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CONCEPT DIVISION
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Chevron

DEC 7 1994 8 52

December 7, 1994
Midland, Texas

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,
Non-Standard Gas Well Location,
and Simultaneous Dedication
Blinebry Oil and Gas Pool
Mark No. 11
430' FNL and 960' FEL, Unit A,
Section 3, T22S, R37E
Lea County, New Mexico**

State of New Mexico
Energy, Minerals & Natural Resources Dept.
Oil Conservation Division
P.O. Box 2088
Santa Fe, New Mexico 87504

Attention: Mr. William J. LeMay - Director

Dear Mr. LeMay:

Chevron U.S.A. Inc. respectfully requests administrative approval for a reclassification of the Mark No. 11 from an oil well to a gas well, creation of a non-standard 80 acre gas proration unit, a non-standard gas well location, and simultaneous dedication with the Mark No. 7 well.

Well No. 11 needs to be reclassified as a gas well, per OCD guidelines, as the GOR is higher than 50,000 to 1. A non-standard 80 acre gas proration unit is proposed to dedicate to wells No. 7 and 11. The location of the proposed new proration unit is the E/2 NE/4, Section 3, T22S, R37E. Well No. 11 is located at 430' FNL and 960' FEL in Section 3, T22S, R37E, Lea County, New Mexico. This makes the well a non-standard location per the Blinebry Gas Pool regulations. Well No. 11 is non-standard to the north and west only to Chevron U.S.A..

An Administrative application for the Mark No. 7 well was submitted on October 27, 1994. This application requested the reclassification from an oil well to a gas well (due to GOR guidelines), a 40 acre non-standard gas proration unit, and a non-standard gas well location.

December 7, 1994

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 Lloyd Trautman at (915) 687-7152.

Sincerely,



L. V. Trautman
Sr. Petroleum Engineer
New Mexico Area

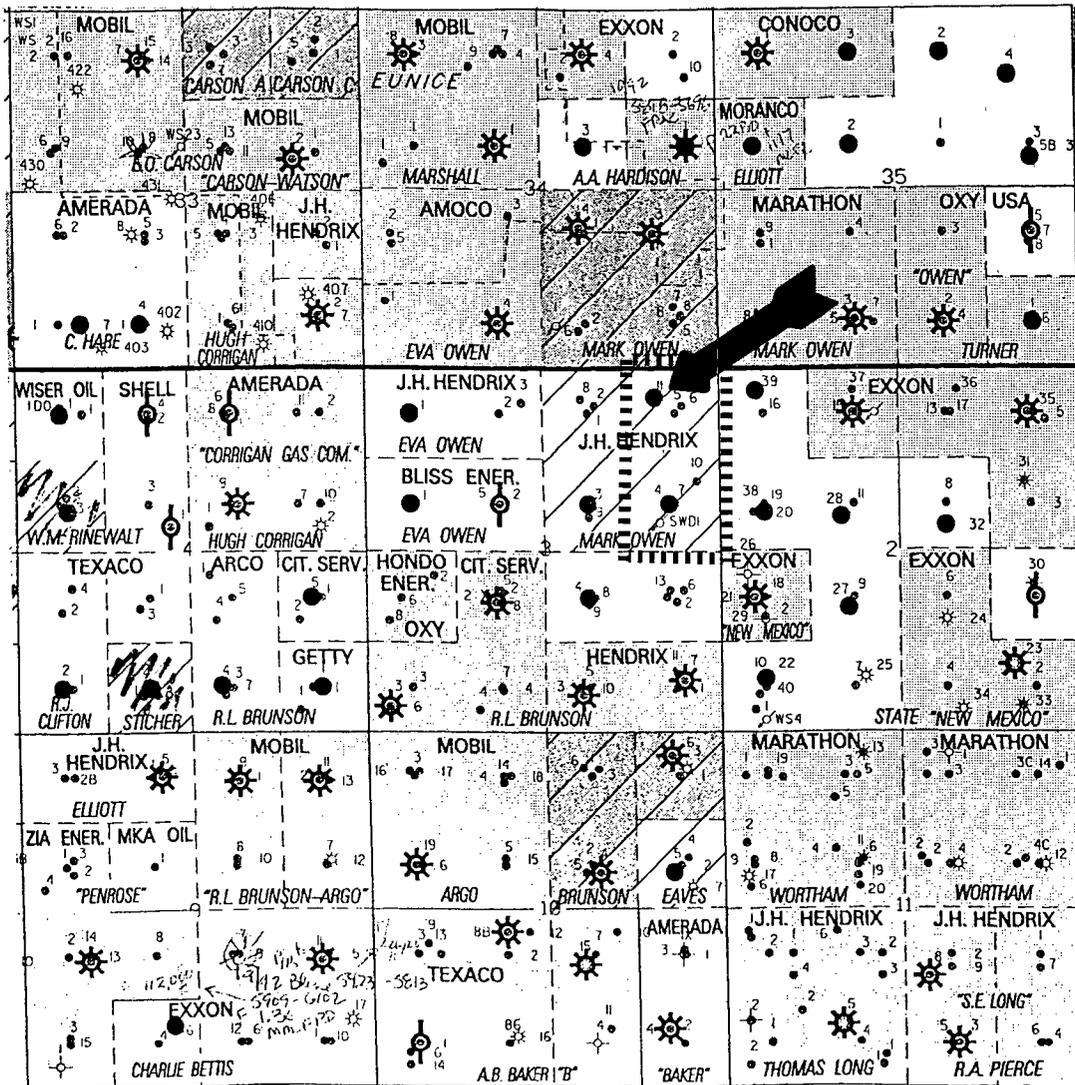
/tmdr
14611.DOC

Attachments

cc: NMOCD - Hobbs, New Mexico
A.L. Alexander/C.O. Blake
L.V. Trautman
J.K. Ripley
R.E. Green
J.A. Howard
Central Files - Lease and Well Files

CHEVRON U.S.A. INC.

Administrative Application for
Reclassification from Oil to Gas Well,
Non-Standard Gas Proration Unit,
Non-Standard Gas Well Location,
and Simultaneous Dedication
Blinebry Oil and Gas Pool
Mark No. 11
430' FNL and 960' FEL, Unit A,
Section 3, T22S, R37E
Lea County, New Mexico





Chevron

December 7, 1994
Midland, Texas

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,
Non-Standard Gas Well Location,
and Simultaneous Dedication
Blinebry Oil and Gas Pool
Mark No. 11
430' FNL and 960' FEL, Unit A,
Section 3, T-22-S, R-37-E
Lea County, New Mexico**

(Offset Operators)

Gentlemen:

Attached is a copy of an administrative application for NMOCD approval for a reclassification of the Mark No. 11 from an oil well to a gas well, creation of a non-standard 80 acre gas proration unit, a non-standard gas well location, and simultaneous dedication with the Mark No. 7.

The GOR of the Mark No. 11 has increased above the 50,000 to 1 limit for oil wells in the Blinebry field. With this change, a non-standard well location and a non-standard 80 acre gas proration unit is proposed.

If you have any questions about the application, please contact Lloyd Trautman at (915) 687-7152.

Sincerely,

L. V. Trautman
Sr. Petroleum Engineer
New Mexico Area

/smdr
14611.DOC

Attachments

cc: Central Files-Lease and Well Files

CHEVRON U.S.A. INC.

**Administrative Application for
Reclassification from Oil to Gas Well,
Non-Standard Gas Proration Unit,
Non-Standard Gas Well Location,
and Simultaneous Dedication
Blinebry Oil and Gas Pool
Mark No. 11
430' FNL and 960' FEL, Unit A,
Section 3, T22S, R37E
Lea County, New Mexico**

OFFSET OPERATORS

**Amoco Production Company
200 Amoco Court
Farmington, NM 87401**

**OXY USA INC.
Regulatory Affairs Department
P.O. Box 50250
Midland, TX 79710-0250**

**John H. Hendrix Corporation
223 Wall St.
Midland, TX 79701**

**Exxon Company U.S.A.
Box 1600
Midland, TX 79702**

**Anadarko Petroleum
Box 130
Artesia, NM 88211-0130**

District I
 PO Box 1908, Hobbs, NM 88241-1908
 District II
 PO Drawer DD, Artesia, NM 88211-0719
 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

* APT. Number 30-025-26051		* Pool Code 72480		* Pool Name Blinebry Oil & Gas	
* Property Code		* Property Name mark			* Well Number 11
* OGRID No.		* Operator Name Chevron USA Inc			* Elevation

18 Surface Location

UL or lot no.	Section	Township	Range	Lot Ida	Foot from the	North/South Eas	Foot from the	East/West Eas	County
A	3	22S	37E		430	North	960	East	Lea

11 Bottom Hole Location If Different From Surface

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

* Dulce	* Acres	* Joint or Infill	* Consolidation Code	* Order No.
80		Y		3

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><i>L.V. Trautman</i> Signature L.V. Trautman Printed Name Sr. Pet Eng. Title 12/7/94 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 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 87410
 District IV
 PO Box 2088, Santa Fe, NM 87504-2088

State of New Mexico
 Energy, Minerals & Natural Resources Department

Form C-102
 Revised February 10, 1994
 Instructions on back
 Submit to Appropriate District Office
 State Lease - 4 Copies
 Fee Lease - 3 Copies

OIL CONSERVATION DIVISION
 PO Box 2088
 Santa Fe, NM 87504-2088

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number 30-025-09997		Pool Code 72480	Pool Name Blinebry Oil & Gas
Property Code	Property Name mark		Well Number 7
OGRID No.	Operator Name Chevron USA Inc		Elevation

10 Surface Location

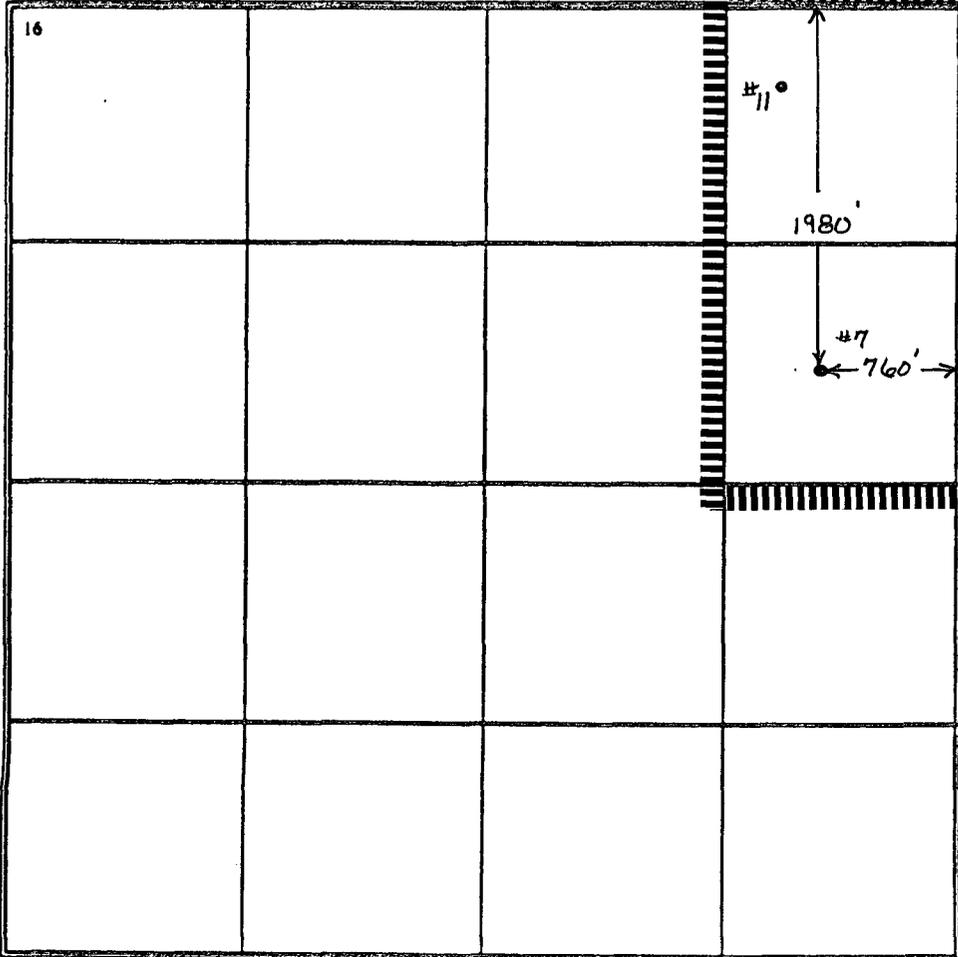
UL or lot no.	Section	Township	Range	Lot Ida	Feet from the	North/South line	Feet from the	East/West line	County
H	3	22S	37E		1980	North	760	East	Lea

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 80	13 Acres Y	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



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

Signature: *L.V. Trautman*
 Printed Name: L.V. Trautman
 Title: Sr. Pet. Eng.
 Date: 12/7/94

17 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.

Date of Survey
 Signature and Seal of Professional Surveyor
 Certificate Number



STATE OF NEW MEXICO

ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION
HOBBS DISTRICT OFFICE

REC'D
NOV 8 52

12-12-84

BRUCE KING
GOVERNOR

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

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

RE: Proposed:

MC	_____	
DHC	_____	
NSL	X _____	SD
NSP	X _____	
SWD	_____	
WFX	_____	
PMX	_____	

Gentlemen:

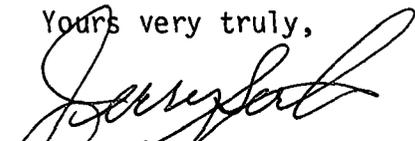
I have examined the application for the:

<u>Chevron USA Inc</u>	<u>Mark #8-B</u>	<u>3-22-37</u>
<u>Operator</u>	<u>Mark #11-A</u>	<u>3-22-37</u>
	Lease & Well No. Unit	S-T-R

and my recommendations are as follows:

OS

Yours very truly,


 Jerry Sexton
 Supervisor, District 1

/ed

OIL CONSERVATION COMMISSION

P. O. BOX 2088

SANTA FE NEW MEXICO 87501

May 22, 1975

New Mexico Oil Conservation Commission
Post Office Box 2088
Santa Fe, New Mexico
Gulf Oil Corporation
P. O. Box 670

Hobbs, New Mexico 88240

Attention: C. D. Borland

Amendment
Administrative Order NSP-612

propration unit in the Blinebry Gas Pool, Lea County, to be dedicated pursuant to Administrative Order NSP-612, effective May 1, 1975, and Mark No. 7, located 1980 feet from the North line and 760 feet from the East line, both in section 3, T22S, R37E, Lea County, New Mexico.

Gentlemen:

In support of this application the following facts are submitted:

Reference is made to your application for approval of a gas proration unit, in the Blinebry Gas Pool consisting of the following acreage: NE/4 and the SE/4 NE/4, Section 3, T22S, R37E, Lea County, New Mexico.

1. A recent test of **LEA COUNTY, NEW MEXICO** will be reclassified from Blinebry Oil to Blinebry Gas. **TOWNSHIP 22 SOUTH, RANGE 37 EAST, NMPM 13** effective May 1, 1975. **Section 3: NW/4**

It is understood that this unit is to be dedicated to your Mark Well No. 3, located 1980 feet from the North line and 1980 feet from the East line and your Mark Well No. 7, located 1980 feet from the North line and 760 feet from the East line of said Section 3, producing from the Blinebry formation in this 160 acre proration unit.

In accordance with Rule 26 (e) of Order No. R-1670-N, the NW/4 of Section 3 becomes a standard proration unit.

Very truly yours,

Your early consideration in this matter will be appreciated.

A. L. PORTER, Jr.
Secretary-Director

ALP/JEK/dr

cc: Oil Conservation Commission - Hobbs
Oil & Gas Engineering Committee - Hobbs

A. L. Porter, All Offset Operators
Hobbs, New Mexico

