

Permian Basin Production Business Unit

February 26, 1991

ADMINISTRATIVE APPLICATION FOR UNORTHODOX GAS WELL LOCATION AND SIMULTANEOUS DEDICATION JALMAT TANSIL YT 7 RVRS (PRO GAS) 1980' FWL AND 660' FNL SECTION 3, T-22-S, R-36-E, NMPM 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

Gentlemen:

Chevron U.S.A. Inc. respectfully requests your approval of our administrative application for the subject Unorthodox Gas Well Location and Simultaneous Dedication.

Chevron has just recently re-completed it's Harry Leonard (NCT-D) Well No. 12 (to be renamed the W. A. Ramsay (NCT-A) Com No. 3) in the Jalmat Tansil Yates Seven Rivers (Pro Gas) Pool. It is our desire to simultaneously dedicate an existing 480-acre Jalmat Gas Proration Unit assigned to our W. A. Ramsay (NCT-A) Com Well Nos. 1 and 2 (Order R-1770 & NSL-1077) to all three wells. This 480-acre gas proration unit comprises the SE/4 of Section 33, the SW/4 of Section 34, Township 21 South, Range 36 East and the NW/4 of Section 3, Township 22 South, Range 36 East, Jalmat Gas Pool, Lea County, New Mexico.

In so doing, the location of the Harry Leonard (NCT-D) No. 12 (to be renamed the W. A. Ramsay (NCT-A) Com No. 3) becomes unorthodox in that it is less than 990' from the outer