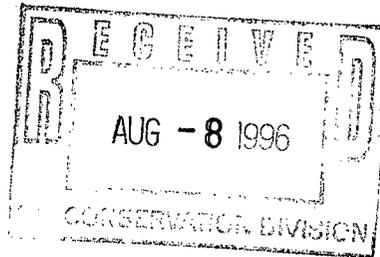


August 2, 1996



Chevron

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

**Administrative Application for
Reclassification from Oil to Gas Well,
Non-Standard Gas Proration Unit,
Standard Gas Well Location
J. N. Carson NCT-A #10
1980' FSL, 2180' FEL
Section 28, T21S, R37E
Lea County, New Mexico**

State of New Mexico
Energy, Minerals & Natural Resources Dept.
Oil Conservation Division
2040 South Pacheco
Santa Fe, New Mexico 87505

Attention: Mr. William J. LeMay - Director

Dear Mr. LeMay:

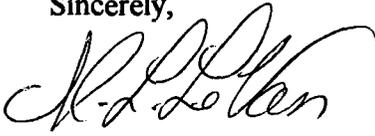
Chevron U.S.A. Inc. respectfully requests administrative approval for a reclassification of the J. N. Carson NCT-A #10 from an oil well to a gas well, creation of a non-standard 40 acre gas proration unit, and a standard gas well location.

Well No. 10 should be reclassified as a gas well, per OCD guidelines, as the GOR is higher than 50,000 to 1. This well is in an existing non-standard gas proration unit, which consists of 160 acres. Currently J. N. Carson wells #7 and #9 are simultaneously dedicated to this 160 acre proration unit. All three wells are proposed to be simultaneously dedicated to the same 160 acre proration unit.

A copy of this administrative application is being provided to our offset operators via Certified Mail. Attached is a commercial map and a Form C-102 plat illustrating the proration unit acreage and well location. Also included is a copy of the letter sent to our offset operators.

If you have any questions, or if you require further information, please contact Michelle LeVan at (915) 687-7307.

Sincerely,



M. L. LeVan
Petroleum Engineer
New Mexico Area

MLL:trk
u:\gp_nm\eunice_b\projects\carson_a\reclas10.doc

Attachments

cc: **NMOCD - Hobbs, New Mexico**
C. O. Blake
J. K. Ripley
D. K. Owen
J. A. Howard
Central Files - Lease and Well Files



Chevron

August 2, 1996

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

Administrative Application for
Reclassification from Oil to Gas Well,
Non-Standard Gas Proration Unit,
Standard Gas Well Location
J. N. Carson NCT-A #10
1980' FSL, 2180' FEL
Section 28, T21S, R37E
Lea County, New Mexico

Mobil Producing
P. O. Box 1800
Hobbs, New Mexico 88240

Gentlemen:

Attached is a copy of an administrative application for NMOCD approval for a reclassification of the J. N. Carson NCT-A #10 from an oil well to a gas well, creation of a non-standard 40 acre gas proration unit, and a standard gas well location.

The GOR of the No. 10 has increased above the 50,000 to 1 limit for oil wells in the Blinebry field. With this change, a standard well location and non-standard 160 acre gas proration unit is proposed.

If you have any questions about the application, please contact Michelle L. LeVan at (915) 687-7307.

Sincerely,

M. L. LeVan
Petroleum Engineer
New Mexico Area

MLL:trk
u:\gp_nm\leunice_b\projects\carson_a\reclas10.doc

Attachments

cc: Central Files - Lease and Well Files

District I
PO Box 1988, Hobbs, NM 88241-1988
District II
PO Drawer DD, Artesia, NM 88211-8719
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 30-025-06816	Pool Code 06660	Pool Name Blinbery Oil + Gas
Property Code 2593	Property Name J. N. Carson NCT-A	Well Number 10
OGRID No. 4323	Operator Name Chevron U.S.A. Inc.	Elevation 3442'

¹⁰ Surface Location

UL or lot no.	Section	Township	Range	Lot Ida	Feet from the	North/South line	Feet from the	East/West line	County
J	28	21S	37E		1980	S	2180	E	Lea

¹¹ Bottom Hole Location If Different From Surface

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

¹² Ductile 160	¹³ Acres	¹⁴ Joint or Infill	¹⁵ Consolidation Code	¹⁶ 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

<p>16</p>	<p>17 OPERATOR CERTIFICATION</p> <p>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.</p> <p>Signature: <u>Tanya Kerley</u></p> <p>Printed Name: <u>Tanya Kerley</u></p> <p>Title: <u>Office Assistant</u></p> <p>Date: <u>8/2/96</u></p>
	<p>18 SURVEYOR CERTIFICATION</p> <p>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.</p> <p>Date of Survey: _____</p> <p>Signature and Seal of Professional Surveyor: _____</p> <p>Certificate Number: _____</p>

District I
PO Box 1988, Hobbs, NM 88241-1988
District II
PO Drawer DD, Artesia, NM 88211-8719
District III
1000 Rio Brazos Rd., Aztec, NM 87418
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 30-025-06973		Pool Code 06660	Pool Name Blinberry Oil + Gas
Property Code 2593	Property Name J.N. Carson NCT-A		Well Number 7
OGRID No. 4323	Operator Name Chevron U.S.A.		Elevation 3459'

10 Surface Location

UL or lot no.	Section	Township	Range	Lot Ida	Feet from the	North/South line	Feet from the	East/West line	County
B	33	21S	37E		810'	N	2180'	E	Lea

11 Bottom Hole Location If Different From Surface

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

12 Ditch 160	13 Acres	14 Joint or Infill	15 Consolidation Code	16 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			<p>17 OPERATOR CERTIFICATION</p> <p>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.</p> <p>Signature: <u>Tanya Kerley</u></p> <p>Printed Name: <u>Tanya Kerley</u></p> <p>Title: <u>Office Assistant</u></p> <p>Date: <u>8/2/96</u></p>
	<p>28</p> <p>33</p> <p>#7</p> <p>2180'</p>		

District I
PO Box 1900, Hobbs, NM 88241-1900
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 30-025-06850	Pool Code 06660	Pool Name Blinebry Oil + Gas
Property Code 2593	Property Name J. N. Carson NCT-A	Well Number 9
GRID No. 4323	Operator Name Chevron U.S.A.	Elevation 3450'

10 Surface Location

UL or lot no.	Section	Township	Range	Lot Ida	Feet from the	North/South line	Feet from the	East/West line	County
K	28	21S	37E		1874	S	2086	W	Lea

11 Bottom Hole Location If Different From Surface

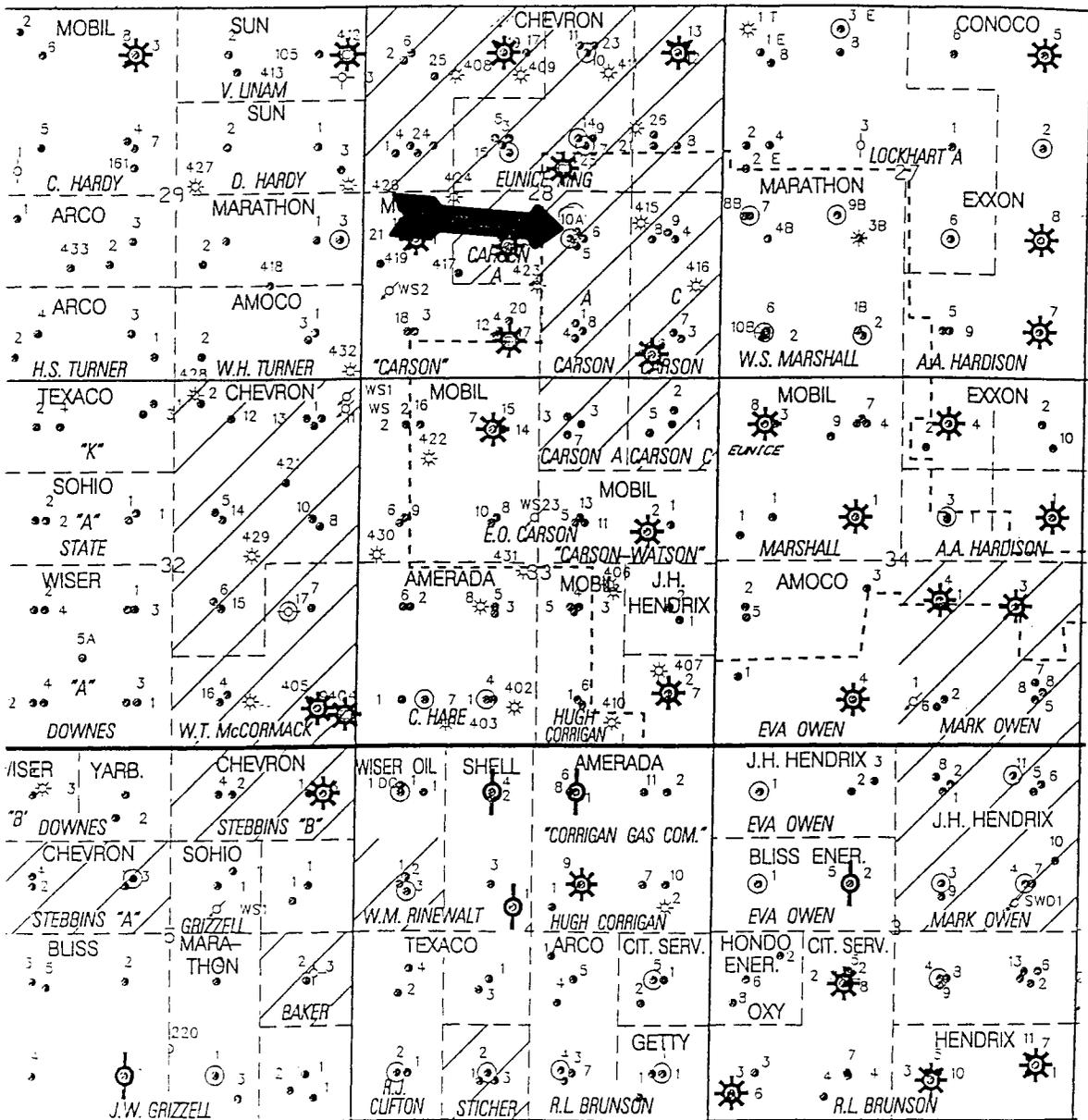
UL or lot no.	Section	Township	Range	Lot Ida	Feet from the	North/South line	Feet from the	East/West line	County

12 Duds 160	13 Acres	14 Joint or Infill	15 Consolidation Code	16 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

	<p>17 OPERATOR CERTIFICATION</p> <p>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.</p> <p><i>Tanya Kerley</i> Signature Tanya Kerley Printed Name Office Assistant Title 8/2/96 Date</p>
	<p>18 SURVEYOR CERTIFICATION</p> <p>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.</p> <p>Date of Survey Signature and Seal of Professional Surveyor:</p> <p>Certificate Number</p>

**Administrative Application for
 Reclassification from Oil to Gas Well,
 Non-Standard Gas Proration Unit,
 Standard Gas Well Location
 J. N. Carson NCT-A #10
 1980' FSL, 2180' FEL
 Section 28, T21S, R37E
 Lea County, New Mexico**



**Administrative Application for
Reclassification from Oil to Gas Well,
Non-Standard Gas Proration Unit,
Standard Gas Well Location
J. N. Carson NCT-A #10
1980' FSL, 2180' FEL
Section 28, T21S, R37E
Lea County, New Mexico**

OFFSET OPERATORS

**Mobil Producing
P. O. Box 1800
Hobbs, New Mexico 88240**

**Amerada Hess Corporation
1201 Louisiana, Ste. 700
Houston, Texas 77002**

**Amoco Production Company
P. O. Box 3092
Houston, Texas 77253-3092**

**Marathon Oil Company
Box 552
Midland, Texas 79702**

**John H. Hendrix Corporation
P. O. Box 3040
Midland, Texas 79702**

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. 5128
Order No. R-4736

APPLICATION OF GULF OIL CORPORATION
FOR A NON-STANDARD GAS PRORATION
UNIT AND SIMULTANEOUS DEDICATION,
LEA COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on February 27, 1974, at Santa Fe, New Mexico, before Examiner Daniel S. Nutter.

NOW, on this 6th day of March, 1974, 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, seeks approval for a non-standard 160-acre gas proration unit comprising the NE/4 SW/4 and W/2 SE/4 of Section 28, and the NW/4 NE/4 of Section 33, both in Township 21 South, Range 37 East, NMPM, Blinebry Oil and Gas Pool, Lea County, New Mexico.
- (3) That the applicant seeks to simultaneously dedicate to said non-standard unit its J. N. Carson Wells Nos. 4 and 9 located in Units O and K, respectively, of Section 28, with unit production to be taken from said wells in any proportion.
- (4) That the proposed non-standard gas proration unit can be efficiently and economically drained and developed by the subject wells.
- (5) That approval of the subject application will afford the applicant the opportunity to produce its just and equitable share of the gas in the Blinebry Oil and Gas Pool and will otherwise prevent waste and protect correlative rights.

IT IS THEREFORE ORDERED:

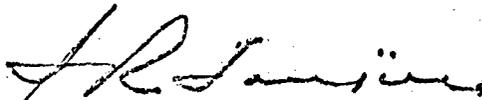
(1) That effective at 7:00 a.m. March 1, 1974, the applicant, Gulf Oil Corporation, is hereby authorized to simultaneously dedicate a non-standard 160-acre gas proration unit comprising the NE/4 SW/4 and W/2 SE/4 of Section 28, and the NW/4 NE/4 of Section 33, both in Township 21 South, Range 37 East, NMPM, Blinbry Oil and Gas Pool, Lea County, New Mexico, to its J. N. Carson Wells Nos. 4 and 9 located in Units O and K, respectively, of said Section 28 with unit production to be taken from said wells in any proportion.

(2) That the allowable assigned to the above-described gas proration unit shall be based upon the unit size of 160 acres and that the operator may produce the allowable assigned to the unit from the subject wells in any proportion.

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

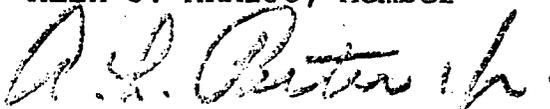
DONE at Santa Fe, New Mexico, on the day and year herein-above designated.

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION



I. R. TRUJILLO, Chairman

ALEX J. ARMIJO, Member



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

S E A L

dr/



STATE OF NEW MEXICO
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION



BRUCE KING
GOVERNOR

ANITA LOCKWOOD
CABINET SECRETARY

July 23, 1993

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

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

Attention: Lloyd V. Trautman

Administrative Order NSL-3284(SD)

Dear Mr. Trautman:

Reference is made to your application dated June 23, 1993 for an unorthodox Blinebry gas well location in an existing non-standard 160-acre gas spacing and proration unit (GPU) for said Blinebry Oil and Gas Pool comprising the NE/4 SW/4 and W/2 SE/4 of Section 28 and the NW/4 NE/4 of Section 33, both in Township 21 South, Range 37 East, NMPM, Lea County, New Mexico. Said GPU was authorized by Division Order No. R-4738, dated March 6, 1974, and had dedicated thereon both the J.N. Carson (NCT-A) Well Nos. 9 and 10 located in Units K and J, respectively, of said Section 28.

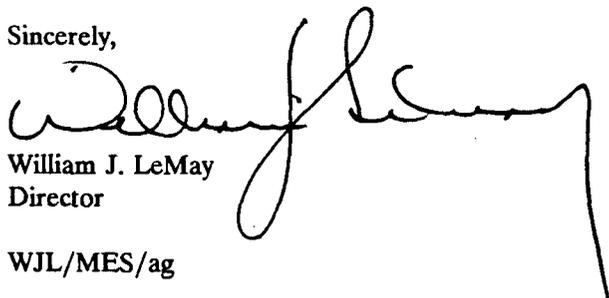
It is our understanding that the subject well in this application is currently completed in the Drinkard Pool; however, will be plugged back to the Blinebry interval as a gas well upon issuance of this order.

By authority granted me under the provisions of Rule 2(c) of the Special Rules and Regulations for the Blinebry Oil and 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:

*J.N. Carson (NCT-A) Well No. 7
810' FNL - 2180' FEL (Unit B) of said Section 33.*

Also, you are hereby authorized to simultaneously dedicate Blinebry Gas production from the J.N. Carson (NCT-A) Well No. 7 with the J.N. Carson (NCT-A) Well Nos. 9 and 10. 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/ag

cc: Oil Conservation Division - Hobbs