

NSP 3/4/99



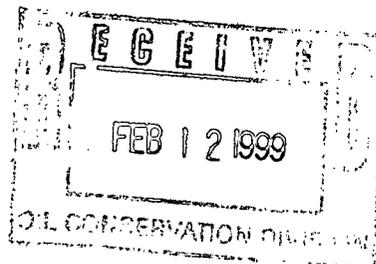
Chevron

February 9, 1999

**Application for Reinstatement of
Administrative Order NSP-1716-A(SD)(L)**

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

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



Attention: Ms. Lori Wrotenbery - Director

Dear Ms. Wrotenbery

Chevron U.S.A. Inc. respectfully requests administrative approval for reinstatement of Administrative Order NSP-1716-A(SD)(L), and placing Administrative Order NSP-1716-B into abeyance.

Chevron U.S.A is planning to recomplete the Mark Well No. 11 into the Blinebry Gas Pool. Mark #11 is currently completed in the Wantz-Abo Pool. The location of the proposed recompletion is 430' FNL and 960' FEL of Section 3, T22S, R37E, Lea County, New Mexico. **Note: Mark #11 previously produced from the Blinebry Pool between 1990-98. In July, 1998, the Blinebry zone was cement squeezed and the Wantz-Abo zone was reopened.**

Mark Well No. 7 is currently dedicated to a non-standard 40-acre Gas Proration Unit which consists of the SE/4 NE/4 of Section 3, T22S, R37E. This was approved January 4, 1996 under Administrative Order NSP-1716-B. Well No. 7 is located 1980' FNL and 760' FEL (Unit H) of said Section 3.

Chevron respectfully requests creation of an unorthodox 80-acre gas spacing and proration unit comprising Lot 1 and the SE/4 NE/4 of said Section 3. It is also requested that Mark Wells Nos. 7 & 11 be simultaneously dedicated to this 80-acre Gas Proration Unit. The request for the 80-acre GPU is necessary since producing Blinebry "oil" wells exist in Lot 2 (Mark #8) and the SW/4 NE/4 (Mark #3) of said Section 3.

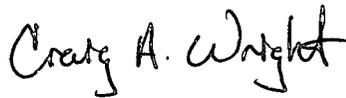
Mark Wells Nos. 7 & 11 will require unorthodox gas well locations for the subject 80-acre unit.

Administrative Orders NSP-1716-B dated January 4, 1996, NSP-1716-A(SD)(L) dated May 15, 1995 and NSP-1716(SD)(L) dated January 31, 1995 have been included in this package to assist you in the review of this administrative application.

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

If you have any questions, or if you require further information, please contact Craig Wright at (915)687-7284.

Sincerely,

A handwritten signature in black ink that reads "Craig A. Wright". The signature is written in a cursive, slightly slanted style.

Craig A. Wright
Production Engineer
PBPC

Attachments

cc: NMOCD - Hobbs, New Mexico
C.O. Blake
J.K. Ripley
C.A. Wright
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 Bronson 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 30-025-26051		* Pool Code 72480		* Pool Name BLINEBRY (PRO GAS)	
* Property Code 2678		* Property Name MARK			* Well Number #11
* OGRID No. 4323		* Operator Name CHEURON 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
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	Feet from the	North/South line	Feet from the	East/West line	County

¹² District	¹³ Acres	¹⁴ Joint or Infill	¹⁵ Consolidation Code	¹⁶ Order No.
80				

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	#8	#11		¹⁷ OPERATOR CERTIFICATION I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.
	#3	#17		Printed Name Craig A. Wright
				Title Pet. Engr.
				Date 02-09-99
				Date
				¹⁸ 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

District I
 PO Box 1988, Hobbs, NM 88241-1988
 District II
 PO Drawer DD, Artesia, NM 88211-9719
 District III
 1000 Rio Brazos Rd., Aztec, NM 87410
 District IV
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AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number 30-025-09997		Pool Code 72480	Pool Name BLINEBRY (PRO GAS)
Property Code 2678	Property Name MARK		Well Number #7
OGRID No. 4323	Operator Name CHEVRON USA INC.		Elevation

10 Surface Location

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

12 District 80	13 Acres	14 Joint or In/In	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		17 OPERATOR CERTIFICATION
		<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>Craig A. Wright</u></p> <p>Printed Name: <u>Craig A. Wright</u></p> <p>Title: <u>Pet. Engr.</u></p> <p>Date: <u>02-09-99</u></p>
		18 SURVEYOR CERTIFICATION
		<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
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 1000 Rio Brazos Rd., Aztec, NM 87410
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AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

* API Number 30-025-09995		* Pool Code 06660	* Pool Name BLINEBRY (OIL)
* Property Code 2678	* Property Name MARK		* Well Number #3
* OGRID No. 4323	* 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
G	3	22S	37E		1980	NORTH	1980	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 1 Acres ¹³ Joint or Infill ¹⁴ Consolidation Code ¹⁵ Order No.

40

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>Craig A. Wright</u></p> <p>Printed Name: <u>Craig A. Wright</u></p> <p>Title: <u>Pet. Engr.</u></p> <p>Date: <u>02-09-99</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>	

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AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number 30-025-09998		Pool Code 06660	Pool Name BLINEBRY (OIL)
Property Code 2678	Property Name MARK		Well Number #8
OGRID No. 4323	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
B	3	22S	37E		554	NORTH	1874	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 Duzies 40	13 Acres	14 Joint or Infill	15 Consolidation Code	16 Order No.
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		<p>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.</p> <p>Craig A. Wright Signature Craig A. Wright Printed Name Pet. Engr. Title 02-09-99 Date</p>
		18 SURVEYOR CERTIFICATION
		<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>
		Certificate Number

February 8, 1999

**Application for Reinstatement of
Administrative Order NSP-1716-A(SD)(L)**

Ladies/Gentlemen:

This is to inform you as an offset operator that Chevron U.S.A. Inc. has applied for administrative approval for reinstatement of Administrative Order NSP-1716-A(SD)(L), and placing Administrative Order NSP-1716-B into abeyance.

Chevron U.S.A is planning to recomplete the Mark Well No. 11 into the Blinebry Gas Pool. Mark #11 is currently completed in the Wantz-Abo Pool. The location of the proposed recompletion is 430' FNL and 960' FEL of Section 3, T22S, R37E, Lea County, New Mexico. **Note: Mark #11 previously produced from the Blinebry Pool between 1990-98. In July, 1998, the Blinebry zone was cement squeezed and the Wantz-Abo zone was reopened.**

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Attached is a commercial map and Form C-102 plats illustrating the proration unit acreage and well locations.

If you have any questions, or if you require further information, please contact Craig Wright at (915)687-7284.

Sincerely,

Craig A. Wright
Production Engineer
PBPC

Offset Operators:

Exxon Corp.
P.O. Box 2189
Houston, TX 77252-2189

J.H. Hendrix Corp.
P.O. Box 3040
Midland, TX 79702-3040

Marathon Oil Company
P.O. Box 552
Midland, TX 79702