



NEW MEXICO ENERGY, MINERALS  
& NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION  
2040 South Pacheco Street  
Santa Fe, New Mexico 87505  
(505) 827-7131

January 20, 1998

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

*Administrative Order NSL-3935(SD)*

Dear Mr. Saenz:

Reference is made to the following: (i) Chevron U.S.A., Inc.'s ("Chevron") original application to the Division, dated December 23, 1997; (ii) the Division's initial response to said application by letter from Mr. Michael E. Stogner dated January 8, 1998; (iii) Mr. John H. Saenz's response dated January 19, 1998; and, (vi) the records of the Division in Santa Fe: all concerning Chevron's request for an unorthodox Eumont Gas well location in an existing non-standard 320-acre gas spacing and proration unit ("GPU") for the Eumont Gas Pool comprising the S/2 of Section 24, Township 21 South, Range 36 East, NMPM, Lea County, New Mexico. Said GPU was initially established by Division Administrative Order NSP-152, dated June 15, 1955, and was later reinstated by the Division on August 16, 1996.

Eumont gas production from said GPU is currently simultaneously dedicated to the:

- (1) H. T. Mattern (NCT-A) Well No. 1 (API No. 30-025-12738), located 330 feet from the South line and 2310 feet from the East line (Unit O) of said Section 24, which was "grand-fathered" in as a standard Eumont gas well location for the subject 320-acre GPU pursuant to **Rule 2(b)** of the "*General Rules for the Prorated Gas Pools of New Mexico/Special Rules and Regulations for the Eumont Gas Pool*," as promulgated by Division Order No. R-8170, dated March 28, 1986; and,
- (2) H. T. Mattern (NCT-A) Well No. 2 (API No. 30-025-04769), located at a standard gas well location 1650 feet from the South and East lines (Unit J) of said Section 24;
- (3) H. T. Mattern (NCT-A) Well No. 5 (API No. 30-025-31013), located at a standard Eumont gas well location 660 feet from the South line and 990 feet from the West line (Unit M) of said Section 24.

Administrative Order NSL-3935(SD)  
Chevron U.S.A., Inc.  
January 20, 1988  
Page 2

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By the authority granted me under the provisions of **Rule 2(d)** of the "*General Rules for the Prorated Gas Pools of New Mexico/Special Rules and Regulations for the Eumont Gas Pool*," as promulgated by Division Order No. R-8170, as amended, the following described well to be drilled at an unorthodox Eumont gas well location is hereby approved:

*H. T. Mattern (NCT-A) Well No. 6  
1980'FSL - 660'FWL (Unit L) of said Section 24.*

Also, you are hereby authorized to simultaneously dedicate Eumont Gas Pool production from the H. T. Mattern (NCT-A) Well Nos. 1, 2, and 5 with the H. T. Mattern (NCT-A) Well No. 6. Furthermore, you are hereby permitted to produce the allowable assigned the subject GPU from all four wells in any proportion.

Sincerely,



Kathleen A. Garland  
Acting Director

KAG/MES/kv

cc: New Mexico Oil Conservation Division - Hobbs  
File: NSP-152  
NSP-152-A(SD)

NSL

1/20/98

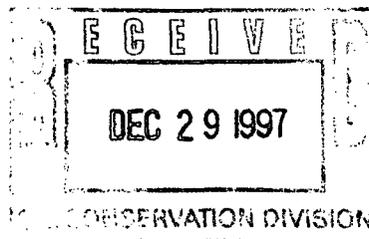


**Chevron**

December 23, 1997

Administrative Application For  
Non-Standard Gas Well Location  
And Simultaneous Dedication  
Eumont Yates 7Rvrs Qn (Pro Gas) Pool  
H. T. Mattern (NCT-A) #6  
1980' FSL and 660' FWL  
Section 24, T-21-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-A) #6** 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. It is also our desire to simultaneously dedicate the 320-acre Eumont Gas Proration Unit currently assigned to our H. T. Mattern (NCT-A) #1, #2, and #5 to all four wells. The 320-acre gas proration unit comprises the S/2 of Section 24, T-21-S, R-36-E, Lea County, New Mexico. As the H. T. Mattern (NCT-A) #1, #2, and #5 are producing at a combined current rate of 400 MCF/D, the completion of Well #6 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

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

**OIL CONSERVATION DIVISION**

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

P.O. Box 2088

Santa Fe, New Mexico 87504-2088

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

AMENDED REPORT

**WELL LOCATION AND ACREAGE DEDICATION PLAT**

|               |  |                   |
|---------------|--|-------------------|
| API Number    | Pool Code  | Pool Name         |
| Property Code | Property Name<br>H.T. MATTERN "A"                  | Well Number<br>6  |
| OGRID No.     | Operator Name<br>CHEVRON U.S.A. PRODUCTION COMPANY | Elevation<br>3529 |

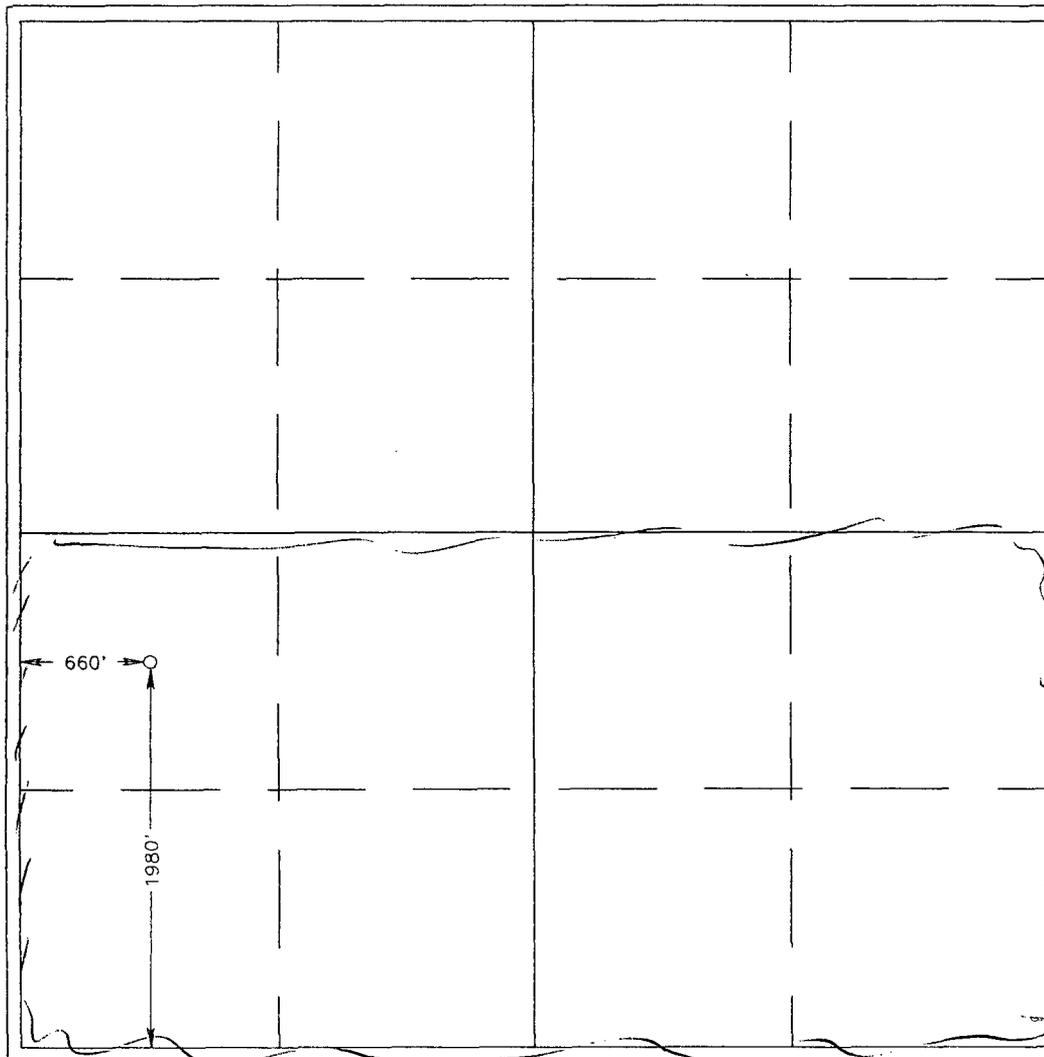
**Surface Location**

| UL or lot No. | Section | Township | Range | Lot Idn | Feet from the | North/South line | Feet from the | East/West line | County |
|---------------|---------|----------|-------|---------|---------------|------------------|---------------|----------------|--------|
| L             | 24      | 21 S     | 36 E  |         | 1980          | SOUTH            | 660           | 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**



**OPERATOR CERTIFICATION**

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

Signature \_\_\_\_\_

Printed Name \_\_\_\_\_

Title \_\_\_\_\_

Date \_\_\_\_\_

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**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.

DECEMBER 12, 1997

Date Surveyed \_\_\_\_\_ DMCC

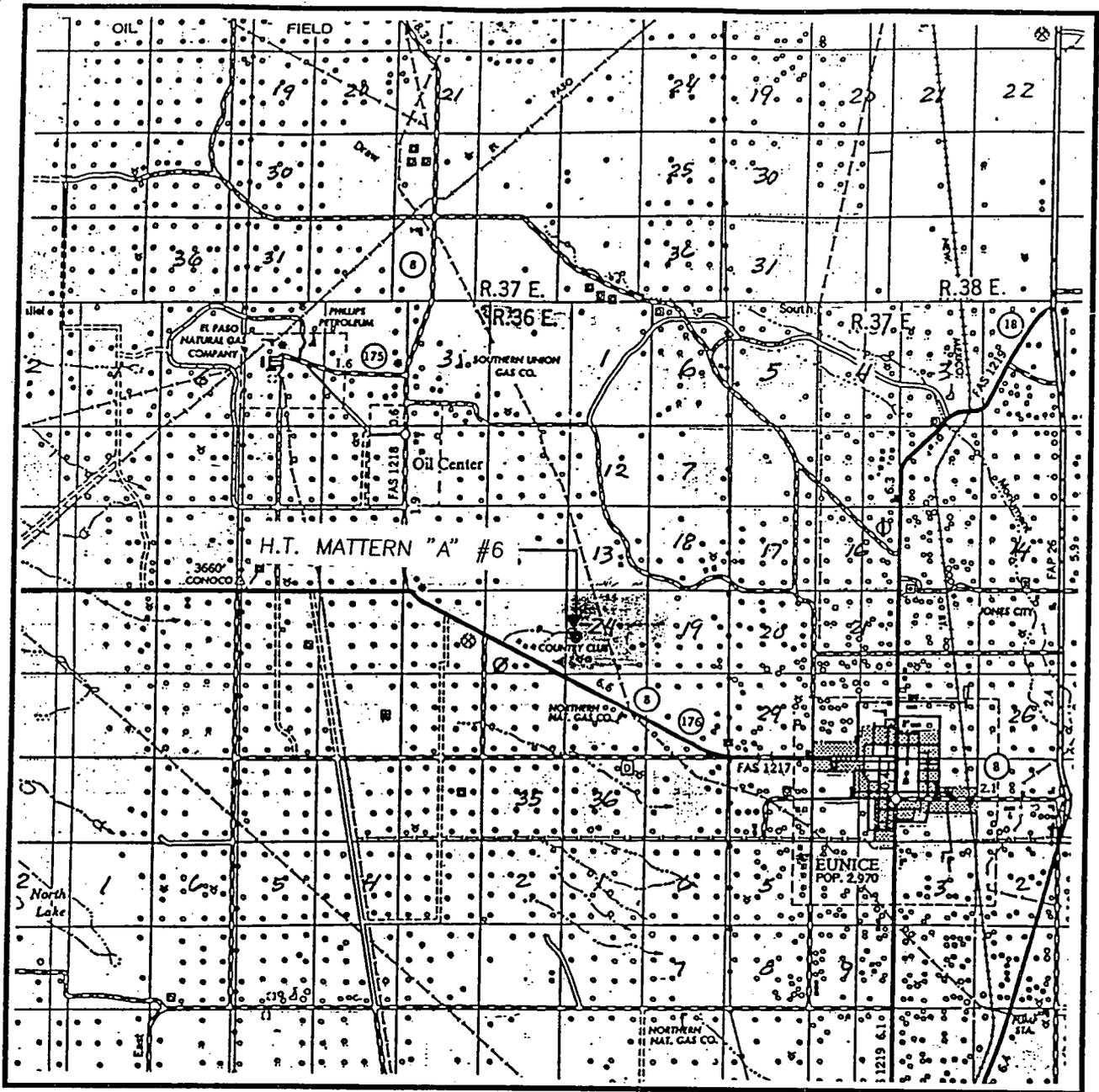
Signature of Seal \_\_\_\_\_

Professional Surveyor \_\_\_\_\_

**PROFESSIONAL SURVEYOR**  
NEW MEXICO  
12-17-97  
12641

State No. JOHN W. WEST 676  
RONALD E. EIDSON 3239  
EIDSON 12641

# VICINITY MAP

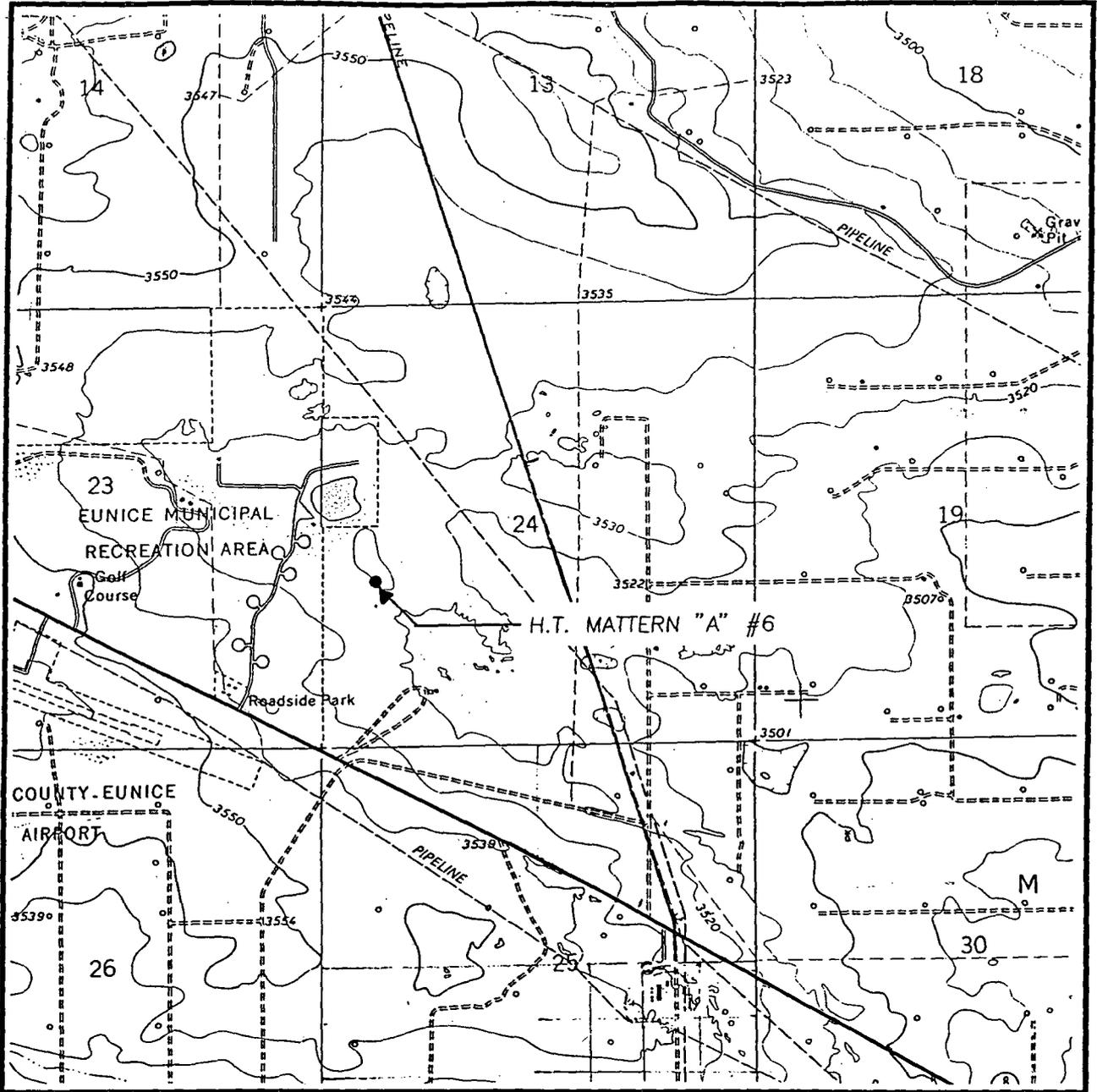


SCALE: 1" = 2 MILES

SEC. 24 TWP. 21-S RGE. 36-E  
 SURVEY N.M.P.M.  
 COUNTY LEA  
 DESCRIPTION 1980' FSL & 660' FWL  
 ELEVATION 3529  
 OPERATOR CHEVRON U.S.A. PRODUCTION COMPANY  
 LEASE H.T. MATTERN "A"

**JOHN WEST ENGINEERING**  
**HOBBS, NEW MEXICO**  
**(505) 393-3117**

# LOCATION VERIFICATION MAP



SCALE: 1" = 2000'

CONTOUR INTERVAL:  
EUNICE - 10'

SEC. 24 TWP. 21-S RGE. 36-E

SURVEY N.M.P.M.

COUNTY LEA

DESCRIPTION 1980' FSL & 660' FWL

ELEVATION 3529

OPERATOR CHEVRON U.S.A. PRODUCTION COMPANY

LEASE H.T. MATTERN "A"

U.S.G.S. TOPOGRAPHIC MAP

EUNICE, N.M.

**JOHN WEST ENGINEERING  
HOBBS, NEW MEXICO**

**(505) 393-3117**

**History**  
**H. T. Mattern (NCT-A) Eumont Gas Proration Unit**  
Section 24, T21S, R36E, Lea County, New Mexico

**January 6, 1954** - Order R-371-A approved the unorthodox location of the H. T. Mattern (NCT-A) # 1.

**June 15, 1955** - Order NSP-152 approved a 320-acre Non-Standard Gas Proration unit and dedicated the H. T. Mattern (NCT-A) # 1 to the GPU.

**May 31, 1991** - Order NSP-152-A(SD) deleted the SW/4 SW/4 of section 24 from the GPU making it a 280-acre GPU for H. T. Mattern (NCT-A) # 5 Eumont Oil well, and dedicated the H. T. Mattern (NCT-A) # 2 to the GPU.

**August 16, 1996** - Reinstatement of Order NSP-152(SD) creating a 320-acre GPU, and approval to simultaneously dedicated the H. T. Mattern (NCT-A) # 5 (reclassified from Eumont oil to Eumont gas) to the GPU.

**Well Information**

| Well                      | unit | API #        | Status    |
|---------------------------|------|--------------|-----------|
| H. T. Mattern (NCT-A) # 1 | O    | 30-025-12738 | Producing |
| H. T. Mattern (NCT-A) # 2 | J    | 30-025-04769 | Producing |
| H. T. Mattern (NCT-A) # 5 | M    | 30-025-31013 | Producing |
| H. T. Mattern (NCT-A) # 6 | L    |              | New Drill |



STATE OF NEW MEXICO  
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

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

August 16, 1996

Chevron U.S.A., Inc.  
P. O. Box 1150  
Midland, Texas 79702  
Attention: A. W. Bohling

*Reinstatement of Division  
Administrative Order NSP-152(SD)*

Dear Mr. Bohling:

Reference is made to your application dated July 1, 1996 to reinstate a previously approved non-standard 320-acre gas spacing and proration unit ("GPU") in the Eumont Gas Pool comprising the S/2 of Section 24, Township 21 South, Range 36 East, NMPM, Lea County, New Mexico.

By Division Administrative Order NSP-152, dated June 15, 1955, said 320-acre GPU, comprising the S/2 of said Section 24, was initially established and had dedicated thereon the H. T. Mattern (NCT-A) Well No. 1 (API No. 30-025-12738), located 330 feet from the South line and 2310 feet from the East line (Unit O) of said Section 24, which was "grandfathered" in as a standard Eumont gas well location for the subject 320-acre GPU pursuant to **Rule 2(b)** of the "General Rules for the Prorated Gas Pools of New Mexico/Special Rules and Regulations for the Eumont Gas Pool", as promulgated by Division Order No. R-8170, dated March 28, 1986.

By Division Administrative Order NSP-152-A(SD), dated May 31, 1991, the aforementioned 320-acre GPU was reduced to a 280-acre non-standard gas spacing and proration unit, comprising the N/2 SW/4, SE/4 SW/4, and SE/4 of said Section 24. Said 280-acre GPU is currently simultaneously dedicated [as referenced in said Order NSP-152-A(SD)] to both the aforementioned H. T. Mattern (NCT-A) Well No. 1 and to the H. T. Mattern (NCT-A) Well No. 2 (API No. 30-025-04769), located at a standard gas well location 1650 feet from the South and East lines (Unit J) of said Section 24. Said 280-acre GPU was created by deleting therefrom the 40 acres comprising the SW/4 SW/4 (Unit M) of said Section 24 in order to establish a standard 40-acre Eumont oil spacing and proration unit for the H. T. Mattern (NCT-A) Well No. 5 (API No. 30-025-31013), located at a standard Eumont oil well location 660 feet from the South line and 990 feet from the West line (Unit M) of said Section 24 [also referenced in said Order NSP-152-A(SD)].

It is our understanding at this time that Eumont production from the H. T. Mattern (NCT-A) Well No. 5 has recently been reclassified from "oil" to "gas".



Reinstatement of Division Administrative Order NSP-152(SD)

Chevron USA, Inc.

August 16, 1996

Page 2

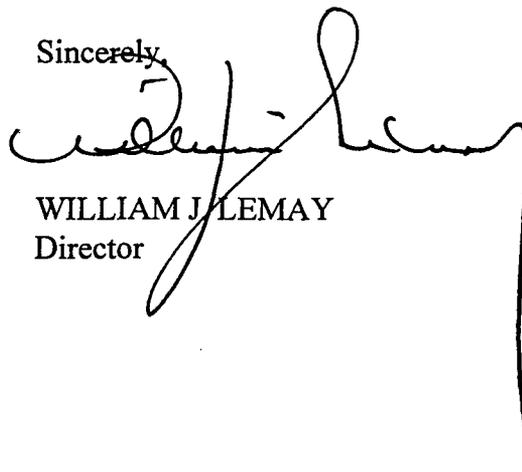
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By the authority granted me under the provisions of **Rule 2(d)** of said special Eumont Pool rules, the above-described 320-acre non-standard gas spacing and proration unit should be restored and that said Division Administrative Order NSP-152 shall be reinstated to its initial extent and is to remain in full force and affect until further notice. Also, Chevron U.S.A., Inc. is hereby permitted to produce the allowable assigned the subject GPU, in accordance with Rule 5 of said pool rules based upon a unit size of 320 acres, from the H. T. Mattern (NCT-A) Well Nos. 1, 2, and 5 in any proportion.

Further, said Division Administrative Order No. NSP-152-A(SD) is hereby placed in abeyance until further notice.

Jurisdiction of this matter shall be further retained for the entry of any such subsequent orders as the Division may deem necessary.

Sincerely,



WILLIAM J. LEMAY  
Director

WJL/MES/kv

cc: Oil Conservation Division - Hobbs  
New Mexico State Land Office - Santa Fe  
File: NSP-152  
File: NSP-152-A(SD)

## ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION

6-5-91  
ALWBBRUCE KING  
GOVERNORPOST OFFICE BOX 2088  
STATE LAND OFFICE BUILDING  
SANTA FE, NEW MEXICO 87504  
(505) 827-5800

May 31, 1991

Chevron USA, Inc.  
P.O. Box 1150  
Midland, TX 79702

Attention: A. W. Bohling

*Administrative Order NSP-152-A(SD)*

Dear Mr. Bohling:

Reference is made to your application dated May 1, 1991 to reduce an existing 320-acre non-standard gas spacing and proration unit in the Eumont Gas Pool by 40 acres thereby forming a 280-acre non-standard gas spacing and proration unit. Said 320-acre unit was authorized by Division Administrative Order NSP-152, dated June 15, 1955 and had dedicated thereon the Chevron H. T. Mattern (NCT-A) Well No. 1 located 330 feet from the South line and 2310 feet from the East line (Unit O) of Section 24, Township 21 South, Range 36 East, NMPM, Lea County, New Mexico, which is considered a standard gas well location pursuant to Rule 2(b) of the Special Rules and Regulations for the Eumont Gas Pool, as promulgated by Division Order No. R-8170, as amended.

It is our understanding that in December, 1990 Chevron completed their H. T. Mattern (NCT-A) Well No. 5 located 660 feet from the South line and 990 feet from the West line (Unit M) of said Section 24 as an oil well in said Eumont Pool and it is the 40 acres comprising the SW/4 SW/4 of said Section 24 that is to be deleted from the existing 320-acre gas proration unit and will therefore be dedicated to the No. 5 well forming a standard 40-acre oil spacing and proration unit for said pool. Further, it is our understanding that the existing H. T. Mattern (NCT-A) Well No. 2 located 1650 feet from the South and East lines (Unit J) of said Section 24, which is presently classified as a temporarily abandoned well will be recompleted in the Eumont Gas Pool upon issuance of this order.

By authority granted me under the provisions of Rule 2(a)4 of said Special Eumont Gas Pool rules, a 280-acre non-standard gas spacing and proration unit in siad pool comprising the N/2 SW/4, SE/4 SW/4, and SE/4 of said Section 24 is hereby approved.



*Administrative Order NSP-152-A(SD)*

*Chevron USA, Inc.*

*May 31, 1991*

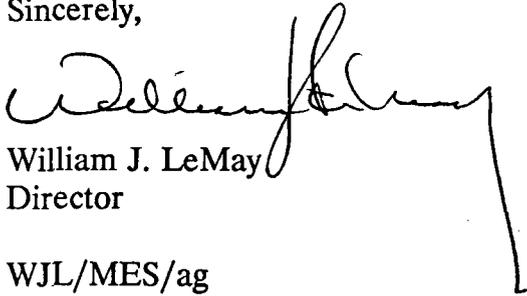
*Page 2*

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Furthermore, you are hereby permitted to produce the allowable assigned the subject GPU from both of said wells in any proportion.

NOTE: Said Division Order No. NSP-152 is hereby placed in abeyance until further notice.

Sincerely,



William J. LeMay  
Director

WJL/MES/ag

cc: Oil Conservation Division - Hobbs  
File: NSP-152  
NM State Land Office - Santa Fe

GOVERNOR JOHN F. SIMMS  
CHAIRMAN

# New Mexico

LAND COMMISSIONER E. S. WALKER  
MEMBER

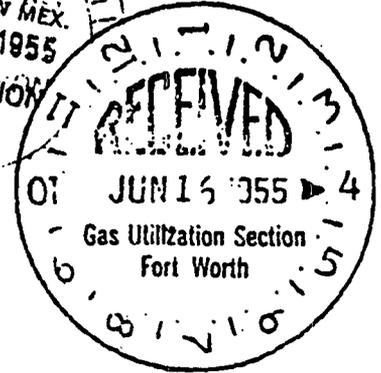
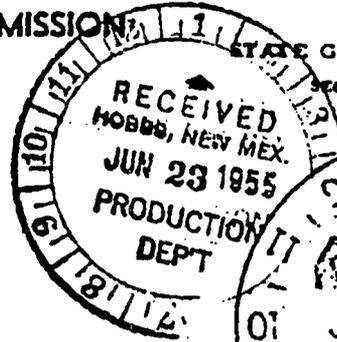
OIL CONSERVATION COMMISSION

STATE GEOLOGIST W. B. MACEY  
SECRETARY - DIRECTOR



P. O. Box 671  
SANTA FE, NEW MEXICO

June 15, 1955



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

Attention: Mr. B. E. Thompson

Administrative Order NSP-152

Gentlemen:

Reference is made to your application for approval of a 320-acre non-standard gas proration unit in the Arrow Gas Pool consisting of the following acreage:

Township 21 South, Range 36 East, NMPM  
S/2 of Section 24

It is understood that this unit is to be ascribed to your H. T. Mattern "A" Well No. 1, located 330 feet from the South line and 2310 feet from the East line of Section 24, SW/4 SE/4, 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 Arrow 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 320 acres.

Very truly yours,

*W B Macey*  
W. B. MACEY,  
Secretary-Director

WBM/ir

New Mexico

OIL CONSERVATION COMMISSION

GOVERNOR EDWIN L. MECHEM  
CHAIRMAN  
LAND COMMISSIONER E.S. WALKER  
MEMBER  
STATE GEOLOGIST R.R. SPURRIER  
SECRETARY AND DIRECTOR



P. O. BOX 871  
SANTA FE, NEW MEXICO

January 6, 1954

~~Taylor~~  
~~Baysinger~~  
~~Byrness~~  
~~Campbell~~  
\_\_\_\_\_  
\_\_\_\_\_  
Price  
File



Gulf Oil Corporation  
P. O. Box 2167  
Hobbs, New Mexico

Gentlemen:                      Subject: Unorthodox Location -- Gulf Oil Corporation's H. T. Mattern "A" #1 2310' from E/L and 330' from S/L, Section 24, Township 21 South, Range 36 East, Arrow Gas Pool.

Reference is made to your letter of December 28, 1953 pertaining to the approval of an unorthodox location for the above captioned well.

Pursuant to authority granted me by the provisions of Order No. R-371-A, Rule 4, permission is hereby granted to produce this well in compliance with pool rules.

Very truly yours,

*R. R. Spurrer*  
R. R. SPURRIER  
Secretary and Director

RRS:vc

cc: Well File  
Unorthodox File  
Oil Conservation Commission, Hobbs

**OFFSET OPERATORS**

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

Exxon  
P. O. Box 4697  
Houston, Texas 77210

Parker & Parsley Development L P  
Box 690  
Kermit, Texas 79511

Texaco E&P Inc.  
205 E. Bender  
Hobbs, New Mexico 88240

Zachery Oil Operating Company  
307 W. 7<sup>th</sup> St., Ste. 1212  
Ft. Worth, Texas 76102-5178



**Chevron**

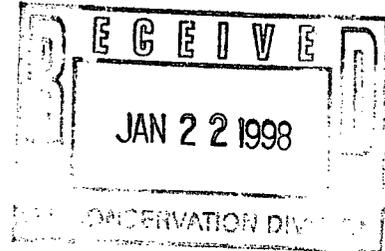
January 19, 1998

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

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

Attn.: Mr. Michael E. Stogner – Chief Hearing Officer / Engineer

Re: Letter dated on January 8, 1998 about:  
Administrative Application For  
Non-Standard Gas Well Location  
And Simultaneous Dedication  
Eumont Yates 7Rvrs Qn (Pro Gas) Pool  
H. T. Mattern (NCT-A) # 6  
1980' FSL and 660' FWL  
Section 24, T-21-S, R-36-E  
Lea County, New Mexico



Dear Mr. Stogner:

In response to your questions in your letter dated on January 8, 1998, the closest standard location is 1980' FSL & 990' FWL. To prevent waste and to protect correlative rights the location for the H. T. Mattern (NCT-A) # 6 was chosen to be drilled at a "standard 40-acre oil well location" at 1980' FSL & 660' FWL of section 24, Township 21 South, Range 36 East, Lea County, New Mexico. The proposed new drill has a primary target of Eumont oil hence the "standard location" for an oil well to prevent waste by maximizing oil recovery through this location. However, due to the recent reclassification from oil to gas of the nearest southern offset well (See Reinstatement of Order NSP-152(SD) dated August 16, 1996), we are proposing a simultaneous dedication to the current Eumont GPU which makes the proposed location unorthodox. We feel that due to the high cumulative gas production from wells offsetting the proposed location to the east, the eastern flank position on the platform, and the current lower reservoir pressure and rates occurring in this immediate area, that our proposed location is necessary to capture undrained reserves and to better allow for possible future Eumont oil development to the east. The 40-acre infill development pattern and anticipated production being considerably less than current allowables, is protecting the correlative rights of all affected parties.

Therefore, your approval of the subject administrative NSL application dated December 23, 1997 is respectively requested.

Attached is the Form C-102. On the attached C-102, red is for the nearest "standard location", and yellow is for the proration unit boundary.

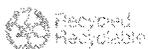
If you have any questions or require any further information concerning this application, please contact me at (915) 687-7347.

Yours very truly,

J. H. Saenz  
Petroleum Engineer

Attachments

cc: NMOCD – Hobbs, NM



DISTRICT I  
 Box 2980, 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<br>76480                                 | Pool Name<br>Eumont: Yts-7Kc-Qn (Pro Gas) |
| Property Code<br>2681 | Property Name<br>H.T. MATTERN "A"                  | Well Number<br>6                          |
| OGRID No.<br>4323     | Operator Name<br>CHEVRON U.S.A. PRODUCTION COMPANY | Elevation<br>3529                         |

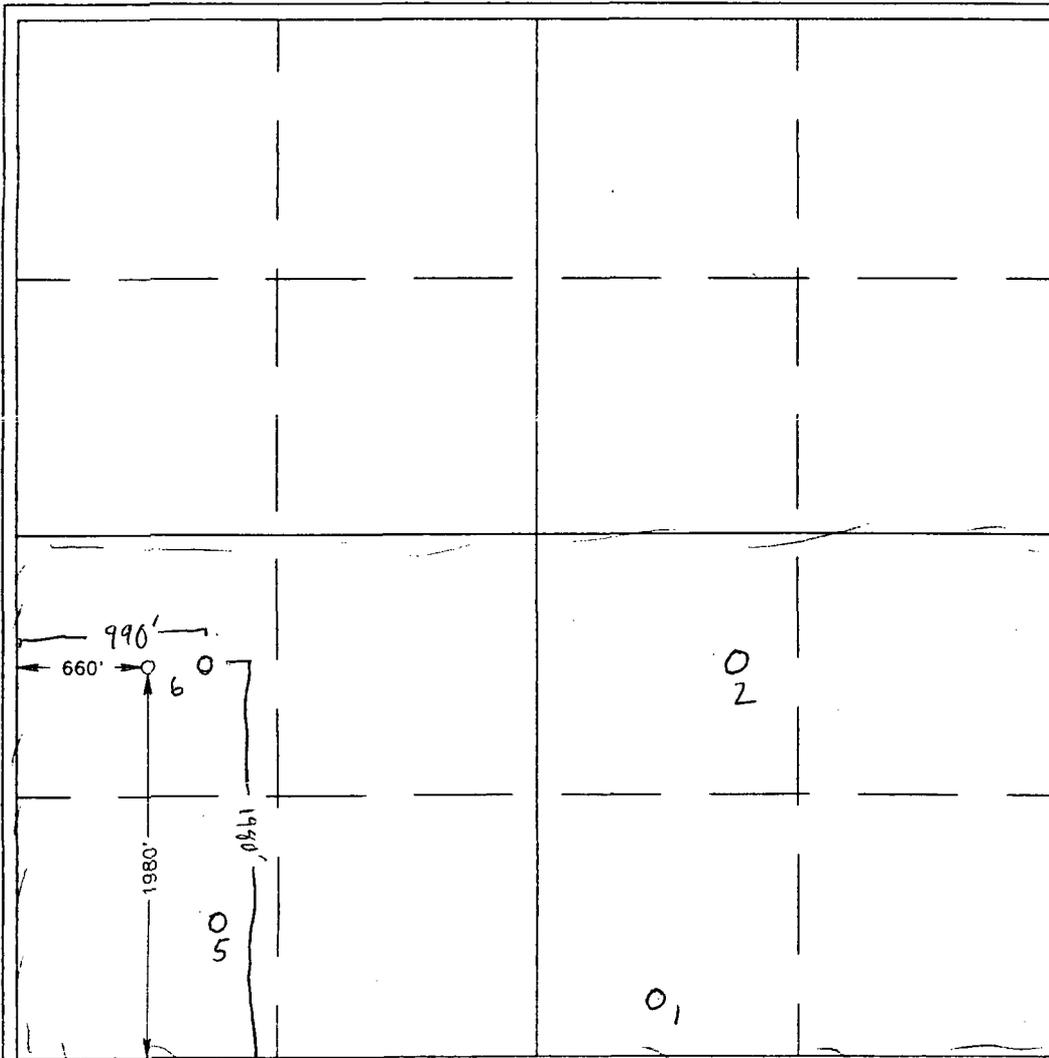
Surface Location

| UL or lot No. | Section | Township | Range | Lot Idn | Feet from the | North/South line | Feet from the | East/West line | County |
|---------------|---------|----------|-------|---------|---------------|------------------|---------------|----------------|--------|
| L             | 24      | 21 S     | 36 E  |         | 1980          | SOUTH            | 660           | 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<br>320 | 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 the the information contained herein is true and complete to the best of my knowledge and belief.

*J. H. L.*  
 Signature  
 John Suenz  
 Printed Name  
 Production Eng  
 Title  
 1-15-98  
 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.

DECEMBER 12, 1997

Date Surveyed  
 Signature *Ronald E. Eidson*  
 Professional Surveyor  
 NEW MEXICO  
 12-17-97  
 97-11-2005  
 Certificate No. JOHN W. WEST 676  
 RONALD E. EIDSON 3239  
 EIDSON 12641



NEW MEXICO ENERGY, MINERALS  
& NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION  
2040 South Pacheco Street  
Santa Fe, New Mexico 87505  
(505) 827-7131

January 8, 1998

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

*RE: Administrative application dated December 23, 1997 to drill the proposed H. T. Mattern (NCT-A) Well No. 6 at an unorthodox Eumont gas well location within the existing 320-acre gas spacing and proration unit ("GPU") comprising the S/2 of Section 24, Township 21 South, Range 36 East, NMPM, Eumont Gas Pool, Lea County, New Mexico.*

Dear Mr. Saenz:

On the attached land plat, please indicate the closest location to your proposed drill site that is considered to be "standard" for the subject GPU. Further, please explain why the proposed H. T. Mattern (NCT-A) Well No. 6 can not be drilled at a "standard location" within the subject GPU. Provide supporting data.

Thank you.

Sincerely,

Michael E. Stogner  
Chief Hearing Officer/Engineer

cc: New Mexico Oil Conservation Division - Hobbs  
William F. Carr - Santa Fe