



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

JUN 23 1987

June 15, 1987

R. C. Anderson
 Division Manager
 Production Department
 Hobbs Division

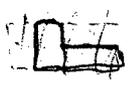
APPLICATION FOR A 40-ACRE
 NON-STANDARD GAS PRORATION
 UNIT

NSP # 1510

William J. LeMay
 Director - Oil Conservation Division
 P.O. Box 2088
 Santa Fe, New Mexico 87501

Gentlemen:

Chevron U.S.A. Inc. respectfully requests administrative approval for a 40-acre Non-Standard Gas Proration Unit in the Blinebry Oil and Gas Pool, comprising the SW/4 of NW/4 of Section 28, T-21-S, R-37-E, Lea County, New Mexico, to be assigned to Chevron's Eunice King Well No. 24. In support thereof, Chevron U.S.A. Inc. states the following facts:



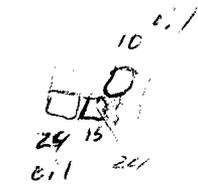
1) That NMOCD Order No. R-5264, effective September 1, 1976, authorized the simultaneous dedication of a 160-acre non-standard gas proration unit comprising the S/2 NW/4 and W/2 NE/4 of Section 28, T-21-S, R-37-E, Blinebry Oil and Gas Pool, Lea County, New Mexico, to Chevron's Eunice King Wells No.s 15 and 24, located in Units F and E of Section 28, respectively.



2) That Chevron's Eunice King Well No. 10, located in Unit B of Section 28, T-21-S, R-37-E, has been recompleted as a Blinebry oil well and has been assigned an allowable dedicated to 40-acres comprising the NW/4 NE/4 of Section 28. This reduces the NSP unit for Wells No.s 15 and 24 to 120 acres.



3) That Chevron's Eunice King Well No. 15, located in Unit F of Section 28, T-21-S, R-37-E, was reclassified to an oil well effective June 1, 1987, with an allowable dedicated to 40-acres comprising the SE/4 NW/4 of Section 28. This further reduces the NSP unit acreage to where there is only 40-acres of contiguous acreage remaining for Well No. 24.



4) The proposed Non-Standard Gas Proration Unit will meet the requirements for a Non-Standard Gas Proration Unit as follows:

- a. The proposed unit consists of 40-acres that are contiguous.
- b. The proposed unit lies wholly within a single government section in the Blinebry Oil and Gas Pool.
- c. The entire proposed unit may reasonably be presumed to be productive of gas from the Blinebry Oil and Gas Pool.
- d. 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 40-acre Non-Standard Gas Proration Unit be granted.

Yours very truly,


R. C. ANDERSON

AWB/cjw

Attachments

cc: Jerry Sexton
Supervisor, District 1
Oil Conservation Division
P.O. Box 1980
Hobbs, New Mexico 88240

Offset Operators (see attached list)

- a. The proposed unit consists of 40-acres that are contiguous.
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Yours very truly,



R. C. ANDERSON

AWB/cjw

Attachments

cc: Jerry Sexton
Supervisor, District 1
Oil Conservation Division
P.O. Box 1980
Hobbs, New Mexico 88240

Offset Operators (see attached list)

bcc: J. A. Awwad
W. R. Clark
D. B. Crawford
C. J. Fesmire
G. C. Hollingsworth
C. L. Morrill
J. M. Smoorenburg

Chevron U.S.A. Inc.
Application for a 40-Acre
Non-Standard Gas Proration Unit
in Blinebry Oil and Gas Pool
for Eunice King Well No. 24
Unit E, Sec. 28, T-21-S, R-37-E
Lea County, New Mexico

OFFSET OPERATORS

Amoco Production Company
205 E. Bender Blvd.
Hobbs, New Mexico 88240

Mobil Producing Texas & NM Inc.
Nine Greenway Plaza
Suite 2700
Houston, Texas 77046

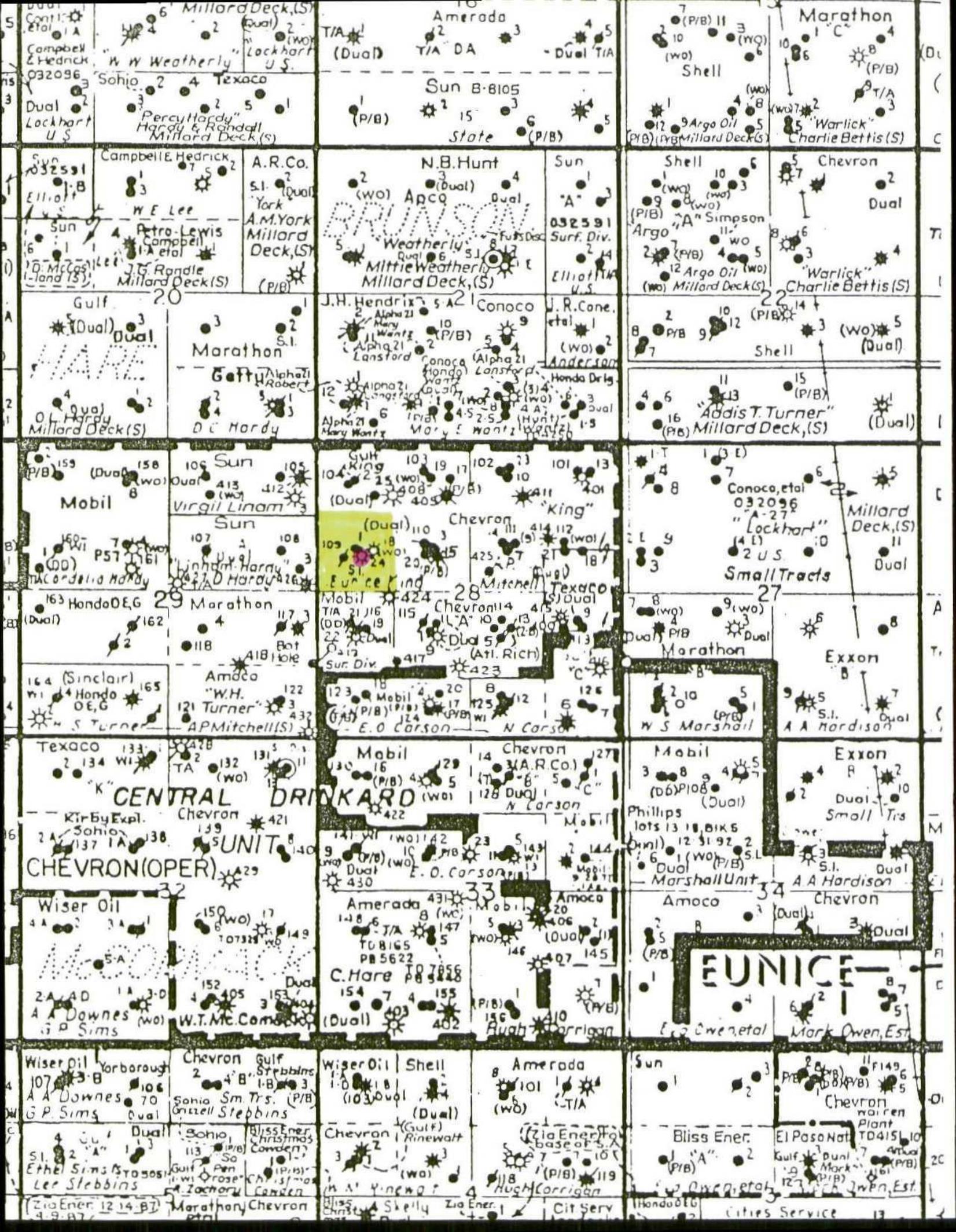
Conoco, Inc.
726 E. Michigan
P.O. Box 460
Hobbs, New Mexico 88240

Sun Exploration & Production Co.
24 Smith Road & Claydesta
P.O. Box 1861
Midland, Texas 79702

Marathon Oil Company
125 W. Missouri Street
P.O. Box 552
Midland, Texas 79702

Texaco Producing, Inc.
Heritage Center
P.O. Box 3109
Midland, Texas 79702

(Certified Return Receipt Mail)



OIL CONSERVATION DIVISION

STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT

P. O. BOX 2088

SANTA FE, NEW MEXICO 87501

Form C-102
Revised 10-1-78

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

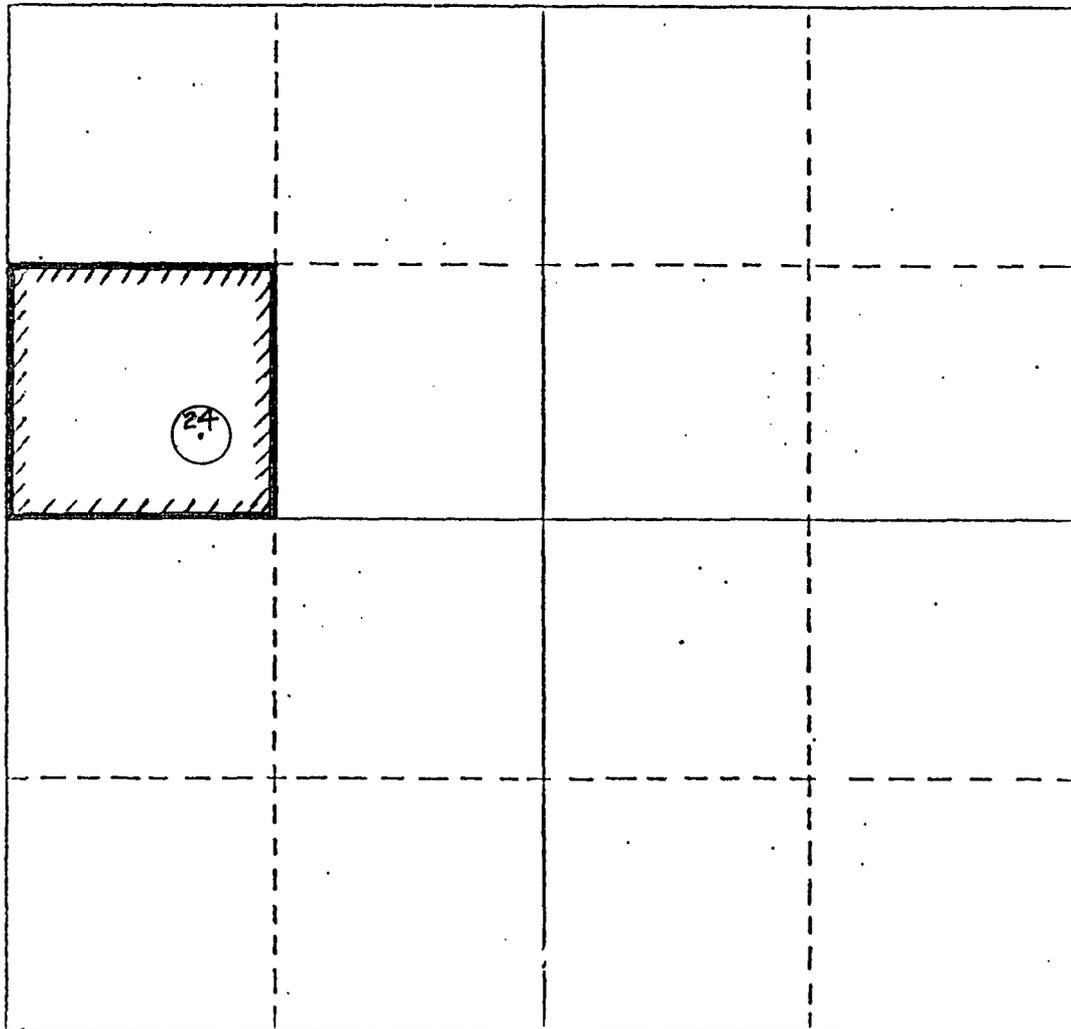
| | | | | | |
|---|---------------------------------|------------------------------|--------------|--------------------------------|----------------|
| Operator Chevron U.S.A. Inc. | | Lease Eunice King | | | Well No. 24 |
| Unit Letter E | Section 28 | Township 21S | Range 37E | County Lea | |
| Actual Footage Location of Well: 2086 feet from the north line and 760 feet from the west line | | | | | |
| Ground Level Elev. 3470' | Producing Formation Blinebry | Pool Blinebry Oil and Gas | | Dedicated Acreage: 40 Acres | |

1. Outline the acreage dedicated to the subject well by colored pencil or hatchure 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 Division.



CERTIFICATION

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

Alan W. Bohling

Name
Alan W. Bohling

Position
Division Proration Engineer

Company
Chevron U.S.A. Inc.

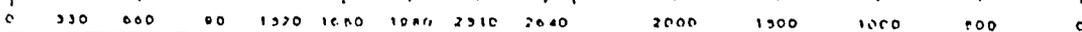
Date
June 15, 1987

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. _____





AL

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

GARREY CARRUTHERS
GOVERNOR

June 8, 1987

POST OFFICE BOX 1980
HOBBS, NEW MEXICO 88241-1980
(505) 393-6161

Chevron USA Inc.
Box 670
Hobbs, NM 88240

Attn: A.H. Bohling

Re: Eunice King Lease NSP
Blinebry Pool -- Section 28, T21S, R37E

Gentlemen:

An oil allowable has been assigned to Eunice King #10, and the #15 was reclassified to oil effective June 1st. This leaves only 40 acres of the 160 acre NSP which can be dedicated to your gas well completion #24-E since the other 40 acres in this 160-acre NSP is not contiguous with Unit E.

Your gas allowable acreage was reduced to 40 effective July 1, but it will still be necessary for you to make an application for and receive approval of a 40-acre NSP for well #24. It is our policy to allow 60 days for you to obtain approval of your NSP.

Please furnish this office with a copy of your application.

Very truly yours,

OIL CONSERVATION DIVISION



Jerry Sexton
Supervisor, District I

ed



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

GARREY CARRUTHERS
 GOVERNOR

May 6, 1987

POST OFFICE BOX 1980
 HOBBS, NEW MEXICO 88241-1980
 (505) 393-6161

Chevron USA Inc.
 Box 670
 Hobbs, NM 88240

Re: Blinebry Pool
 Eunice King #10-B 28-21-37
 Eunice King #15-F 28-21-37
 Eunice King #24-E 28-21-37

Gentlemen:

Your Eunice King #10-B has been recompleted as a Blinebry oil well. This well is located on 40 acres of the 160 acre proration unit dedicated to #15 and #24. Therefore this acreage must be deleted from the 160-acre proration unit.

Today we received Form C-116 with a request that the Eunice King #15-F be reclassified from gas to oil. This will further reduce the 160-acre proration unit.

An oil allowable is being assigned to well #10 and well #15 will be reclassified from gas to oil effective June 1, 1987. You are hereby requested to submit your application for a 40-acre NSP for well #24 as soon as possible.

It will be necessary to submit revised acreage dedication plats for well #15 and #24.

Also, if the gas transporter on well #15 changed due to the reclassification, please submit a change of gas transporter on Form C-104.

Very truly yours,

OIL CONSERVATION DIVISION

 Jerry Sexton
 Supervisor, District I

ed

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

GARREY CARRUTHERS
 GOVERNOR

POST OFFICE BOX 1980
 HOBBS, NEW MEXICO 88241-1980
 (505) 393-6161

JUN 24 1987
 HOBBS, N.M.
 DISTRICT OFFICE

OIL CONSERVATION DIVISION
 P. O. BOX 2088
 SANTA FE, NEW MEXICO 87501

RE: Proposed:
 MC _____
 DHC _____
 NSL _____
 NSP _____
 SWD _____
 WFX _____
 PMX _____

Gentlemen:

I have examined the application for the:

Chevron USA Inc. Eunice King #24-E 28-21-37
 Operator Lease & Well No. Unit S-T-R

and my recommendations are as follows:

OK

Yours very truly,

Jerry Sexton
 Supervisor, District 1

/ed

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. 5742
Order No. R-5264

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 August 18, 1976, at Santa Fe, New Mexico, before Examiner, Richard L. Stamets.

NOW, on this 31st day of August, 1976, 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 160-acre non-standard gas proration unit comprising the S/2 NW/4 and W/2 NE/4 of Section 28, Township 21 South, Range 37 East, NMPM, Blinbry Oil and Gas Pool, Lea County, New Mexico.

(3) That the applicant seeks to simultaneously dedicate to said non-standard unit its Eunice King Wells Nos. 5 and 24, located in Units F and E, respectively, of said 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 the applicant further seeks authority to later substitute its Eunice King Well No. 15, located 2086 feet from the North and West lines of said Section 28 for the aforesaid Well No. 5 in the above-described simultaneous dedication.

(6) That approval of the subject application will afford the applicant the opportunity to produce its just and equitable share of the gas in the Blinbry Oil and Gas Pool and will otherwise prevent waste and protect correlative rights.

(7) That Commission Order No. R-4368 and Administrative Order NSP-1027, which approved the non-standard gas proration units to be consolidated by this order should be superseded.

IT IS THEREFORE ORDERED:

(1) That effective at 7:00 a.m. on September 1, 1976, the applicant, Gulf Oil Corporation, is hereby authorized to simultaneously dedicate 160-acre non-standard gas proration unit comprising the S/2 NW/4 and W/2 NE/4 of Section 28, Township 21 South, Range 37 East, NMPM, Blinbry Oil and Gas Pool, Lea County, New Mexico, to its Eunice King Wells Nos. 5 and 24, located in Units F and E, respectively, of said Section 28, with unit production to be taken from said wells in any proportion.

PROVIDED HOWEVER, that upon a proper showing by the applicant, the Secretary-Director of the Commission may substitute applicant's Eunice King Well No. 15 in Unit F of said Section 28 for the aforesaid Well No. 5 in the above-described simultaneous dedication.

(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 Commission Order No. R-4368 and Administrative Order NSP-1027 are hereby superseded.

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

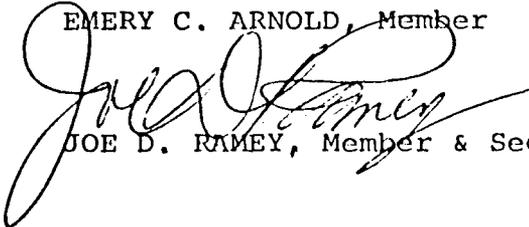
DONE at Santa Fe, New Mexico, on the day and year hereinabove designated.

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION



PHIL R. LUCERO, Chairman

EMERY C. ARNOLD, Member



JOE D. RAMEY, Member & Secretary

S E A L

jr/