

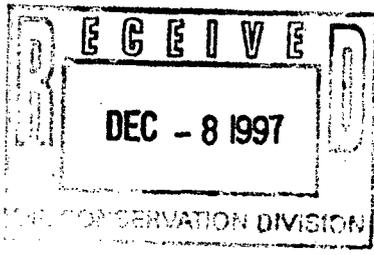
NSL(SD) 12/29/97



December 4, 1997

Administrative Application For
Non-Standard Gas Well Location
And Simultaneous Dedication
Eumont Yates 7Rvrs Qn (Pro Gas) Pool
H. T. Mattern (NCT-E) #16
1670' FSL and 685' FWL
Section 1, T-22-S, R-36-E
Lea County, New Mexico

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



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

Attn.: Mr. William J. LeMay -- Director

Gentlemen:

Chevron U.S.A. Inc. respectfully requests your approval of this administrative application for a Non-Standard Gas Well Location and Simultaneous Dedication in the Eumont Yates 7 Rvrs Qn (Pro Gas) Pool.

Chevron will drill the **H. T. Mattern (NCT-E) #16** in the Eumont Yates 7 Rvrs Qn (Pro Gas) Pool at the beginning of 1998. We are requesting NMOCD approval for a Non-Standard Gas well location. The location chosen for the subject well was controlled by surface obstructions (flow lines, primary power lines, and other non-movable equipment). It is also our desire to simultaneously dedicate the 440-acre Eumont Gas Proration Unit currently assigned to our H. T. Mattern (NCT-E) #3, #10, #11, and #13 to all five wells. The 440-acre gas proration unit comprises the SW/4 of Section 1, T-22-S, R-36-E, and NE/4, N/2 NW/4, SE/4 NW/4 of Section 12, T-22-S, R-36-E, Lea County, New Mexico. As the H. T. Mattern (NCT-E) #3, #10, #11, and #13 are producing at a combined current rate of 1,200 MCF/D, the completion of Well #16 will essentially capture reserves which otherwise would not be produced from this GPU.

Chevron respectfully requests your approval of this administrative application for simultaneous dedication. Attached is a history of the subject GPU, a vicinity map and a Form C-102 plat. A copy of this letter and attachments are being furnished by Certified Mail to offset operators as their notice of this application.

If you have any questions or require any further information concerning this application, please contact me at (915) 687-7347.

Yours very truly,

J. H. Saenz
Petroleum Engineer

Attachments
cc: NMOCD -- Hobbs, NM
J. K. Ripley
N. V. Mouser

D. K. Beckham
J. B. Wilkinson
Central Files - Lease/Well Files





Chevron

December 4, 1997

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1670' FSL and 685' FWL
Section 1, T-22-S, R-36-E
Lea County, New Mexico**

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

**Clayton Williams Energy Incorporated
6 Desta Drive, Ste. 3000
Midland, Texas 79705**

Gentlemen:

Attached is a copy of Chevron's administrative application for NMOCD approval of an Unorthodox Gas Well Location and Simultaneous Dedication in the Eumont Yates 7 Rvrs Qn (Pro Gas) Pool.

Chevron is planning to complete the **H. T. Mattern (NCT-E) #16** in the Eumont Yates 7 Rvrs Qn (Pro Gas) Pool. We are requesting NMOCD approval for a Non-Standard Gas well location. It is also our desire to simultaneously dedicate the 440-acre Eumont Gas Proration Unit currently assigned to our H. T. Mattern (NCT-E) #3, #10, #11, and #13 to all five wells.

If you have any questions or require any further information concerning this application, please contact me at (915) 687-7347.

Yours very truly,

**J. H. Saenz,
Petroleum Engineer**

Attachments

cc: NMOCD -- Hobbs, NM
J. K. Ripley
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1670' FSL and 685' FWL
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Lea County, New Mexico

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

Arco Permian
P. O. Box 1089
Eunice, NM 88231-1089

Gentlemen:

Attached is a copy of Chevron's administrative application for NMOCD approval of an Unorthodox Gas Well Location and Simultaneous Dedication in the Eumont Yates 7 Rvrs Qn (Pro Gas) Pool.

Chevron is planning to complete the **H. T. Mattern (NCT-E) #16** in the Eumont Yates 7 Rvrs Qn (Pro Gas) Pool. We are requesting NMOCD approval for a Non-Standard Gas well location. It is also our desire to simultaneously dedicate the 440-acre Eumont Gas Proration Unit currently assigned to our H. T. Mattern (NCT-E) #3, #10, #11, and #13 to all five wells.

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J. H. Saenz
Petroleum Engineer

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N. V. Mouser

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1670' FSL and 685' FWL
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Lea County, New Mexico**

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

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

Gentlemen:

Attached is a copy of Chevron's administrative application for NMOCD approval of an Unorthodox Gas Well Location and Simultaneous Dedication in the Eumont Yates 7 Rvrs Qn (Pro Gas) Pool.

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If you have any questions or require any further information concerning this application, please contact me at (915) 687-7347.

Yours very truly,


J. H. Saenz
Petroleum Engineer

Attachments

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1670' FSL and 685' FWL
Section 1, T-22-S, R-36-E
Lea County, New Mexico

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

Marathon
Box 552
Midland, Texas 79702

Gentlemen:

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

**Burlington Resources
801 Cherry St., Ste. 200
Ft. Worth, TX 76102-6842**

Gentlemen:

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J. H. Saenz
Petroleum Engineer

Attachments

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J. K. Ripley
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December 4, 1997



Chevron

Administrative Application For
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Eumont Yates 7Rvrs Qn (Pro Gas) Pool
H. T. Mattern (NCT-E) #16
1670' FSL and 685' FWL
Section 1, T-22-S, R-36-E
Lea County, New Mexico

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

Oxy USA
P. O. Box 50250
Midland, Texas 79710

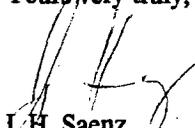
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If you have any questions or require any further information concerning this application, please contact me at (915) 687-7347.

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J. H. Saenz
Petroleum Engineer

Attachments

cc: NMOCD -- Hobbs, NM
J. K. Ripley
N. V. Mouser

D. K. Beckham
J. B. Wilkinson
Central Files - Lease/Well Files

OFFSET OPERATORS

Arco Permian
P. O. Box 1089
Eunice, NM 88231-1089

Burlington Resources
801 Cherry St., Ste. 200
Ft. Worth, TX 76102-6842

Clayton Williams Energy Incorporated
6 Desta Drive, Ste. 3000
Midland, Texas 79705

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

Marathon
Box 552
Midland, Texas 79702

Oxy USA
P. O. Box 50250
Midland, Texas 79710

DISTRICT I
P.O. Box 1980, Hobbs, NM 88241-1980

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 DD, Artesia, NM 88211-0719

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

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

OIL CONSERVATION DIVISION

P.O. Box 2088

Santa Fe, New Mexico 87504-2088

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number	Pool Code	Pool Name
Property Code	Property Name H.T. MATTERN NCT-E	Well Number 16
OGRID No.	Operator Name CHEVRON U.S.A. PRODUCTION COMPANY	Elevation 3518'

Surface Location

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
L	1	22 S	36 E		1670	SOUTH	685	WEST	LEA

Bottom Hole Location If Different From Surface

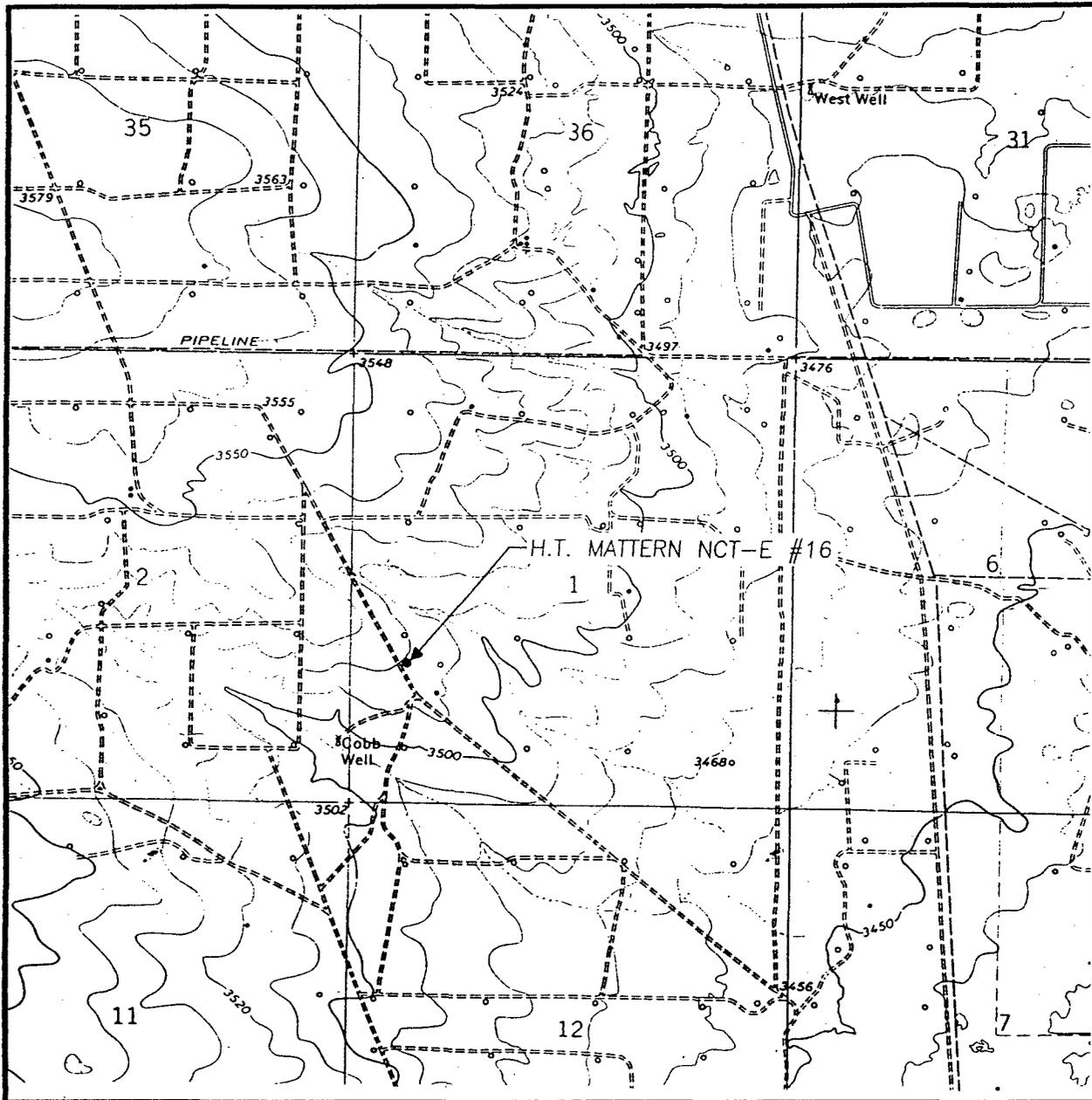
UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County

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

	<p>OPERATOR CERTIFICATION</p> <p><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>SURVEYOR CERTIFICATION</p> <p><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>NOVEMBER 26, 1997</p>		
<p>Date Surveyed _____ CDG</p>		
<p>Signature & Seal of Professional Surveyor _____</p>		
<p><i>Ronald J. Eidson</i> 11-28-97</p>		
<p>97-11-1913</p>		
<p>Certificate No. JOHN W. WEST 676 RONALD J. EIDSON 3239 GARY EIDSON 12641</p>		

LOCATION VERIFICATION MAP



SCALE: 1" = 2000'

CONTOUR INTERVAL
EUNICE - 10'

SEC. 1 TWP. 22-S RGE. 36-E

SURVEY N.M.P.M.

COUNTY EDDY

DESCRIPTION 1670' FSL & 685' FWL

ELEVATION 3518'

OPERATOR CHEVRON U.S.A. PRODUCTION COMPANY

LEASE H.T. MATTERN NCT-E

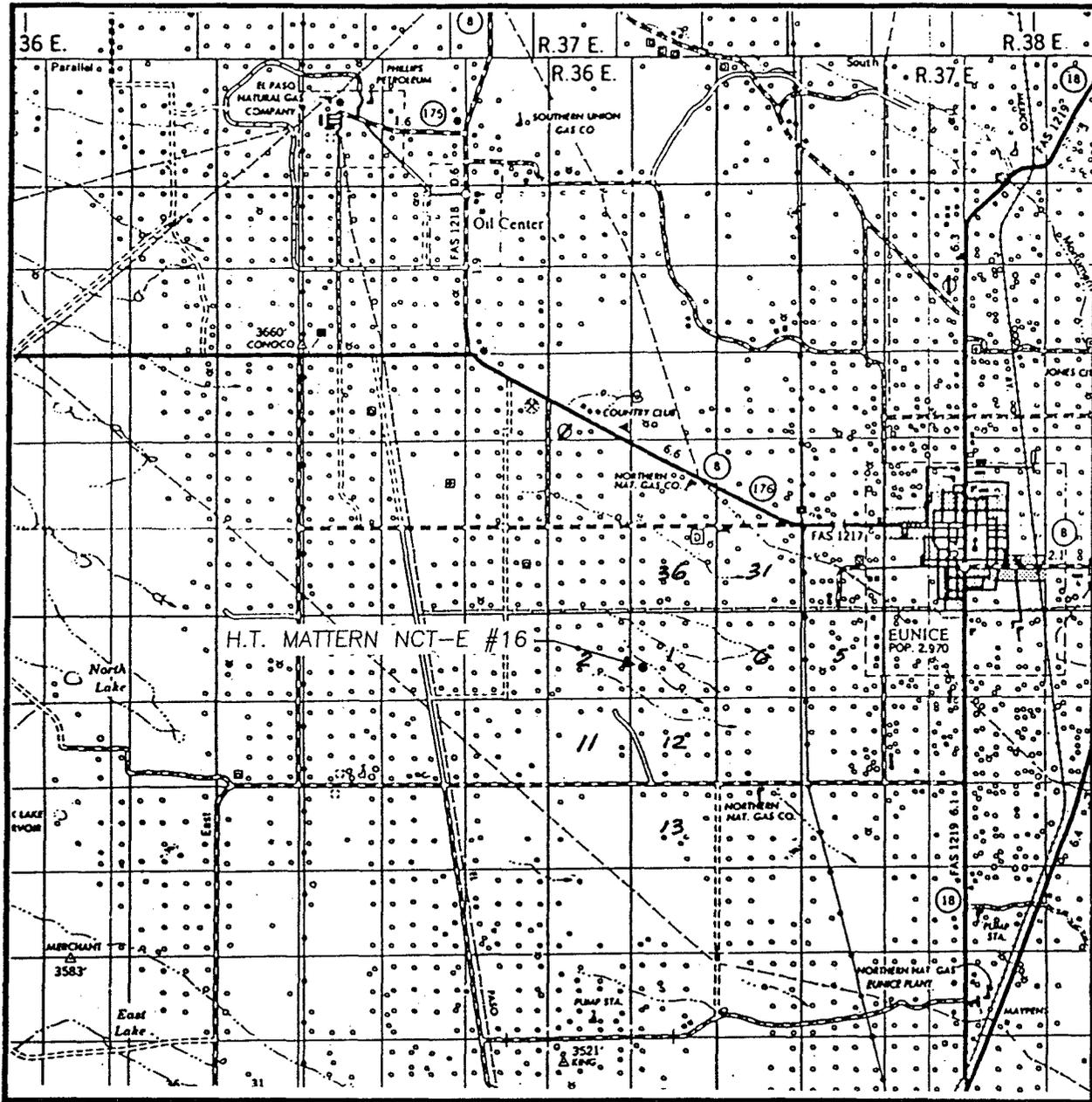
U.S.G.S. TOPOGRAPHIC MAP

EUNICE, NM

**JOHN WEST ENGINEERING
HOBBS, NEW MEXICO**

(505) 393-3117

VICINITY MAP



SCALE: 1" = 2 MILES

SEC. 1 TWP. 22-S RGE. 36-E

SURVEY N.M.P.M.

COUNTY EDDY

DESCRIPTION 1670' FSL & 685' FWL

ELEVATION 3518'

OPERATOR CHEVRON U.S.A. PRODUCTION COMPANY

LEASE H.T. MATTERN NCT-E

**JOHN WEST ENGINEERING
HOBBS, NEW MEXICO**

(505) 393-3117

History
H. T. Mattem (NCT-E) Eumont Gas Proration Unit
Section 1 and 12, T22S, R36E, Lea County, New Mexico

November 13, 1957 - Order R-1084 established 480 acre Non Standard Gas Proration Unit (GPU) consisting of SW/4 of section 1 and N/2 of section 12, T-22-S, R-36-E. H. T. Mattem (NCT-E) # 10 was dedicated to the GPU at his time.

November 10, 1969 - Order R-1084-A simultaneously dedicated H. T. Mattem (NCT-E) # 11 to the GPU.

May 23, 1991 - Order R-1084-B deleted the SW/4 NW/4 of section 12 from GPU making it a 440 acre GPU for H. T. Mattem (NCT-E) # 15 Eumont Oil well.

November 4, 1991 - Order R-1084-C delete the NW/4 NW/4 of section 12 from GPU making it a 400 acre GPU for H. T. Mattem (NCT-E) # 3 Eumont Oil well.

September 11, 1992 - Order NSL-3154(SD) approved the nonstandard location and simultaneously dedicated H. T. Mattem (NCT-E) # 13 to the GPU.

November 20, 1997 - Order R-1084-D making a 440 acre GPU, approval for a nonstandard location H. T. Mattem (NCT-E) # 3, and to simultaneously dedicate H. T. Mattem (NCT-E) # 3, # 10, and # 13 to the GPU.

Well Information

Well	Section	unit	API #	Status
H. T. Mattem (NCT-E) # 3	12	D	30-025-08880	Producing
H. T. Mattem (NCT-E) # 10	1	N	30-025-08730	Producing
H. T. Mattem (NCT-E) # 11	12	B	30-025-08887	P&A
H. T. Mattem (NCT-E) # 13	12	H	30-025-08889	Producing
H. T. Mattem (NCT-E) # 15	12	E	30-025-31032	Producing
H. T. Mattem (NCT-E) # 16	1	L		New Drill

BEFORE THE OIL CONSERVATION COMMISSION
OF THE STATE OF NEW MEXICO

IN THE MATTER OF THE HEARING
CALLED BY THE OIL CONSERVATION
COMMISSION OF THE STATE OF NEW
MEXICO FOR THE PURPOSE OF
CONSIDERING:

CASE NO. 1335
Order No. R-1084

APPLICATION OF GULF OIL CORPORATION
FOR APPROVAL OF A 480-ACRE NON-STANDARD
GAS PRORATION UNIT IN THE EUMONT GAS
POOL, LEA COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 o'clock a.m. on October 24, 1957, at Santa Fe, New Mexico, before Daniel S. Nutter, Examiner duly appointed by the New Mexico Oil Conservation Commission, hereinafter referred to as the "Commission," in accordance with Rule 1214 of the Commission Rules and Regulations.

NOW, on this 13th. day of November, 1957, the Commission, a quorum being present, having considered the application, the evidence adduced and the recommendations of the Examiner, Daniel S. Nutter, and being fully advised in the premises,

FINDS:

(1) That due public notice having been given as required by law, the Commission has jurisdiction of this cause and the subject matter thereof.

(2) That the applicant is the owner and operator of an oil and gas lease covering the SW/4 of Section 1 and the N/2 of Section 12, all in Township 22 South, Range 36 East, NMPM, Lea County, New Mexico.

(3) That the applicant is the owner and operator of the H. T. Mattern "E" Well No. 10 located 660 feet from the South line and 1980 feet from the West line of said Section 1.

(4) That applicant proposes to establish a 480-acre non-standard gas proration unit in the Eumont Gas Pool consisting of the above-described acreage to be dedicated to the said H. T. Mattern "E" Well No. 10.

(5) That approval of the subject application will not cause waste nor impair correlative rights.

(6) That subject application should be approved.

IT IS THEREFORE ORDERED:

(1) That a 480-acre non-standard gas proration unit in the Eumor Gas Pool consisting of the SW/4 of Section 1 and the N/2 of Section 12, all in Township 22 South, Range 36 East, NMPM, Lea County, New Mexico, be and the same is hereby established. Said unit is to be dedicated to the applicant's H. T. Mattern "E" Well No. 10, located 660 feet from the Sout line and 1980 feet from the West line of said Section 1.

(2) That the said H. T. Mattern "E" Well No. 10, be granted an allowable in the proportion that the acreage in the above-described units bears to the acreage in a standard gas proration unit for the Eumont Gas Pool subject to the provisions of Rule 8 of the Special Rules and Regulations for the Eumont Gas Pool as set forth in Order No. R-520.

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

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION

EDWIN L. MECHEM, Chairman

MURRAY E. MORGAN, Member

A. L. PORTER, Jr., Member & Secretary

S E A L

ir/

BEFORE THE OIL CONSERVATION COMMISSION
OF THE STATE OF NEW MEXICO

IN THE MATTER OF THE HEARING
CALLED BY THE OIL CONSERVATION
COMMISSION OF NEW MEXICO FOR
THE PURPOSE OF CONSIDERING:

CASE No. 4244
Order No. R-1084-A

APPLICATION OF GULF OIL CORPORATION
FOR AN AMENDMENT TO ORDER NO. R-1084,
LEA COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on November 5, 1969,
at Santa Fe, New Mexico, before Examiner Elvis A. Utz.

NOW, on this 10th day of November, 1969, the Commission, a
quorum being present, having considered the testimony, the record,
and the recommendations of the Examiner, and being fully advised
in the premises,

FINDS:

(1) That due public notice having been given as required by
law, the Commission has jurisdiction of this cause and the subject
matter thereof.

(2) That the applicant, Gulf Oil Corporation, is the owner
and operator of an oil and gas lease covering the SW/4 of Section
1 and the N/2 of Section 12, all in Township 22 South, Range 36
East, NMPM, Lea County, New Mexico.

(3) That by Order No. R-1084, dated November 13, 1957, the
Commission approved a 480-acre non-standard gas proration unit
in the Eumont Gas Pool comprising the acreage in said lease
to be dedicated to the applicant's H. T. Mattern "E" Well No. 10
(presently designated the H. T. Mattern (NCT-E) Well No. 10),
located 650 feet from the South line and 1980 feet from the West
line of said Section 1.

(4) That the applicant now seeks the amendment of said
Order No. R-1084 to permit the simultaneous dedication of the

non-standard gas proration unit authorized therein to the aforesaid H. T. Mattern (NCT-E) Well No. 10 and to its H. T. Mattern (NCT-E) Well No. 11, located 660 feet from the North line and 1980 feet from the East line of said Section 12.

(5) That the applicant further seeks authority to produce the allowable assigned to the unit from either of the aforesaid wells in any proportion.

(6) That the proposed non-standard gas proration unit can be efficiently and economically drained and developed by the aforesaid H. T. Mattern (NCT-E) Wells Nos. 10 and 11.

(7) That approval of the subject application will afford the applicant the opportunity to produce its just and equitable share of the gas in the Eumont Gas Pool, will prevent the economic loss caused by the drilling of unnecessary wells, will avoid the augmentation of risk arising from the drilling of an excessive number of wells, and will otherwise prevent waste and protect correlative rights.

(8) That Order No. R-1084 should be superseded.

IT IS THEREFORE ORDERED:

(1) That, effective December 1, 1969, a 480-acre non-standard gas proration unit in the Eumont Gas Pool comprising the SW/4 of Section 1 and the N/2 of Section 12, all in Township 22 South, Range 36 East, NMPM, Lea County, New Mexico, is hereby established and simultaneously dedicated to the Gulf Oil Corporation H. T. Mattern (NCT-E) Well No. 10 located 660 feet from the South line and 1980 feet from the West line of Section 1, and to the Gulf Oil Corporation H. T. Mattern (NCT-E) Well No. 11, located 660 feet from the North line and 1980 feet from the East line of Section 12, both in Township 22 South, Range 36 East, NMPM, Lea County, New Mexico.

(2) That the allowable assigned to the above-described non-standard gas proration unit shall be based upon the unit size of 480 acres and that the operator may produce the allowable assigned to the unit from the subject wells in any proportion.

(3) That Order No. R-1084, dated November 13, 1957, is hereby superseded.

-3-

CASE No. 4244

Order No. R-1084-A

(4) That jurisdiction of this cause is retained for the entry of such further orders as the Commission may deem necessary.

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

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION

DAVID F. CARGO, Chairman

ALEX J. ARMIJO, Member

A. L. PORTER, Jr., Member & Secretary

S E A L

esr/

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. 10292
ORDER NO. R-1084-B

APPLICATION OF CHEVRON USA, INC.
TO AMEND DIVISION ORDER NO. R-1084-A,
LEA COUNTY, NEW MEXICO

ORDER OF THE DIVISION

BY THE DIVISION:

This cause came on for hearing at 8:15 a.m. on May 2, 1991, at Santa Fe, New Mexico, before Examiner Michael E. Stogner.

NOW, on this 23rd day of May, 1991 the Division Director, having considered the testimony, the record and the recommendations of the Examiner, and being fully advised in the premises,

FINDS THAT:

- (1) Due public notice having been given as required by law, the Division has jurisdiction of this cause and the subject matter thereof.
- (2) By Order No. R-1084-A, dated November 10, 1969, the Division authorized Gulf Oil Corporation (now Chevron USA, Inc.) a 480-acre non-standard gas spacing and proration unit in the Eumont Gas Pool comprising the SW/4 of Section 1 and the N/2 of Section 12, all in Township 22 South, Range 36 East, NMPM, Lea County, New Mexico to be simultaneously dedicated to its H.T. Mattern (NCT-E) Well Nos. 10 and 11 located in Unit N of Section 1 and Unit B of Section 12, respectively.
- (3) Said Order No. R-1084-A also assigned to the above-described non-standard gas proration unit an allowable based upon the unit size of 480 acres and that the operator could produce the assigned allowable from both wells in any proportion.

(4) At this time the applicant, Chevron USA, Inc., seeks to amend said Order No. R-1084-A by deleting from the 480-acre unit area the SW/4 NW/4 of said Section 12.

(5) Said acreage reduction is due to a recent completion of the applicant's H.T. Mattern (NCT-E) Well No. 15 located 1650 feet from the North line and 990 feet from the West line (Unit E) of said Section 12 as a Eumont Oil well in which the SW/4 NW/4 of said Section 12 is to be dedicated forming a standard 40-acre oil spacing and proration unit for said pool.

(6) Applicant has provided sufficient notice to all offset operators pursuant to Division General Rule 1207.

(7) No offset operators or interested parties appeared at the hearing in opposition to this matter.

(8) Approval of the proposed amendment to said Order No. R-1084-A will afford the applicant the right to produce its just and equitable share of the oil and gas in the subject pool, is in the best interests of conservation and will otherwise prevent waste and protect correlative rights.

(9) Said Division Order No. R-1084-A should be superseded.

IT IS THEREFORE ORDERED THAT:

(1) Effective May 1, 1991, a 440-acre non-standard gas proration unit in the Eumont Gas Pool comprising the SW/4 of Section 1 and the NE/4, N/2 NW/4 and SE/4 NW/4 of Section 12, all in Township 22 South, Range 36 East, NMPM, Lea County, New Mexico, is hereby established and simultaneously dedicated to the Chevron USA, Inc. H.T. Mattern (NCT-E) Well No. 10 located 660 feet from the South line and 1980 feet from the West line (Unit N) of said Section 1, and to the Chevron USA, Inc. H.T. Mattern (NCT-E) Well No. 11, located 660 feet from the North line and 1980 feet from the East line (Unit B) of said Section 12.

(2) The allowable assigned to the above-described non-standard gas proration unit shall be based on the unit size of 440 acres and the operator may produce the allowable assigned to the unit from the subject wells in any proportion.

(3) Division Order No. R-1084-A, dated November 10, 1969 is hereby superseded.

Case No. 10292
Order No. R-1084-B
Page No. 3

(4) Jurisdiction of this cause is retained for the entry of such further orders as the Division may deem necessary.

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

STATE OF NEW MEXICO
OIL CONSERVATION DIVISION


WILLIAM J. LEMAY
Director

SEA _

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. 10404
ORDER NO. R-1084-C

APPLICATION OF CHEVRON USA, INC.
TO AMEND DIVISION ORDER NO. R-1084-A,
LEA COUNTY, NEW MEXICO

ORDER OF THE DIVISION

BY THE DIVISION:

This cause came on for hearing at 8:15 a.m. on October 31, 1991, at Santa Fe, New Mexico, before Examiner Michael E. Stogner.

NOW, on this 4th day of November, 1991 the Division Director, having considered the testimony, the record and the recommendations of the Examiner, and being fully advised in the premises,

FINDS THAT:

- (1) Due public notice having been given as required by law, the Division has jurisdiction of this cause and the subject matter thereof.
- (2) By Order No. R-1084-A, dated November 10, 1969, the Division authorized Gulf Oil Corporation (now Chevron USA, Inc.) a 480-acre non-standard gas spacing and proration unit in the Eumont Gas Pool comprising the SW/4 of Section 1 and the N/2 of Section 12, all in Township 22 South, Range 36 East, NMPM, Lea County, New Mexico to be simultaneously dedicated to its H.T. Mattern (NCT-E) Well Nos. 10 and 11 located in Unit N of Section 1 and Unit B of Section 12, respectively.
- (3) Said Order No. R-1084-A also assigned to the above-described non-standard gas proration unit an allowable based upon the unit size of 480 acres and that the operator could produce the assigned allowable from both wells in any proportion.

(4) By Division Order No. R-1084-B, dated May 23, 1991, aforementioned Order No. R-1084-A was superseded and the Division authorized the deletion of the SW/4 NW/4 of said Section 12 from the 480-acre unit thereby forming a 440-acre non-standard gas proration unit in the Eumont Gas Pool comprising the SW/4 of Section 1 and the NE/4, N/2 NW/4 and SE/4 NW/4 of Section 12, to be simultaneously dedicated to both said H.T. Mattern (NCT-E) Well Nos. 10 and 11.

(5) At this time the applicant, Chevron USA, Inc., seeks to amend said Order No. R-1084-B by deleting from the 440-acre unit area the NW/4 NW/4 of said Section 12.

(6) Said acreage reduction is due to a recent completion of the applicant's H.T. Mattern (NCT-E) Well No. 3 located 660 feet from the North and West lines (Unit D) of said Section 12 as a Eumont Oil well in which the NW/4 NW/4 of said Section 12 is to be dedicated forming a standard 40-acre oil spacing and proration unit for said pool.

(7) Applicant has provided sufficient notice to all offset operators pursuant to Division General Rule 1207.

(8) No offset operators or interested parties appeared at the hearing in opposition to this matter.

(9) Approval of the proposed amendment to said Order No. R-1084-B will afford the applicant the right to produce its just and equitable share of the oil and gas in the subject pool, is in the best interests of conservation and will otherwise prevent waste and protect correlative rights.

(10) Said Division Order No. R-1084-B should be superseded.

IT IS THEREFORE ORDERED THAT:

(1) Effective May 1, 1991, a 400-acre non-standard gas proration unit in the Eumont Gas Pool comprising the SW/4 of Section 1 and the NE/4 and E/2 NW/4 of Section 12, all in Township 22 South, Range 36 East, NMPM, Lea County, New Mexico, is hereby established and simultaneously dedicated to the Chevron USA, Inc. H.T. Mattern (NCT-E) Well No. 10 located 660 feet from the South line and 1980 feet from the West line (Unit N) of said Section 1, and to the Chevron USA, Inc. H.T. Mattern (NCT-E) Well No. 11, located 660 feet from the North line and 1980 feet from the East line (Unit B) of said Section 12.

Case No. 10404
Order No. R-1084-C
Page No. 3

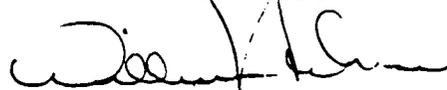
(2) The allowable assigned to the above-described non-standard gas proration unit shall be based on the unit size of 400 acres and the operator may produce the allowable assigned to the unit from the subject wells in any proportion.

(3) Division Order No. R-1084-F. dated May 23, 1991 is hereby superseded.

(4) Jurisdiction of this cause is retained for the entry of such further orders as the Division may deem necessary.

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

STATE OF NEW MEXICO
OIL CONSERVATION DIVISION



WILLIAM J. LEMAY
Director

SEAL

RECEIVED
9-21-92
AWB

STATE OF NEW MEXICO

ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION



BRUCE KING
GOVERNOR

ANITA LOCKWOOD
CABINET SECRETARY

September 11, 1992

POST OFFICE BOX 2088
STATE LAND OFFICE BUILDING
SANTA FE, NEW MEXICO 87504
(505) 827-5800

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

Attention: A.W. Bohling



Administrative Order NSL-3154(SD)

Dear Mr. Bohling:

Reference is made to your application dated July 7, 1992 for an unorthodox Eumont gas well location in an existing non-standard 400-acre gas spacing and proration unit (GPU) for said Eumont Gas Pool comprising the SW/4 of Section 1 and the NE/4 and E/2 NW/4 of Section 12, all in Township 22 South, Range 36 East, NMPM, Lea County, New Mexico. Said GPU was authorized by Division Order No. R-1084-C, dated November 4, 1991 and presently has dedicated thereon the H.T. Mattern (NCT-E) Well Nos. 10 and 11 located respectively in Unit N of said Section 1 and Unit B of said Section 12.

It is our understanding that the subject well in this application is currently completed as a producing well in the Drinkard Pool; however, said well will be plugged back to the Eumont Gas Pool upon issuance of this order.

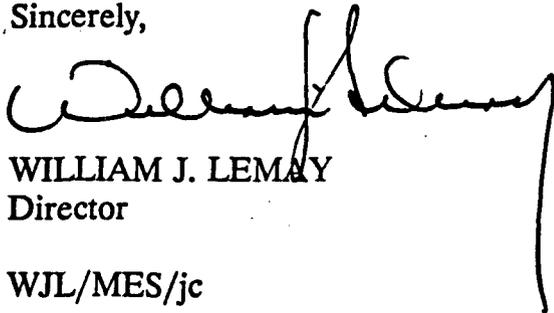
By the authority granted me under the provisions of Rule 2(c) of the Special Rules and Regulations for the Eumont Gas Pool, as promulgated by Division Order No. R-8170, as amended, the following described well located at an unorthodox gas well location is hereby approved.

H.T. Mattern (NCT-E) Well No. 13
2310' FNL - 330' FEL (Unit H) of Section 12

Chevron U.S.A. Inc.
Administrative Order NSL-3154(SD)
September 11, 1992
Page 2

Also, you are hereby authorized to simultaneously dedicate Eumont Gas production from the H.T. Mattern (NCT-E) Well Nos. 10 and 11 with the H.T. Mattern (NCT-E) Well No. 13. Furthermore, you are hereby permitted to produce the allowable assigned the subject GPU from all three wells in any proportion.

Sincerely,



WILLIAM J. LEMAY
Director

WJL/MES/jc

cc: Oil Conservation Division - Hobbs
Case File: 10404

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. 11849
ORDER NO. R-1084-D

APPLICATION OF CHEVRON U.S.A. INC. FOR AN UNORTHODOX GAS WELL
LOCATION, SIMULTANEOUS DEDICATION, AND TO REINSTATE DIVISION ORDER
NO. R-1084-B, LEA COUNTY, NEW MEXICO,

ORDER OF THE DIVISION

BY THE DIVISION:

This cause came on for hearing at 8:15 a.m. on September 4, 1997 and on October 23, 1997, at Santa Fe, New Mexico, before Examiners David R. Catanach and Michael E. Stogner, respectively.

NOW, on this 20th day of November, 1997 the Division Director, having considered the testimony, the record and the recommendations of the Examiner, and being fully advised in the premises,

FINDS THAT:

- (1) Due public notice having been given as required by law, the Division has jurisdiction of this cause and the subject matter thereof.
- (2) By Order No. R-1084, issued in Case 1335 and dated November 13, 1957, the Division authorized Gulf Oil Corporation (now Chevron U.S.A., Inc.) a 480-acre non-standard gas spacing and proration unit in the Eumont Gas Pool ("GPU") comprising the SW/4 of Section 1 and the N/2 of Section 12, all in Township 22 South, Range 36 East, NMPM, Lea County, New Mexico, to be dedicated to its H.T. Mattern (NCT-E) Well No. 10 (API No. 30-025-08730), located 660 feet from the South line and 1980 feet from the West line (Unit N) of said Section 1.
- (3) By Order No. R-1084-A, issued in Case 4244, dated November 10, 1969, and made effective December 1, 1969, the Division amended said Order No. R-1084 to permit the simultaneous dedication of said 480-acre GPU to the above-described H.T. Mattern (NCT-E) Well No. 10 and to the H.T. Mattern (NCT-E) Well No. 11 (API No. 30-025-08887), located 660 feet from the North line and 1980 feet from the East line (Unit B) of said Section 12. Said Order No. R-1084-A also allowed the operator to produce the assigned allowable for said 480-acre GPU from both wells in any proportion.

(4) By Division Order No. R-1084-B, issued in Case 10292 and dated May 23, 1991, aforementioned Order No. R-1084-A was superseded and the Division authorized the deletion of the SW/4 NW/4 of said Section 12 from the 480-acre unit thereby forming a 440-acre non-standard gas proration unit in the Eumont Gas Pool comprising the SW/4 of Section 1 and the NE/4, N/2 NW/4 and SE/4 NW/4 of Section 12, to be simultaneously dedicated to both said H.T. Mattern (NCT-E) Well Nos. 10 and 11.

(5) By Division Order No. R-1084-C, issued in Case 10404 and dated November 4, 1991, aforementioned Order No. R-1084-B was superseded and the Division authorized the deletion of the NW/4 NW/4 of said Section 12 from the 440-acre unit thereby forming a 400-acre non-standard gas proration unit in the Eumont Gas Pool comprising the SW/4 of Section 1 and the NE/4 and E/2 NW/4 of Section 12, to be simultaneously dedicated to both said H.T. Mattern (NCT-E) Well Nos. 10 and 11.

(6) By Administrative Order NSL-3154(SD), dated September 11, 1992, the Division authorized the inclusion of the H. T. Mattern (NCT-E) Well No. 13 (API No. 30-025-08889), located at an unorthodox gas well location 2310 feet from the North line and 330 feet from the East line (Unit H) of said Section 12, within the above-described 400-acre GPU. Said administrative order further allowed the operator to produce the assigned allowable for the 400-acre GPU from all three wells [H. T. Mattern (NCT-E) Well Nos. 10, 11, and 13] in any proration.

(7) At this time the applicant, Chevron U.S.A., Inc. ("Chevron"), seeks to suspend said Division Order No. R-1084-C and to now reinstate the provisions authorized in Division Order No. R-1084-B by restoring the NW/4 NW/4 (Unit D) of said Section 12 to the current 400-acre GPU thereby reinstating a 440-acre GPU in the Eumont Gas Pool that comprises the following described area in Lea County, New Mexico:

TOWNSHIP 22 SOUTH RANGE 36 EAST NMPM

Section 1: SW/4

Section 12: NE/4, N/2 NW/4, and SE/4 NW/4.

(8) Said acreage rededication is due to a recent recompletion by Chevron of its H.T. Mattern (NCT-E) Well No. 3 (API No. 30-025-08889) located 660 feet from the North and West lines (Unit D) of said Section 12. Until recently said well was completed within and producing from the Eumont Oil Pool and had dedicated thereon a standard 40-acre oil spacing and proration unit comprising the NW/4 NW/4 of said Section 12. Pursuant to Rule 2(b)4 of the "General Rules for the Prorated Gas Pools of New Mexico/Special Rules and Regulations for the Eumont Gas Pool," the location of the H.T. Mattern (NCT-E) Well No. 3 is considered to be "unorthodox" for the proposed 440-acre GPU.

(9) Division records in Santa Fe indicate that the aforementioned H.T. Mattern (NCT-E) Well No. 11 in Unit "B" of said Section 12 was plugged and abandoned by Chevron in early 1995; therefore, this well should be deleted from any order issued in this matter.

(10) At the time Chevron's application was placed on the docket for a Division hearing of this matter, the case was styled such that in the absence of objection this case would be taken under advisement.

(11) No appearances were made in this matter at the time of the hearing.

(12) The applicant has provided sufficient notice to all offset operators pursuant to Division General Rule 1207.

(13) No offset operators or interested parties appeared at the hearing in opposition to this application.

(14) Approval of the proposed application to reestablish a 440-acre GPU in the Eumont Gas Pool comprising the SW/4 of Section 1 and the NE/4, N/2 NW/4 and SE/4 NW/4 of Section 12, all in Township 22 South, Range 36 East, NMPM, Lea County, New Mexico, which is to be simultaneously dedicated to Chevron's H.T. Mattern (NCT-E) Well Nos. 3, 10 and 13 will afford the applicant the right to produce its just and equitable share of gas in the subject pool, in the best interests of conservation, and will otherwise prevent waste and protect correlative rights.

(15) The provisions of said Division Order No. R-1084-C should be superseded by this order.

IT IS THEREFORE ORDERED THAT:

(1) Pursuant to the application of Chevron U.S.A., Inc. a 440-acre non-standard gas proration unit in the Eumont Gas Pool comprising the following described area in Lea County, New Mexico, is hereby established:

TOWNSHIP 22 SOUTH, RANGE 36 EAST, NMPM

Section 1: SW/4

Section 12: NE/4, N/2 NW/4, and SE/4 NW/4.

(2) The allowable assigned to the above-described non-standard gas spacing and proration unit shall be based on the unit size of 440 acres and the operator may produce the allowable assigned to the unit from the following described wells in any proportion:

(a) H.T. Mattern (NCT-E) Well No. 3 (API No. 30-025-08880), located at an unorthodox gas well location herein approved, 660 feet from the North and West lines (Unit D) of said Section 12.

(b) H.T. Mattern (NCT-E) Well No. 10 (API No. 30-025-08730), located 660 feet from the South line and 1980 feet from the West line (Unit N) of said Section;

(c) H. T. Mattern (NCT-E) Well No. 13 (API No. 30-025-08589), located at an unorthodox gas well location 2310 feet from the North line and 330 feet from the East line (Unit H) of said Section 12 [previously approved by Division Administrative Order NSL-3154(SD), dated September 11, 1992].

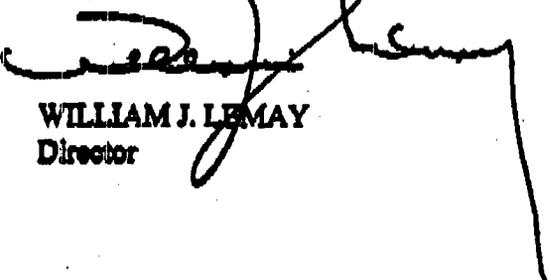
(3) All previous provisions of said Order NSL-3154(SD) not in conflict with this change shall remain in full force and effect until further notice.

(4) Division Order No. R-1084-C, dated November 4, 1991 is hereby superseded.

(5) Jurisdiction of this cause is retained for the entry of such further orders as the Division may deem necessary.

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

STATE OF NEW MEXICO
OIL CONSERVATION DIVISION



WILLIAM J. LEMAY
Director

SEAL