Well Location:

G.L. Erwin B NCT-2 #13

2430' FSL & 660' FEL

Section 35, T24S, R37E, Unit Letter I

Lea County, New Mexico

PRIMARY OBJECTIVE: QUEEN / SEVEN RIVERS / GRAYBURG

SUPPORTING DATA:

1. Chevron U.S.A. Inc. (Chevron) is the operator of the proposed G. L. Erwin B NCT-2 #13 well (Exhibit 2). The proposed total depth is 4000' in the top of the San Andres formation.
2. The completion will be in the Langlie-Mattix Oil Pool and the proposed location encroaches toward the following wells (Exhibit 2).

Operator	Well	API #	Location	Pool	Cum Prod		Current Prod		Status
					MBO	MMCF	BOPD	MCFPD	
Chevron	CC Fristoe B NCT2 #5	3002511370	35-C	Langlie- Mattix	26	118			P&A

3. The proposed G.L. Erwin #13 non-standard Langlie-Mattix Oil Pool location is based on the BLM's request to move the location. The BLM has requested Chevron to move the well location out of a localized playa. The move would protect the local water drainage and wildlife habitat located in the legal standard location for this 40 acre proration unit [unit letter I, NE/4 SE/4 Section 35].
4. The E/2 NW/4 and NE/4 of Section 35 is covered by a single fee lease which has common royalty and working interest ownerships. Chevron is the operator and 100% working interest owner of the Langlie-Mattix Pool interval toward which the proposed well will encroach. Therefore, there are no offset interest owners or adversely affected parties to notify of this application.
5. The proposed G. L. Erwin B Federal NCT-2 #13 will have the 40-acre proration unit described as the unit letter I, NE/4 SE/4, Section 35, T24S-R37E within the Langlie-Mattix Oil Pool.
6. Approval of this application will allow for the recovery of oil and gas reserves which would not otherwise be recovered.

NOTIFICATION LIST

Application of Chevron U.S.A. Inc. for Administrative Approval of a Non-Standard Oil Well Location:

G.L. Erwin B NCT-2 #13
2430' FSL & 660' FEL
Section 35, T24S, R37E, Unit Letter I
Lea County, New Mexico

Offset Operators, Working Interest Owners, T24S-R37E SE/4 Section 35:

1. Chevron U.S.A. Inc. Operator/100% WI Federal Lease # NMLC 0057509
11111 S. Wilcrest GL Erwin B Lease
Houston, TX 77099

Offset Operators, Working Interest Owners, NE NW & NW/4 Section 35:

1. Chevron U.S.A. Inc. Operator/100% WI Federal Lease # NMNM 014218
11111 S. Wilcrest CC Fristoe B Lease
Houston, TX 77099