



Chevron U.S.A. Inc.
P. O. Box 670, Hobbs, NM 88240



R. C. Anderson
Division Manager
Hobbs Division
Production Department

November 4, 1985

APPLICATION FOR AN 80 ACRE NON-STANDARD PRORATION UNIT

Richard Stamets
Oil Conservation Division
P. O. Box 2088
Santa Fe, New Mexico 87501

Gentlemen:

Chevron U.S.A. Inc. respectfully requests administrative approval for an 80 acre Non-Standard Gas Proration Unit in the Blinebry Oil and Gas Pool, comprising the S/2 of SE/4 of Section 1-T22S-R37E, Lea County, New Mexico, to be assigned to Chevron's Alice Paddock #1 Well. In support thereof, Chevron U.S.A. Inc. states the following facts:

1. The proposed Non-Standard Gas Proration Unit will meet the requirements of Rule 5(c)3 of the Oil Conservation Division Order No. R-1670 as follows:
 - a. The proposed unit consists of 80 acres.
 - b. The proposed unit consists of contiguous quarter-quarter sections.
 - c. The proposed unit lies wholly within a single government section in the Blinebry Oil and Gas Pool.
 - d. The entire proposed unit may reasonably be presumed to be productive of gas from the Blinebry Oil and Gas Pool.
 - e. A copy of this application will be sent by certified mail to all offset operators and operators owning interests in the proposed unit's boundary and shall serve as notification.

In support of this application, attached is a plat outlining the proposed Non-Standard Unit, the acreage to be dedicated to the proposed unit, and showing all offset operated properties and wells.

In view of the facts submitted, Chevron U.S.A. Inc. requests that administrative approval of the subject 80 acre Non-Standard Proration Unit be granted.

Yours very truly,

R.C. Anderson
R. C. ANDERSON

MWC/skc
Att'd

cc: OCD-Hobbs

CERTIFIED MAIL - RETURN RECEIPT REQUESTED

ARCO Oil & Gas
P. O. Box 1346
Houston, Texas 77251

Exxon Co. U.S.A.
P. O. Box 1600
Midland, Texas 79702

Sun Exploration & Production Co.
One Petroleum Center, Bldg. 8
Suite 204
Midland, Texas 79705

Solar Petroleum Co.
P. O. Box 1726
Farmington, New Mexico 87401

Sohio
10 Desta Drive, Suite 600 West
Midland, Texas 79705

Texaco, Inc.
P. O. Box 728
Hobbs, New Mexico 88240

Marathon Oil Co.
P. O. Box 552
Midland, Texas 79702

NEW MEXICO OIL CONSERVATION COMMISSION
WELL LOCATION AND ACREAGE DEDICATION PLAT

Form C-102
Supersedes C-128
Effective 1-1-65

All distances must be from the outer boundaries of the Section.

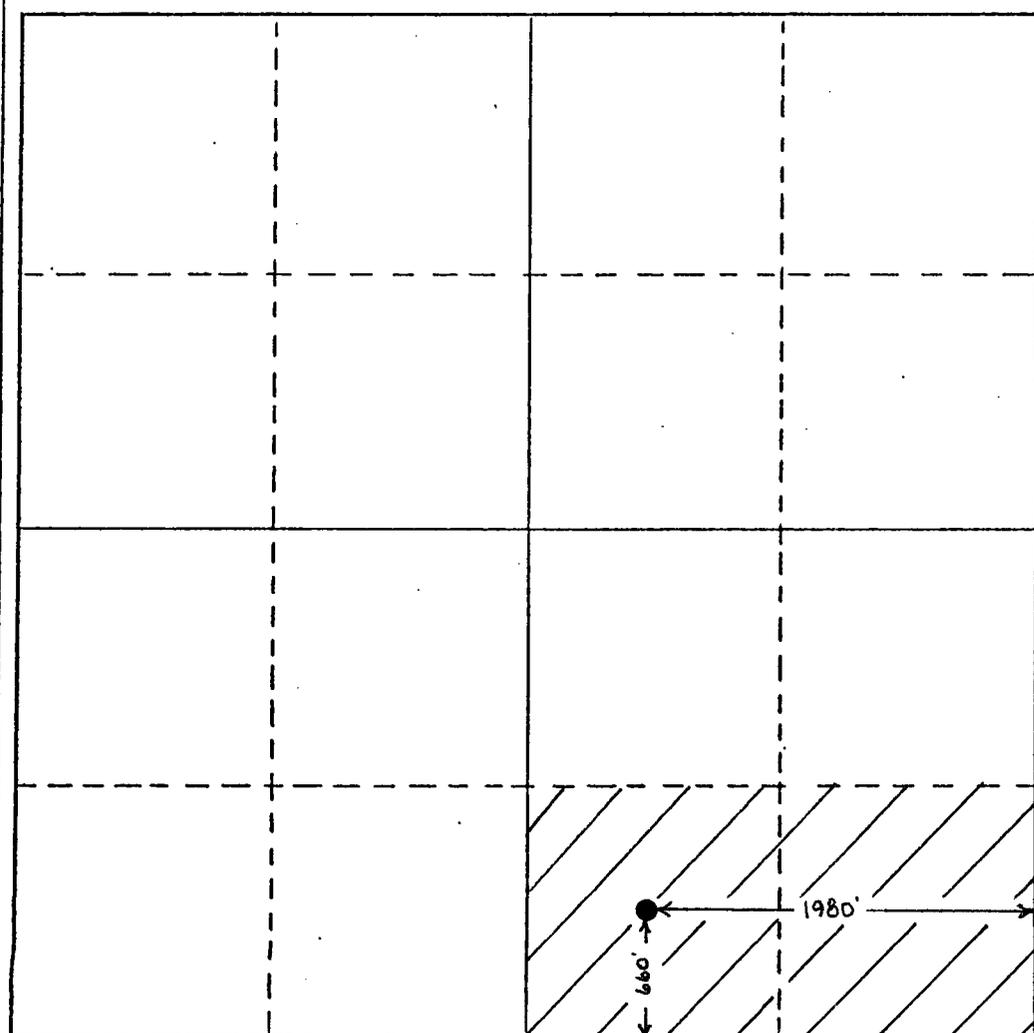
Operator Chevron U.S.A. Inc.			Lease Alice Paddock			Well No. 1		
Unit Letter 0	Section 1	Township 22S	Range 37E	County Lea				
Actual Footage Location of Well: 660 feet from the South line and 1980 feet from the East line								
Ground Level Elev. 3356	Producing Formation Blinebry		Pool Blinebry Oil & Gas			Dedicated Acreage: 80 Acres		

1. Outline the acreage dedicated to the subject well by colored pencil or hachure marks on the plat below.
2. If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).
3. If more than one lease of different ownership is dedicated to the well, have the interests of all owners been consolidated by communitization, unitization, force-pooling, etc?

Yes No If answer is "yes," type of consolidation _____

If answer is "no," list the owners and tract descriptions which have actually been consolidated. (Use reverse side of this form if necessary.) _____

No allowable will be assigned to the well until all interests have been consolidated (by communitization, unitization, forced-pooling, or otherwise) or until a non-standard unit, eliminating such interests, has been approved by the Commission.



CERTIFICATION

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

M.W. Casey
Name

M. W. Casey
Position

Division Proration Engineer

Company
Chevron U.S.A. Inc.

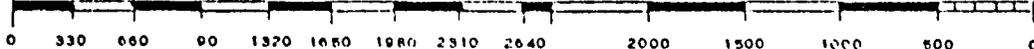
Date
11-4-85

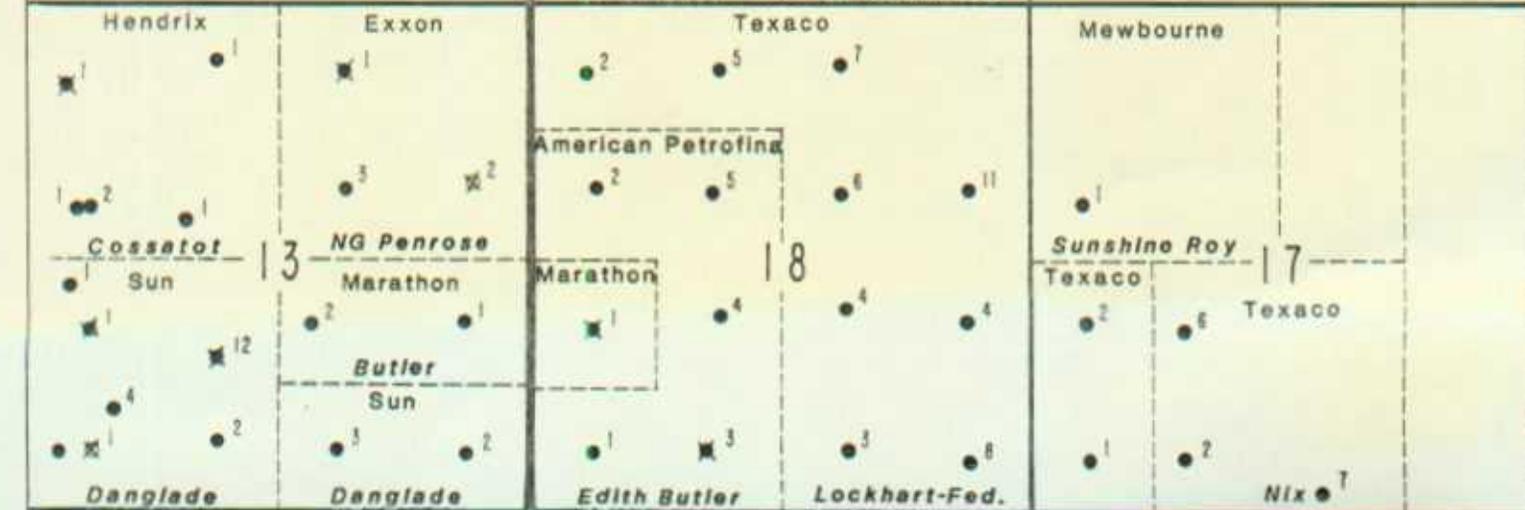
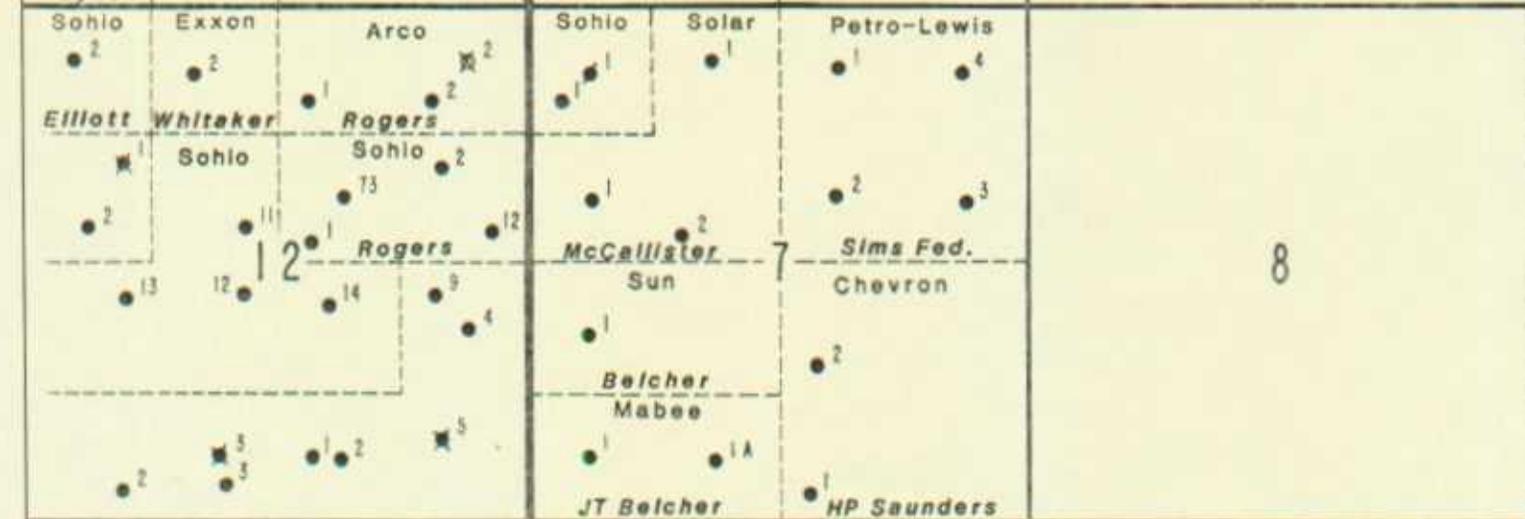
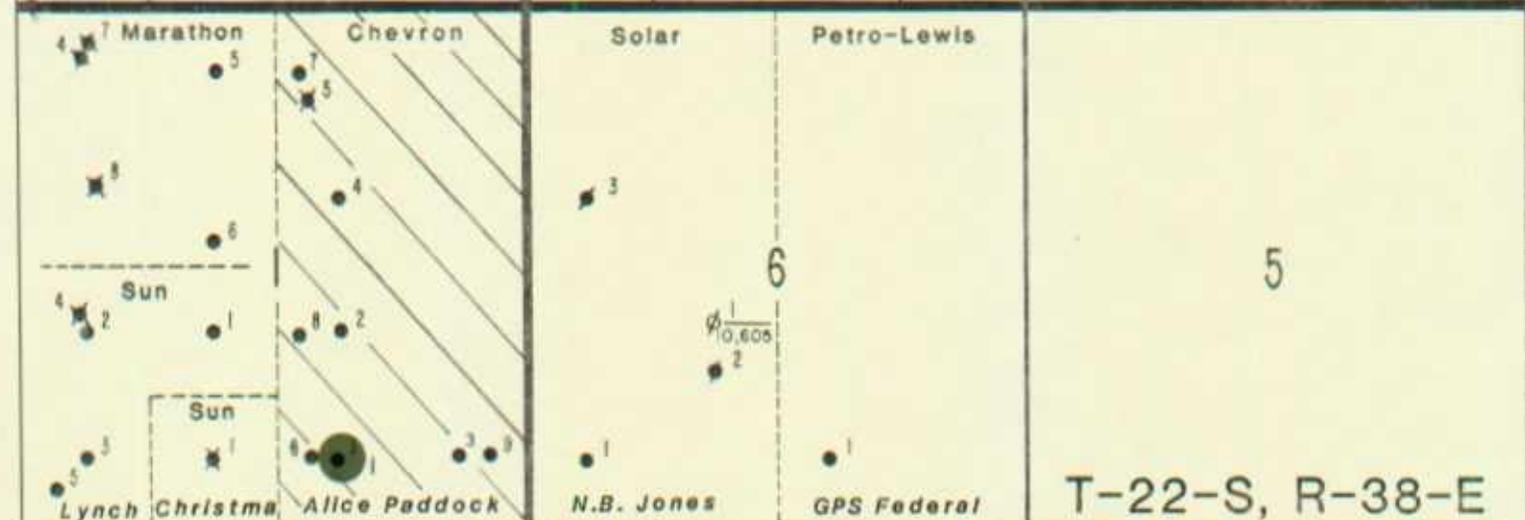
I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my knowledge and belief.

Date Surveyed

Registered Professional Engineer and/or Land Surveyor

Certificate No.







TONEY ANAYA
GOVERNOR

STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
OIL CONSERVATION DIVISION
HOBBS DISTRICT OFFICE

October 24, 1985

50 YEARS



1935 - 1985

POST OFFICE BOX 1980
HOBBS, NEW MEXICO 88240
(505) 393-6161

Chevron U.S.A. Inc.
P. O. Box 670
Hobbs, New Mexico 88240

Attention Mr. R. D. Pitre

Dear Mr. Pitre:

The Alice Paddock Well No. 10 located in Unit I of Section 1, T-22-S, R-37-E, has recently been completed as a Blinbry oil well. It will, therefore, be necessary to remove Unit I from the gas proration unit dedicated to the Alice Paddock No. 1, and we are making that reduction effective October 1, 1985.

It will be necessary for Chevron to submit two copies of a revised Form C-102 outlining the 80 acre proration unit now dedicated to the well, and to apply to our Santa Fe office for approval of the new non-standard proration unit.

Yours very truly,

OIL CONSERVATION DIVISION

A handwritten signature in cursive script, appearing to read "Jerry Sexton".

Jerry Sexton
Supervisor, District 1

mc



STATE OF NEW MEXICO
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

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

March 8, 1996

Chevron U.S. A. Production Company
P.O. Box 1150
Midland, Texas 79702-1150
Attention: Michelle LeVan

Administrative Order NSP-688-A(SD)

Dear Ms. LeVan:

Reference is made to your application dated January 18, 1996 for an 80-acre non-standard gas spacing and proration unit ("GPU") consisting of the following acreage in the Blinebry Oil and Gas Pool:

LEA COUNTY, NEW MEXICO
TOWNSHIP 22 SOUTH, RANGE 37 EAST, NMPM
Section 1: W/2 SE/4.

It is our understanding that this unit is to be simultaneously dedicated to your existing Alice Paddock Well No. 1 (API No. 30-025-09938), located at a standard gas well location 660 feet from the South line and 1980 feet from the East line (Unit O) of said Section 1 and your existing Alice Paddock Well No. 2 (API No. 30-025-09939), located at a standard gas well location 1980 feet from the South and East lines (Unit J) of said Section 1.

By authority granted me under the provisions of Rule 2(d) of the "*Special Rules and Regulations for the Blinebry Oil and Gas Pool*" as promulgated by Division Order No. R-8170, as amended, the above-described 80-acre non-standard gas spacing and proration unit is hereby approved. Also, you are 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 80 acres.

There appear to be three administrative non-standard gas spacing and proration orders previously issued for the Alice Paddock Well No. 1:

- Division Administrative Order NSP-688, dated August 19, 1964, which authorized the 40 acres comprising the SW/4 SE/4 of

Administrative Order NSP-688-A(SD)

Chevron USA Production Company

March 8, 1996

Page 2

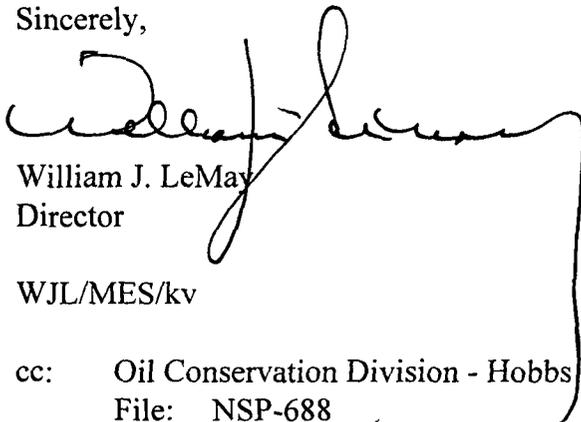
said Section 1 to be dedicated to said well;

- Division Administrative Order NSP-692, dated September 30, 1964, authorized a 120-acre non-standard GPU for the Alice Paddock Well No. 1 consisting of the SW/4 SE/4 and E/2 SE/4 of said Section 1; and,
- on January 27, 1986 said Administrative Order NSP-692 was amended to form a non-standard 80-acre GPU for the Alice Paddock Well No. 1 comprising the S/2 SE/4 of said Section 1.

The last gas proration schedule, issued by the New Mexico Oil Conservation Commission in Case 11350 by Order No. R-10435, has for the Alice Paddock Well No. 1 an acreage factor of 0.25, which indicates that the 40 acres comprising the SW/4 SE/4 of said Section 1 is currently dedicated to said well. While your application made no reference to any of the previous orders or to the current 40-acre GPU for the No. 1 well, it can only be assumed that Chevron has been producing this well under the authority of Order NSP-688.

At this time the three of the aforementioned Division Administrative Orders (NSP-688, NSP-692, and "AMENDED NSP-692) are hereby placed in abeyance until further notice by the Division.

Sincerely,



William J. LeMay
Director

WJL/MES/kv

cc: Oil Conservation Division - Hobbs
File: NSP-688
NSP-692 ✓



NEW MEXICO ENERGY, MINERALS
& NATURAL RESOURCES DEPARTMENT

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

June 2, 1998

Chevron U.S.A. Production Company
P.O. Box 1150
Midland, Texas 79702
Attention: Craig A. Wright

Administrative Order NSP-688-B

Dear Mr. Wright:

Subsequent to our review of your letter dated March 23, 1998 concerning Blinebry Oil and Gas Pool production from Chevron U.S.A. Production Company's ("Chevron"): (i) Alice Paddock Well No. 1 (API No. 30-025-09938), located 660 feet from the South line and 1980 feet from the East line (Unit O) of Section 1, Township 22 South, Range 37 East, NMPM, Lea County, New Mexico; and, (ii) Alice Paddock Well No. 2 (API No. 30-025-09939), located 1980 feet from the South and East lines (Unit J) of Section 1, the following Administrative Orders issued by the New Mexico Oil Conservation Division ("Division") are hereby rescinded:

- Division Administrative Order NSP-688, dated August 19, 1964, which authorized a 40-acre non-standard gas spacing and proration unit ("GPU") for Blinebry gas production comprising the SW/4 SE/4 (Unit O) of Section 1 to be dedicated to Chevron's aforementioned Alice Paddock Well No. 1;
- Division Administrative Order NSP-692, dated September 30, 1964, which authorized a 120-acre non-standard GPU for Blinebry gas production comprising the NE/4 SE/4 and S/2 SE/4 of said Section 1 for Alice Paddock Well No. 1;
- AMENDED Administrative Order NSP-692, dated January 27, 1986, which stayed the provisions of NSP-692 and formed an 80-acre non-standard GPU for Blinebry gas production comprising the S/2 SE/4 of Section 1 for the Alice Paddock Well No. 1.
- Division Administrative Order NSP-688-A, dated March 8, 1996, which placed in abeyance the three previous administrative orders (NSP-688, NSP-692, and AMENDED NSP-692) and formed an 80-acre non-standard GPU for Blinebry gas production comprising the W/2 SE/4 of Section 1 for the Alice Paddock Well No. 1 and the above-described Alice Paddock Well No. 2.

It is our understanding that the Alice Paddock Well No. 1 in Unit "O" of Section 1 is classified as an "oil well" in the Blinebry Oil and Gas Pool; therefore, pursuant to **Rule 2(a)2** of the "*General Rules for the Prorated Gas Pools of New Mexico/Special Rules and Regulations for the Blinebry Oil and Gas Pool*," the SW/4 SE/4 (Unit O) of Section 1, being a standard 40-acre oil spacing and proration unit, shall be dedicated to said well.

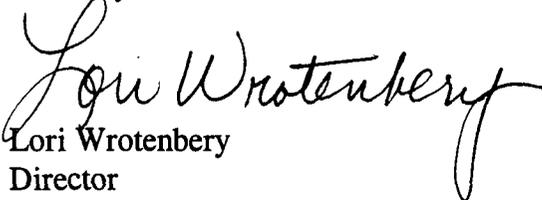
By authority granted me under the provisions of **Rule 2(d)** of said special pool rules the following described acreage in the Blinebry Oil and Gas Pool is hereby approved as a 40-acre non-standard GPU that is to be dedicated to Chevron's aforementioned Alice Paddock Well No. 2:

LEA COUNTY, NEW MEXICO
TOWNSHIP 22 SOUTH, RANGE 37 EAST, NMPM
Section 1: NW/4 SE/4.

Chevron is permitted to produce the allowable assigned the subject GPU, in accordance with Rule 5 of said special pool rules based upon a unit size of 40 acres.

The effective date of this order shall be made retroactive to March 8, 1996.

Sincerely,


Lori Wrotenbery
Director

LW/MES/kv

cc: New Mexico Oil Conservation Division - Hobbs
File: NSP-688
NSP-688-A
NSP-692