



**Chevron U.S.A. Inc.**  
P.O. Box 1150, Midland, TX 79702

Permian Basin Production Business Unit  
New Mexico District

DATE 11-28-90

TO: OIL CONSERVATION DIVISION % ANNA REAGO

LOCATION: SANTA FE, NM

FAX NO: 505 827-5741

FROM: CHEVRON U.S.A. INC % ALAN BOHLING

LOCATION: MIDLAND, TX

NO. OF PAGES (INCLUDING COVER PAGE) 10

If transmission is interrupted or received incomplete, please  
contact Fax Operator at (915) 687-7754.

4th Floor NM Production Department Fax Number (915) 687-7113  
CTN Number (915) 687-7113

ANNA -

PER OUR CONVERSATION TODAY, HERE ARE  
COPIES OF PERTINENT APPLICATION FOR OUR  
PACHECO FEDERAL NO. 5 WELL. PLEASE NOTE  
THAT PENROC HAS ACQUIRED OXY'S INTEREST  
AS OFFSET TO SOUTH. THEREFORE, THERE ARE  
ONLY 3 OFFSETS NEEDING NOTIFICATION:

PENROC, BAYSHORE, AND VATES. THE BLM WAS  
ALSO PROVIDED A COPY AS THIS IS FEDERAL LAND.  
WE ARE THE ONLY OPERATOR IN FADE-AWAY RIDGE  
DELAWARE POOL. AS A STANDARD BOTTOM HOLE  
LOCATION, WE REQUEST AN EXPEDITED APPROVAL.  
WE CURRENTLY ALSO HAVE A RIG READY TO MOVE  
ON THIS WELL. THANK YOU FOR YOUR HELP.

AL (505) 887-7246



**Chevron U.S.A. Inc.**  
P.O. Box 1150, Midland, TX 79702

November 8, 1990

**ADMINISTRATIVE APPLICATION FOR  
UNORTHODOX SURFACE LOCATION  
AND DIRECTIONAL DRILLING TO A  
STANDARD BOTTOM-HOLE LOCATION  
FADE-AWAY RIDGE DELAWARE FIELD  
SECTION 31, T-19-S, R-28-E, NMPM  
EDDY 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 Surface Location and Directional Drilling to a Standard Bottom-Hole Location.

Chevron is proposing to drill a directional oil well in the Fade-Away Ridge Delaware Field, Eddy County, New Mexico. The proposed surface location for our Pacheco Federal Well No. 5 will be at an Unorthodox Location of 760 feet FSL and 1580 feet FWL, Section 31, T-19-S, R-28-E, NMPM, Eddy County, New Mexico. The projected bottom-hole location will be at a Standard Location of 760 feet FSL and 1980 feet FWL, Section 31, T-19-S, R-28-E, NMPM, Eddy County, New Mexico.

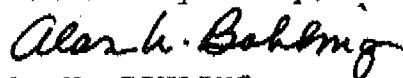
The Pacheco Federal Well No. 5 requires this Unorthodox Surface Location and Directional Drilling due to the presence of a surface archeological site that precludes the drilling of an Orthodox or Standard vertical location.

In order to prevent waste, Chevron respectfully requests

your approval of this administrative application under the provisions of Rule 104 (F). Attached are a map showing offset operators and a Form C-102. A copy of this letter with attachments are being furnished to the Offset Operators by Certified Mail, as their notice of this application.

Due to the nature of this request in that the bottom-hole location will be at a Standard location and that Chevron is currently the only operator in the subject pool, we would further request that approval of this application be expedited to facilitate the drilling of this well this year.

Yours very truly,



A. W. BOHLING

awb  
Attachments  
Enclosures

cc: NMOCD - Artesia

**CHEVRON U.S.A. INC.**  
**Pacheco Federal Lease**

Application For An Unorthodox  
Surface Location Of  
760' FSL and 1580' FWL  
Section 31, T19S, R28E  
and  
Directional Drilling Approval  
To A Standard Bottom-Hole Location  
760' FSL and 1980' FWL  
Section 31, T19S, R28E  
Eddy County, New Mexico

**OFFSET OPERATORS**

Oxy U.S.A. Inc.  
P. O. Box 50250  
Midland, TX 79710

Penroc Oil Corp.  
P. O. Box 5970  
Hobbs, NM 88241

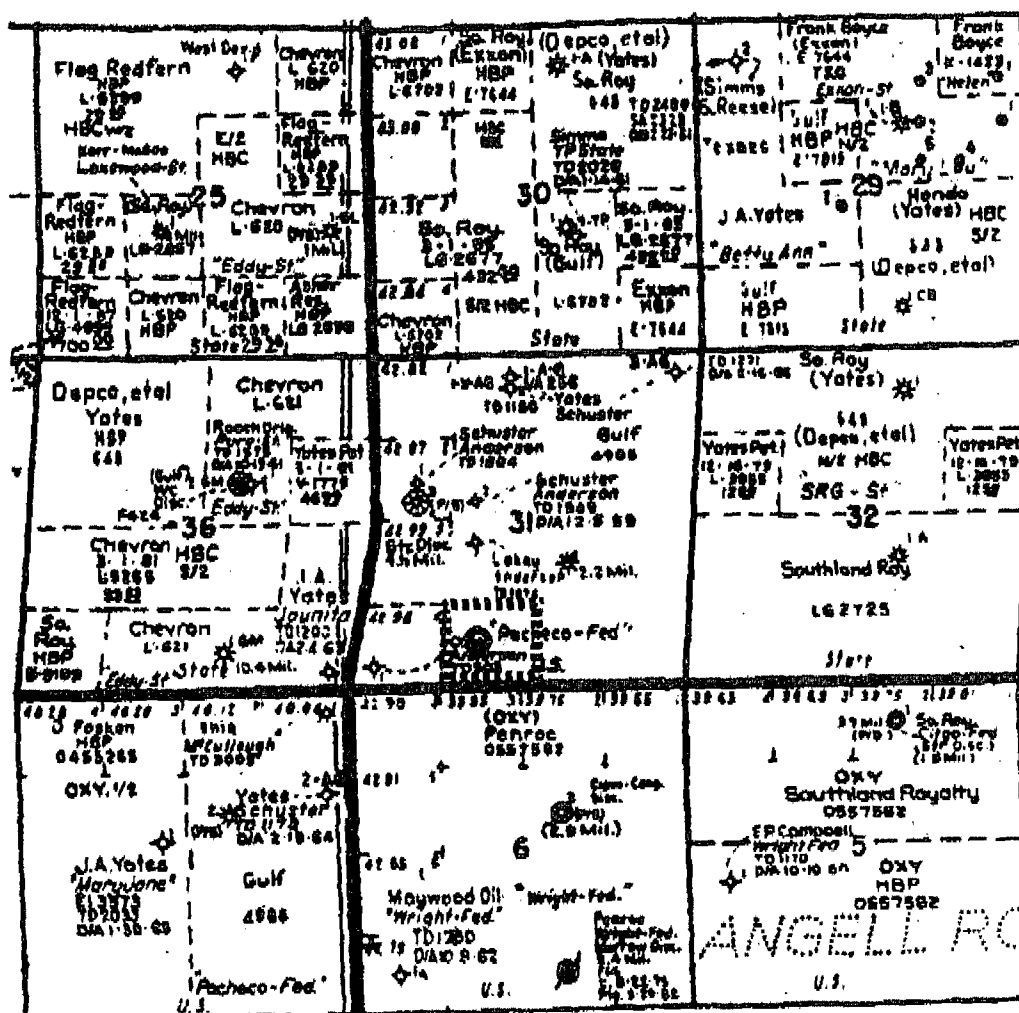
Bayshore Production Co.  
5801 N. Broadway, Ste. 300  
Oklahoma City, OK 73118

Yates Petroleum Corp.  
105 S. Fourth Street  
Artesia, NM 88210

U. S. Bureau Of Land Management  
P.O. Box 1788  
Carlsbad, NM 88220

CHEVRON U.S.A. INC.  
Pacheco Federal Lease

Application For An Unorthodox  
Surface Location Of  
760' FSL and 1580' FWL  
Section 31, T19S, R28E  
and  
Directional Drilling Approval  
To A Standard Bottom-Hole Location  
760' FSL and 1980' FWL  
Section 31, T19S, R28E  
Eddy County, New Mexico



## Energy, Minerals and Natural Resources Department

Form C-162  
Revised 1-1-89

## OIL CONSERVATION DIVISION

P.O. Box 2088  
Santa Fe, New Mexico 87504-2088DISTRICT I  
P.O. Box 1920, Hobbs, NM 88240DISTRICT II  
P.O. Drawer DD, Artesia, NM 88210DISTRICT III  
1000 Rio Grande Rd., Aztec, NM 87410

## WELL LOCATION AND ACREAGE DEDICATION PLAT

All Distances must be from the outer boundaries of the section

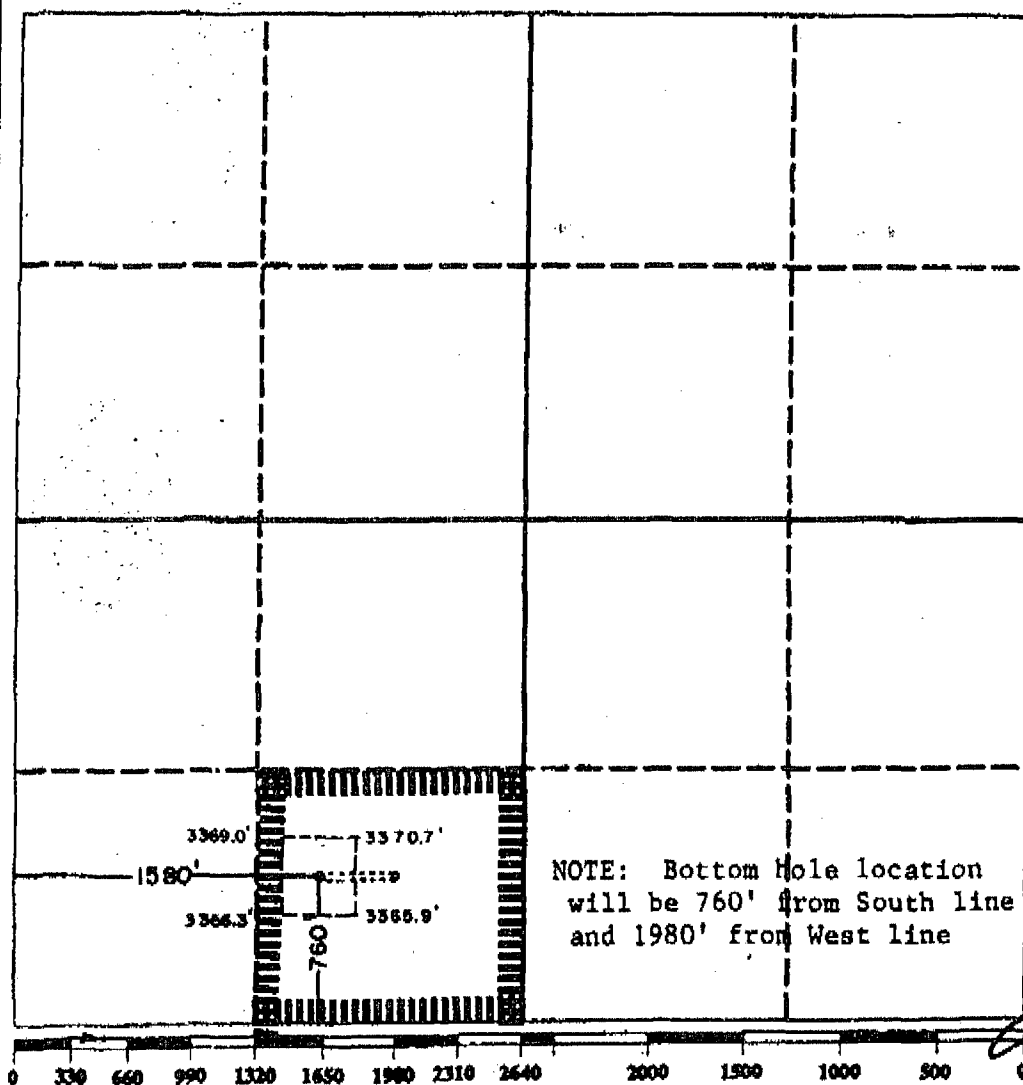
Operator <b>CHEVRON USA INC.</b>			Lease <b>PACHECO FED.</b>		Well No. <b>5</b>
Unit Letter <b>N</b>	Section <b>31</b>	Township <b>19 SOUTH</b>	Range <b>28 EAST</b>	County <b>EDDY</b>	
Actual Footage Location of Well: <b>760</b> feet from the <b>SOUTH</b> line and <b>1580</b> feet from the <b>WEST</b> line					
Ground level Elev. <b>3367.0</b>	Producing Formation <b>Delaware</b>	Pool <b>Fade-Away Ridge Delaware</b>	Dedicated Acreage: <b>40</b> Acres		

- Outline the acreage dedicated to the subject well by colored pencil or hachure marks on the plat below.
- If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).
- If more than one lease of different ownership is dedicated to the well, have the interest 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 interest, has been approved by the Division.



NOTE: Bottom Hole location  
will be 760' from South line  
and 1980' from West line

## OPERATOR CERTIFICATION

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

Signature

E.O. Doherty

Printed Name

E.O. Doherty

Position

T.A. Dirg.

Company

Chevron U.S.A. Inc.

Date

11/2/90

## 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 knowledge and  
belief.

Date Surveyed

10-30-90

Signature & Seal of  
Professional Surveyor

no other wells on the  
proportion unit.

**SENDER:** Complete items 1 and 2 when additional services are desired, and complete items 3 and 4.  
Put your address in the "RETURN TO" Space on the reverse side. Failure to do this will prevent this card from being returned to you. The return receipt fee will provide you the name of the person delivered to and the date of delivery. For additional fees the following services are available. Consult postmaster for fees and check box(es) for additional service(s) requested.

1. ☐ Show to whom delivered, date, and addressee's address. 2. ☐ Restricted Delivery (Extra charge)

3. Article Addressed to:  STATE OF NEW MEXICO ENERGY MINERALS & NATURAL RESOURCES DEPT OIL CONSERVATION DIVISION P O BOX 2088 SANTA FE NM 87504	4. Article Number  53509  Type of Service: <input type="checkbox"/> Registered <input type="checkbox"/> Insured <input checked="" type="checkbox"/> Certified <input type="checkbox"/> COD <input type="checkbox"/> Express Mail <input type="checkbox"/> Return Receipt for Merchandise  Always obtain signature of addressee or agent and DATE DELIVERED.
5. Signature -- Address X	8. Addressee's Address (ONLY if requested and fee paid)  NOV 13 1990
6. Signature -- Agent X	
7. Date of Delivery	

PS Form 3811, Mar. 1988

\* U.S.G.P.O. 1988-212-865

DOMESTIC RETURN RECEIPT

PACHECO

● **SENDER:** Complete items 1 and 2 when additional services are desired, and complete items 3 and 4.  
Put your address in the "RETURN TO" Space on the reverse side. Failure to do this will prevent this card from being returned to you. The return receipt fee will provide you the name of the person delivered to and the date of delivery. For additional fees the following services are available. Consult postmaster for fees and check box(es) for additional service(s) requested.

1. ☐ Show to whom delivered, date, and addressee's address. (Extra charge) 2. ☐ Restricted Delivery (Extra charge)

3. Article Addressed to:  
OXY U.S.A. INC.  
P. O. BOX 50250  
MIDLAND TEXAS 79710

4. Article Number  
53512

Type of Service:  
☐ Registered ☐ Insured  
☐ Certified ☐ COD  
☐ Express Mail ☐ Return Receipt for Merchandise

Always obtain signature of addressee or agent and DATE DELIVERED.

5. Signature — Addressee  
X

6. Signature — Agent  
X

7. Date of Delivery  
4/13/90

8. Addressee's Address (ONLY if requested and fee paid)

PS Form 3811, Apr. 1989

\*U.S.G.P.O. 1989-238-815

DOMESTIC RETURN RECEIPT

● **SENDER:** Complete items 1 and 2 when additional services are desired, and complete items 3 and 4.  
Put your address in the "RETURN TO" Space on the reverse side. Failure to do this will prevent this card from being returned to you. The return receipt fee will provide you the name of the person delivered to and the date of delivery. For additional fees the following services are available. Consult postmaster for fees and check box(es) for additional service(s) requested.

1. ☐ Show to whom delivered, date, and addressee's address. (Extra charge) 2. ☐ Restricted Delivery (Extra charge)

3. Article Addressed to:  
STATE OF NEW MEXICO  
ENERGY MINERALS & NATURAL  
RESOURCES DEPT.  
OIL CONSERVATION DIVISION  
P.O. DRAWER DD  
ARTEZIA, NEW MEXICO  
88210

4. Article Number  
53511

Type of Service:  
☐ Registered ☐ Insured  
☒ Certified ☐ COD  
☐ Express Mail ☐ Return Receipt for Merchandise

Always obtain signature of addressee or agent and DATE DELIVERED.

5. Signature — Addressee  
X

6. Signature — Agent  
X

7. Date of Delivery  
11-13-90

8. Addressee's Address (ONLY if requested and fee paid)

PS Form 3811, Apr. 1989

\*U.S.G.P.O. 1989-238-815

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ENERGY MINERALS & NATURAL  
RESOURCES DEPT  
OIL CONSERVATION DIVISION  
P O BOX 2088  
SANTA FE NM 87504

4. Article Number  
53509

Type of Service:  
☐ Registered ☐ Insured  
☒ Certified ☐ COD  
☐ Express Mail ☐ Return Receipt for Merchandise

Always obtain signature of addressee or agent and DATE DELIVERED.

5. Signature — Address  
X

6. Signature — Agent  
X

7. Date of Delivery

8. Addressee's Address (ONLY if requested and fee paid)

NOV 13 1990

PS Form 3811, Mar. 1988

\*U.S.G.P.O. 1988-212-885

DOMESTIC RETURN RECEIPT



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1. ☐ Show to whom delivered, date, and addressee's address. 2. ☐ Restricted Delivery (Extra charge)

3. Article Addressed to:  
BAYSHORE PRODUCTION CO.  
5801 N. BROADWAY, STE. 300  
OKLAHOMA CITY, OK 73118

4. Article Number  
53514

Type of Service:  
☐ Registered ☐ Insured  
☐ Certified ☐ COD  
☐ Express Mail ☐ Return Receipt for Merchandise

Always obtain signature of addressee or agent and DATE DELIVERED.

5. Signature — Addressee  
X

6. Signature — Agent  
X

7. Date of Delivery

8. Addressee's Address (ONLY if requested and fee paid)

PS Form 3811, Apr. 1989

\*U.S.G.P.O. 1989-238-815

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1. ☐ Show to whom delivered, date, and addressee's address. 2. ☐ Restricted Delivery (Extra charge)

3. Article Addressed to:  
U.S. BUREAU OF LAND MANAGEMENT  
P. O. BOX 1788  
CARLSBAD, NM 88220

4. Article Number  
53513

Type of Service:  
☐ Registered ☐ Insured  
☐ Certified ☐ COD  
☐ Express Mail ☐ Return Receipt for Merchandise

Always obtain signature of addressee or agent and DATE DELIVERED.

5. Signature — Addressee  
X

6. Signature — Agent  
X

7. Date of Delivery  
11-13-90

8. Addressee's Address (ONLY if requested and fee paid)

PS Form 3811, Apr. 1989

\*U.S.G.P.O. 1989-238-815

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1. ☐ Show to whom delivered, date, and addressee's address. 2. ☐ Restricted Delivery (Extra charge)

3. Article Addressed to:  
PENROC OIL CORP.  
P. O. BOX 5970  
HOBBS, NM 88241

4. Article Number  
53515

Type of Service:  
☐ Registered ☐ Insured  
☐ Certified ☐ COD  
☐ Express Mail ☐ Return Receipt for Merchandise

Always obtain signature of addressee or agent and DATE DELIVERED.

5. Signature — Addressee  
X

6. Signature — Agent  
X Cathie Medina

7. Date of Delivery  
11-13-90

8. Addressee's Address (ONLY if requested and fee paid)

PS Form 3811, Apr. 1989

\*U.S.G.P.O. 1989-238-815

DOMESTIC RETURN RECEIPT



**CHEVRON U.S.A. INC.**  
**Pacheco Federal Lease**

Application For An Unorthodox  
Surface Location Of  
760' FSL and 1580' FWL  
Section 31, T19S, R28E  
and  
Directional Drilling Approval  
To A Standard Bottom-Hole Location  
760' FSL and 1980' FWL  
Section 31, T19S, R28E  
Eddy County, New Mexico

**WAIVER TO OBJECTION**

We, the undersigned, as an offset operator, waive any objection to Chevron U.S.A. Inc.'s application for NMOCDD approval of an Unorthodox Surface Location and Directional Drilling to a Standard Bottom-Hole Location for a well in the Fade-Away Ridge Delaware Field. The Unorthodox Surface Location will be 760 feet FSL and 1580 feet FWL, Section 31, T-19-S, R-28-E, NMPM, Eddy County, New Mexico. The Projected Standard Bottom-Hole Location is 760 feet FSL and 1980 feet FWL of Section 31. The oil proration unit to be assigned to this well will comprise the SE/4 SW/4 of Section 31, T-19-S, R-28-E, NMPM, Eddy County, New Mexico.

Company: PENROC OIL CORPORATION  
Representative: M. V. (Merck) Merchant  
Signature: [Signature]  
Title: PRESIDENT  
Date: 11/14/90