

NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

BILL RICHARDSON

Governor Joanna Prukop Cabinet Secretary

November 4, 2003

Lori Wrotenbery
Director
Oil Conservation Division

Chevron U.S.A., Inc.

Attention:

J. Denise Pinkerton

15 Smith Road

Midland, Texas 79705

Re:

Administrative application of Chevron U.S.A., Inc. for simultaneous dedication, an exception to Rule 3 (D) of the Special Rules and Regulations for the Eumont Gas Pool, Lea County, New Mexico.

Dear Ms. Pinkerton:

I have reviewed your application (administrative application reference No. pMES0-327256013) of September 29, 2003 and find the following:

- (i) your application states the three L. Van Etten Wells No. 1, 2, and 15 are to be simultaneously dedicated to the "160 dedicated acreage"; however, the three C-102's submitted (one for each well) all show a 120-acre spacing unit comprising the W/2 SW/4 and SE/4 SW/4 of Section 9, Township 20 South, Range 37 East, NMPM, Lea County, New Mexico;
- (ii) the location of the No. 15 well is unorthodox pursuant to Rule 3 (A) (2) of the "Special Pool Rules for the Eumont Gas Pool" for a 120-acre dedication, but standard for a 160-acre dedication as long as it comprises the SW/4 of Section 9;
- (iii) since the No. 1 and No. 2 wells are existing, what is the current spacing unit dedicated to these two wells; and
- (iv) it appears you have not followed the requirements set forth in Rule 4 (B) for the simultaneous dedication of acreage on a unit that has a well density of less then one well per 160 acres.

Your application, deemed incomplete, is hereby denied and is being returned to you at this time.

Should you have any questions or comments concerning this matter, please contact your legal counsel, Mr. William F. Carr in Santa Fe at (505) 988-4421. Thank you.

La State State

Sincerely.

Michael E. Stogner Chief Hearing Officer/Engineer

cc:

New Mexico Oil Conservation Division – Hobbs

William F. Carr, Legal Counsel for Chevron U.S.A., Inc. - Santa Fe

DATE IN 9/29

SUSPENSE

ENGINEER

LOGGED IN

PMESO-3272560/3

ABOVE THIS LINE FOR DIVISION USE ONLY

NEW MEXICO OIL CONSERVATION DIVISION

- Engineering Bureau -1220 South St. Francis Drive, Santa Fe, NM 87505



Т	HIS CHEC	KLIST IS N	MANDATORY FOR ALL ADMINISTRATIVE APPLICATIONS FOR EXCEPTIONS TO DIVISION RULES AN WHICH REQUIRE PROCESSING AT THE DIVISION LEVEL IN SANTA FE	D REGULATIONS
Applic	[D	Non-Sta HC-Dow [PC-P	ns: andard Location] [NSP-Non-Standard Proration Unit] [SD-Simultaneous Dedi wnhole Commingling] [CTB-Lease Commingling] [PLC-Pool/Lease Commi ool Commingling] [OLS - Off-Lease Storage] [OLM-Off-Lease Measureme [WFX-Waterflood Expansion] [PMX-Pressure Maintenance Expansion] [SWD-Salt Water Disposal] [IPI-Injection Pressure Increase]	ngling] nt]
	_		alified Enhanced Oil Recovery Certification] [PPR-Positive Production Res	oonse]
[1]	TYP	E OF A l [A]	PPLICATION - Check Those Which Apply for [A] Location - Spacing Unit - Simultaneous Dedication NSL NSP SD	
		Check [B]	ck One Only for [B] or [C] Commingling - Storage - Measurement DHC CTB PLC PC OLS OLM	
		[C]	Injection - Disposal - Pressure Increase - Enhanced Oil Recovery WFX PMX SWD PPR PPR	
		[D]	Other: Specify	
[2]	NOT	IFICAT [A]	TION REQUIRED TO: - Check Those Which Apply, or Does Not Apply Working, Royalty or Overriding Royalty Interest Owners	
*		[B]	Offset Operators, Leaseholders or Surface Owner	
		[C]	Application is One Which Requires Published Legal Notice	
		[D]	Notification and/or Concurrent Approval by BLM or SLO U.S. Bureau of Land Management - Commissioner of Public Lands, State Land Office	
		[E]	For all of the above, Proof of Notification or Publication is Attached, and	or,
		[F]	Waivers are Attached	
[3]			CCURATE AND COMPLETE INFORMATION REQUIRED TO PROCES ATION INDICATED ABOVE.	S THE TYPE
[4] approv applica	val is ac c	curate a	ATION: I hereby certify that the information submitted with this application for a and complete to the best of my knowledge. I also understand that no action will equired information and notifications are submitted to the Division.	administrative be taken on this
EN15	Se P	NKer	Signature Statement must be completed by an individual with managerial and/or supervisory capacity. Signature Title	9-24 03
	TINETA	aiiic	lacke in a chevion tex	A CA CAA

e-mail Address

September 24, 2003

New Mexico Oil Conservation Division 1220 S. St. Francis Drive Santa Fe, New Mexico 87504 Attention: Michael Stogner

RE: Request for Simultaneous Dedication

Mr. Stogner,

Chevron U.S.A. respectfully requests approval for simultaneous dedication of the 160 dedicated acreage of L. Van Etten #15, L. Van Etten #1, and L. Van Etten #2. All three wells are shown in the Eumont Yates Seven Rivers Queen (Pro Gas) pool, pool code 76480.

L. Van Etten #15 was recompleted to the Eumont pool in February of 2001. The other two wells were already in the Eumont pool. According to the Eumont pool rules, in order to add the #15 well, the acreage of Unit Letters L, M, & N, must be simultaneously dedicated.

L. Van Etten #15, API# 30-025-32880, Unit Letter N, Section 9, T-20-S, R-37-E, 800' South, 1980' West, Lea County, New Mexico

L. Van Etten #1, API# 30-025-06041, Unit Letter L, Section 9, T-20-S, R-37-E, 1980' South, 660' West, Lea County, New Mexico.

L. Van Etten #2, API# 30-025-06042, Unit Letter M, Section 9, T-20-S, R-37-E, 660' South, 660' West, Lea County, New Mexico.

C-102 Plats for all three wells are attached.

Thanks for your consideration, and if you have any questions, please direct them to J. Denise Pinkerton at (432) 687-7375, or by e-mail at <u>leakejd@chevrontexaco.com</u>.

Sincerely,

J. Denise Pinkerton Regulatory Specialist

Chevron U.S.A. Inc.

Cc: NMOCD in Hobbs, NM

<u>DISTRICT |</u> P.O. Box 1980, Hobbs, NM 88241-1980

DISTRICT II

P.O. Box Drawer DD, Artesia, NM 88211-0719 <u>DISTRICT III</u> 1000 Rio Brazos Rd., Aztec, NM 87410

DISTRICT IV

P.O. Box 2088, Santa Fe, NM 87504-2088

State of New Mexico Energy, Minerals and Natural Resources Department

OIL CONSERVATION DIVISION

P.O. Box 2088

Santa Fe, New Mexico 87504-2088

Form C-102 Revised February 10,199 Instructions on bac Submit to Appropriate District Offic State Lease - 4 Copie

Fee Lease - 3 Copie

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number	² Pool Code	³ Pool Name				
30 025 32880	76480	EUMONT YATES SEVEN RIVERS QUEEN (PRO GAS)				
Property Code 11127	·	⁵ Property Name L. VAN ETTEN				
OGRID Number	•	ator Name	⁹ Elevation			
4323		ON USA INC	3535' GL			

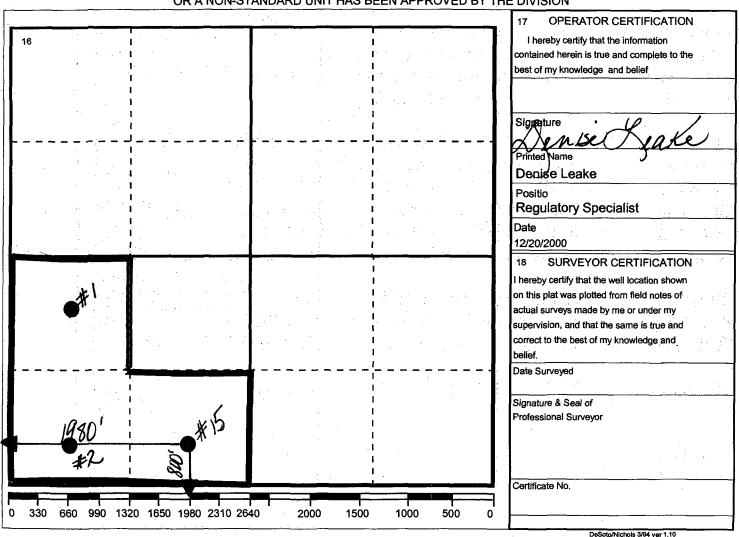
¹⁰ Surface Location

UI or lot no	Section	Township	Range	Lot.ldn	Feet From The	North/South Line	Feet From The	East/West Line	County
N	9	20-S	37-E		800	SOUTH	1980	WEST	LEA

Bottom Hole Location If Different From Surface

					<u> </u>					
Ul or lot no.	Section	Township	Range	Lot.ldn	Feet Fron	n The	North/South Line	Feet From The	East/West Line	County
¹² Dedicated	Acre	13 Joint or Infill	10	Consolidation	on Code	15 Ord	der No.		<u> </u>	
160	:	No .						September 1999		eganerica.

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



DISTRICT I P.O. Box 1980, Hobbs, NM 88241-1980

P.O. Box Drawer DD, Artesia, NM 88211-0719 DISTRICT III 1000 Rio Brazos Rd., Aztec, NM 87410

DISTRICT IV

P.O. Box 2088, Santa Fe, NM 87504-2088

State of New Mexico Energy, Minerals and Natural Resources Department

OIL CONSERVATION DIVISION

P.O. Box 2088

Santa Fe, New Mexico 87504-2088

Form C-102 Revised February 10,199 Instructions on bac Submit to Appropriate District Offic State Lease - 4 Copie Fee Lease - 3 Copie

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number	² Pool Code	³ Pool Name				
30 025 06041	76480	EUMONT YATES 7 RVRS (RS QN (GAS)			
4 Property Code	•	erty Name	⁸ Well No.			
11127	VANI	1				
⁷ OGRID Number 022351- 4323	•	ator Name ON & PRODUCTION INC. Chevicus	⁹ Elevation 3552'			

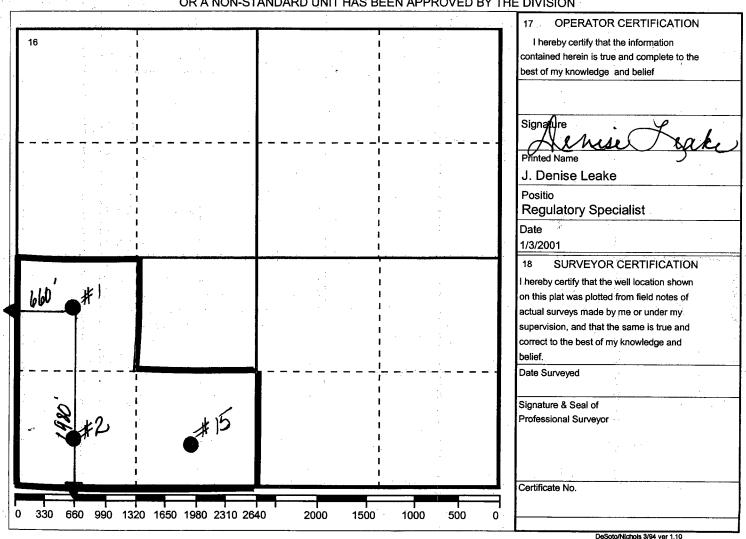
Surface Location

ÜI or lot no	Section	Township	Range	Lot.ldn	Feet From The	North/South Line	Feet From The	East/West Line	County
L	-9	20-S	37-E		1980	SOUTH	660	WEST	LEA

Bottom Hole Location If Different From Surface

UI or lot no. Section	Township F	Range	Lot.ldn	Feet From The	North/South Line	Feet From The	East/West Line	County
Dedicated Acre	Joint or Infill	14	Consolidatio	on Code 15 Ord	der No.			

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



DISTRICT I

P.O. Box 1980, Hobbs, NM 88241-1980 DISTRICT II

P.O. Box Drawer DD, Artesia, NM 88211-0719

DISTRICT III 1000 Rio Brazos Rd., Aztec, NM 87410

P.O. Box 2088, Santa Fe, NM 87504-2088

DISTRICT IV

State of New Mexico Energy, Minerals and Natural Resources Department

OIL CONSERVATION DIVISION

P.O. Box 2088

Santa Fe, New Mexico 87504-2088

Form C-102 Revised February 10,199 Instructions on bac Submit to Appropriate District Offic State Lease - 4 Copie

Fee Lease - 3 Copie AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number	Pool Code	³ Pool Name	(Pro Gas)
30 025 06042	76480	Eumont Yates 7RVS QN (
Property Code 11127		operty Name /AN ETTEN	⁶ Well No.
⁷ OGRID Number		perator Name	⁹ Elevation
922351- 4323		NTION & PRODUCTION INC. Che VRON	3537'

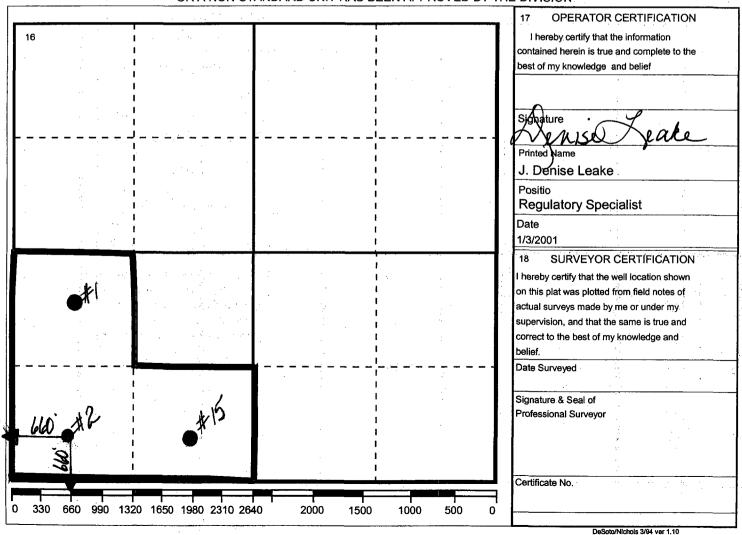
Surface Location

UI or lot no	Section	Township	Range	Lot.ldn	Feet From The	North/South Line	Feet From The	East/West Line	County
М	9	208	37E		660	SOUTH	660	WEST	LEA

Bottom Hole Location If Different From Surface

			-							
UI or lot no.	Section	Township R	ange	Lot.ldn	Feet From	1 The	North/South Line	Feet From The	East/West Line	County
12 Dedicate	1 Acre	13 Joint or Infil!	14	Consolidation		15 0-	da Na		` .	
160	Ade	No		Consolidatio	on Code	Ori	der No.			

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





STATE OF NEW MEXICO

ENERGY AND MINERALS DEPARTMENT OIL CONSERVATION DIVISION

TONEY ANAYA

POST OFFICE BOX 2088 STATE LAND OFFICE BUILDING SANTA FE, NEW MEXICO 87501 (505) 827-5800

September 21, 1984

Getty Oil Company P.O. Box 730 Hobbs, NM 88240

Attention: Dale R. Crockett

Administrative Order NSP-1435

Gentlemen:

Reference is made to your application for a 160-acre non-standard proration unit consisting of the following acreage in the Eumont Gas Pool:

LEA COUNTY, NEW MEXICO

TOWNSHIP 20 SOUTH, RANGE 37 EAST, NMPM
Section 9: SW/4

It is my understanding that this unit is to be dedicated to your L. Van Etten Well No. 1 to be located 1980 feet from the South line and 660 feet from the West line of said Section 9.

By authority granted me under the provisions of Rule 3 of Order No. R-1670, the above non-standard proration unit is hereby approved.

Sincerely,

JOE D. RAMEY,

Director

JDR/RLS/dp

Cc: Oil Conservation Division - Hobbs
Oil & Gas Engineering Committee - Hobbs
Bureau of Land Management - Hobbs

Stogner, Michael

From: Pinkerton, J. Denise (leakejd) [leakejd@chevrontexaco.com]

Sent: Tuesday, November 04, 2003 10:03 AM

To: MSTOGNER@state.nm.us

Good morning, Michael,

I sent you a request for Simultaneous Dedication on September 24, 2003, for three of our L. Van Etten wells.

Can you tell me the status of that request?

Stogner, Michael

From: Pinkerton, J. Denise (leakejd) [leakejd@chevrontexaco.com]

Sent: Tuesday, November 04, 2003 10:07 AM

To: MSTOGNER@state.nm.us

Sorry - I hit the wrong button before I was through.

L.Van Etten #15 30-025-32880 L.Van Etten #1 30-025-06041 L.Van Etten #2 30-025-06042

Thanks, Denise Pinkerton

-----Original Message-----

From: Pinkerton, J. Denise (leakejd)

Sent: Tuesday, November 04, 2003 11:03 AM

To: 'MSTOGNER@state.nm.us'

Subject:

Good morning, Michael,

I sent you a request for Simultaneous Dedication on September 24, 2003, for three of our L. Van Etten wells.

White To Agreement in

Can you tell me the status of that request?

Stogner, Michael

From:

Stogner, Michael

Sent:

Tuesday, November 04, 2003 1:33 PM

To:

'Pinkerton, J. Denise (leakejd)'

Cc:

William F. Carr (E-mail)

Subject: RE:

Please see the attached letter. Hard copy is in the mail with a copy of R-8170-P.

----Original Message-----

From: Pinkerton, J. Denise (leakejd) [mailto:leakejd@chevrontexaco.com]

The state of the s

and the second of the property of the second

Sent: Tuesday, November 04, 2003 10:07 AM

To: MSTOGNER@state.nm.us

Subject:

Sorry - I hit the wrong button before I was through.

L.Van Etten #15 30-025-32880 L.Van Etten #1 30-025-06041 L.Van Etten #2 30-025-06042

Thanks,

Denise Pinkerton

----Original Message-----

From: Pinkerton, J. Denise (leakejd)

Sent: Tuesday, November 04, 2003 11:03 AM

To: 'MSTOGNER@state.nm.us'

Subject:

Good morning, Michael,

I sent you a request for Simultaneous Dedication on September 24, 2003, for three of our L. Van Etten wells.

Can you tell me the status of that request?