* Huerbert 1-5-95



Chevron U.S.A. Production Company P.O. Box 1150

Midland, TX 79702

December 6, 1994 Midland, Texas

Unorthodox Gas Well Location and Simultaneous Dedication Eumont (Pro Gas) Pool 1080' FNL and 2020' FWL Section 9, T-21-S, R-36-E Lea County, New Mexico

Dec. 12-12-94

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

Attn: Mr. William J. LeMay

Director

Gentlemen:

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

Chevron is currently planning to drill and complete the Meyer-Bell Ramsay Well #6 as a Eumont (Pro-Gas) well at a proposed location of 1080' FNL & 2020' FWL, Unit C, Section 9, Township 21 South, Range 36 East, Lea County, New Mexico. It is also our desire to simultaneously dedicate the existing NMOCD approved 240-acre Non-Standard Eumont Gas Proration Unit comprising the NW/4 and E/2 SW/4 of said Section 9 currently assigned to the Meyer-Bell Ramsay Well #5 (NMOCD Order No. R-9430) copy attached) to both wells.

The proposed location is to avoid surface restrictions of primary power lines and becomes unorthodox in that it is less than the required distances from the governmental quarter-quarter section line and proration unit boudnary line. This proposed location will also provide an opportunity to capture additional undrained reserves while avoiding areas of previous drainage in the Eumont (Pro Gas) Pool. Additionally it adheres closely to an optimum 80-acre diagonal offset development pattern in this field.

Therefore, in order to prevent waste and allow prudent development of the Eumont (Pro Gas) Pool, Chevron respectfully requests your approval of this administrative application for an unorthodox gas well location and simultaneous dedication. Attached is a map showing offset operators and a Form C-102 plat. A copy of this letter and attachments are being furnished by Certified Mail to offset operators as their notice of this application. If there are any further questions concerning this application, please contact me at (915) 687-7246.

Very truly yours,

Alan W. Bohling
Petroleum Engineer

/tmdr 14600.DOC

Attachments

cc: NMOCD - Hobbs

CHEVRON U.S.A. INC.

Meyer-Bell Ramsay Lease Well No. 6

Unorthodox Location and Simultaneous Dedication Application Eumont (Pro Gas) Pool 1080' FNL and 2020' FWL Section 9, T-21-S, R-36-E Lea County, New Mexico

OFFSET OPERATORS

ARCO Oil and Gas Company
P. O. Box 1610
Midland, Texas 79702

Conoco Incorporated 10 Desta Drive, Ste. 100W Midland, Texas 79705

Doyle Hartman 500 N. Main Midland , Texas 79701

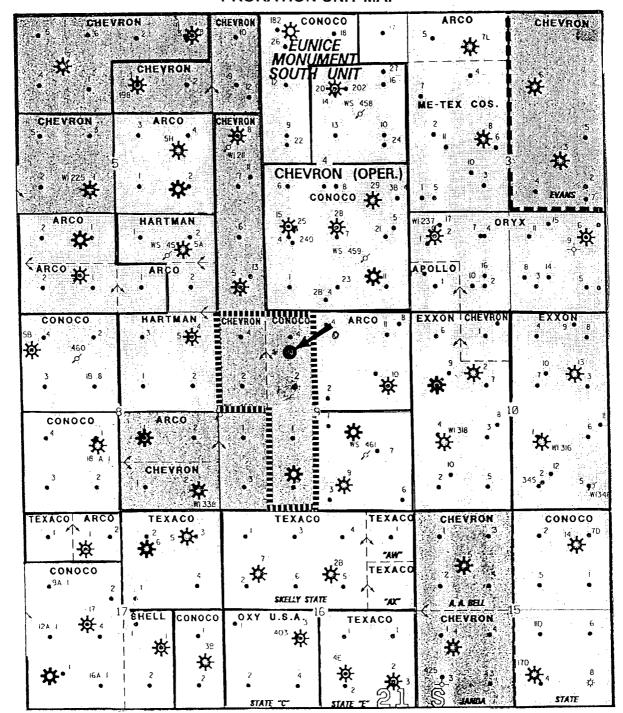
Texaco Exploration & Production, Inc.. 205 E. Bender Hobbs, New Mexico 88240

CHEVRON U.S.A. INC.

Meyer-Bell Ramsay Lease Well No. 6

Unorthodox Location and Simultaneous Dedication Application Eumont (Pro Gas) Pool 1080' FNL and 2020' FWL Section 9, T-21-S, R-36-E Lea County, New Mexico

PRORATION UNIT MAP



PO Box 1988, Hobbs, NM \$8241-1989 District [] PO Drawer DD, Artesia, NM 88211-0719 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

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

☐ AMENDED REPORT

Fee Lease - 3 Copies

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Num	ber	1 Pool Code 764-80	EUMONT (PRO GAS)	
1 Property Code	MEYER	L-BELL RAMSI	' Well Number	
'OGRID No. 4323	CHEVRO	N U.S.A. INC	* Elevation	

¹⁰ Surface Location

UL or lot no.	Section	Township	Range	Lot ida	Feet from the	North/South Line	Foot from the	East/West line	County
C	9	215	36E		1080'	NORTH	2020'	WEST	LEA
			II Rot	tom Hol	e Location I	f Different Ero	m Surface		

Bottom Hole Location If Different From Surface

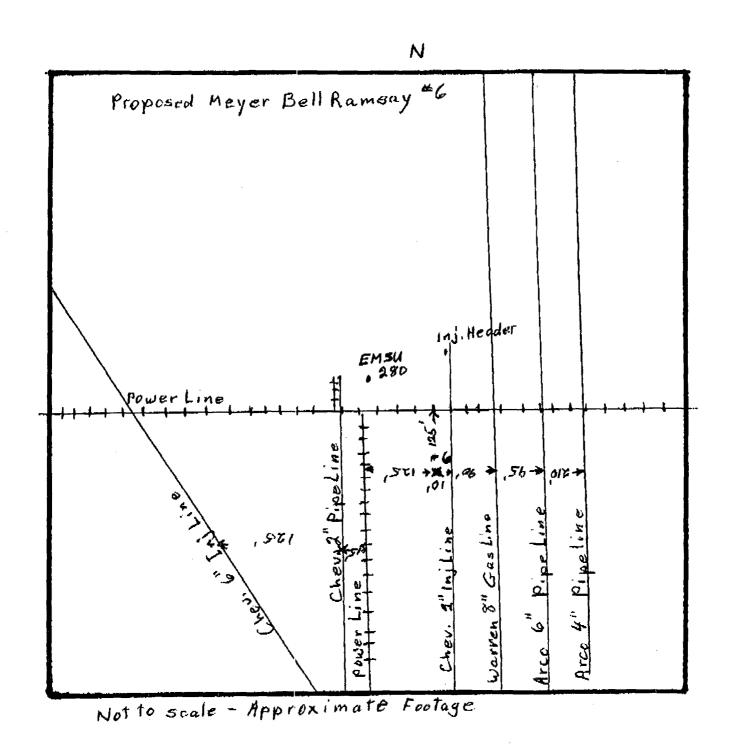
UL or lot so.	Section	Township	Range	Lot Ida	Feet from the	North/South fine	Feet from the	East/West line	County.
" Dustice 1 A 240	res 13 Joint	or infill ''	Consolidatio	na Code 15 C	Order No. R-94	430		<u> </u>	*

NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED

		ADAKO UNII HAS B	EE : MIROVED DI	TIL DIVISION
16	1080'			¹⁷ OPERATOR CERTIFICATION I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief
2020' –	≯6_			alando Bohling
				Signature ALAN W. BOHLING Printed Name PETROLEUM ENGINEER Title
				DECEMBER 7, 1994
	,	Margar - Bell		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.
1980' —	→ ₹ 5	Meyer-Bell Ramsay (30-025-30	921)	Date of Survey Signature and Scal of Professional Surveyer:
	990' 			
		<u> </u>		Certificate Number

MEYER BELL RAMSAY LEASE -SCALE: I"=1000' DATE: 12/1/94 (PREPARED BY: ALAN BOHLING FROM FIELD SKETCH) FOOTAGES SHOWN ARE APPROXIMATE

NOTE: Proposed location to place well so as to avoid power lines and gas lines @ minimum safe distances and right-of. ways yet remain as close to a standard location as possible. STANDARD 990'FNL# 660'FEL 125'-PROPOSED LOCATION 1080' FNL \$ 2020' FWE



STATE OF NEW MEXICO ENERGY, MINERALS, AND NATURAL RESOURCES DEPARTMENT OIL CONSERVATION DIVISION

IN THE MATTER OF THE HEARING CALLED BY THE OIL CONSERVATION DIVISION FOR THE PURPOSE OF CONSIDERING:

CASE NO. 10092 Order No. R-9430

APPLICATION OF CHEVRON U.S.A. INC. FOR ACREAGE REDEDICATION, TWO NON-STANDARD GAS PRORATION UNITS, SIMULTANEOUS DEDICATION, AND TWO UNORTHODOX GAS WELL LOCATIONS, LEA COUNTY, NEW MEXICO.

ORDER OF THE DIVISION

BY THE DIVISION:

This cause came on for hearing at 8:15 a.m. on September 19, 1990, at Santa Fe, New Mexico, before Examiner David R. Catanach.

NOW, on this <u>lst</u> day of February, 1991, the Division Director, having considered the testimony, the record, and the recommendations of the Examiner, and being fully advised in the premises,

FINDS THAT:

(1) Due public notice having been given as required by law, the Division has jurisdiction of this cause and the subject matter thereof.

(2) The applicant, Chevron U.S.A. Inc (Chevron), seeks approval to rededicate certain Eumont Gas Pool acreage in portions of Sections 4 and 9, Township 21 South, Range 36 East, NMPM, Lea County, New Mexico, thereby forming a 160-acre non-standard gas spacing and proration unit for said pool comprising Lots 12 and 13 and the W/2 SW/4 of said Section 4, to be simultaneously dedicated to its existing Bell Ramsay NCT-A Well No. 5 located at a standard gas well location 660 feet from the South and West lines (Unit U) and to the existing Bell Ramsay NCT-A Well No. 8 located at an unorthodox gas well location 3258 feet from the North line and 660 feet from the West line (Unit L), both wells in said Section 4, and a 240-acre non-standard gas spacing and proration unit comprising the NW/4 and E/2 SW/4 of said Section 9, to be dedicated to its Meyer Bell Ramsay Well No. 5 to be drilled at an unorthodox gas well location 990 feet from the South line and 1980 feet from the West line (Unit N) of said Section 9.

i

- (3) At the time of the hearing, it was determined that the location for the proposed Meyer Bell Ramsay Well No. 5 is orthodox for the proposed proration unit pursuant to the Special Rules and Regulations for the Eumont Gas Pool as promulgated by Division Order No. R-8170, as amended.
- (4) The proposed non-standard gas proration units would serve to combine two active and one inactive non-standard gas proration units in the Eumont Gas Pool as follows:
 - a) NSP-261, dated May 8, 1956 authorized a 120-acre nonstandard gas proration unit comprising Lots 12 and 13 and the NW/4 SW/4 of Section 4, said unit currently dedicated to the Bell Ramsay NCT-A Well No. 8 as described above;
 - b) NSP-287, dated July 11, 1956 authorized a 160-acre nonstandard gas proration unit comprising the E/2 W/2 of Section 9, said acreage currently undedicated, and;

CASE NO. 10092 Order No. R-9430 Page -3-

- c) R-850, dated August 1, 1956 authorized a 120-acre non-standard gas proration unit comprising the SW/4 SW/4 of Section 4 and the W/2 NW/4 of Section 9, said unit currently dedicated to the Bell Ramsay NCT-A Well No. 5 as described above.
- (5) According to applicant's evidence, both the Bell Ramsay NCT-A Well Nos. 5 and 8 are currently classified as marginal gas wells in the Eumont Gas Pool capable of producing approximately 47 percent and 60 percent, respectively, of the preceding twelve month average Eumont gas allowable assigned to their respective 120-acre non-standard gas proration units.
- (6) Testimony presented by the applicant indicates that the proposed Meyer Bell Ramsay Well No. 5 may be capable of producing approximately 450 MCF of gas per day; however, evidence presented suggests that said well may be capable of producing substantially more than that.
- (7) The proposed Meyer Bell Ramsay Well No. 5 has recently been offset by two newly drilled wells, the Texaco Producing Inc. Skelly "B" State Com Well No. 2 located in Unit G of Section 16, Township 21 South, Range 36 East, NMPM, and the Texaco Producing Inc. O. L. Coleman Well No. 6 located in Unit B of Section 17, Township 21 South, Range 36 East, NMPM, which had initial potentials in the Eumont Gas Pool, respectively, of 2223 MCFGPD and 848 MCFGPD.
- (8) The applicant seeks the proposed acreage rededication for the purpose of increasing the acreage dedicated to the proposed Meyer Bell Ramsay Well No. 5, thereby increasing the gas allowable assigned the well under the Division's gas proration system.
- (9) By Order No. R-8170-G dated November 8, 1990, the Division approved a minimum gas allowable in the Eumont Gas Pool of 600 MCF gas per day per acreage factor of 1.0.

CASE NO. 10092 Order No. R-9430 Page -4-

- (10) The acreage proposed to be dedicated to the Bell Ramsay NCT-A Well Nos. 5 and 8, as described above, should provide sufficient gas allowable such that these marginal wells may be produced at capacity.
- (11) All working interest owners owning an interest in the proposed proration units have consented to and agreed to the proposed acreage rededication.
- (12) Doyle Hartman (Hartman), an offset operator, appeared at the hearing and presented evidence and testimony in opposition to the application; however, the objection by Hartman was contingent upon Division denial of a similar application filed by Hartman in Case No. 9994 which was heard by the Division on June 28, 1990.
- (13) The application of Hartman in said Case No. 9994 was approved by the Division by Order No. R-9332 entered on October 24, 1990.
- (14) No other offset operator appeared at the hearing in opposition to the application.
- (15) Approval of the application will enable the applicant to recover the remaining gas reserves underlying the proposed proration units, thereby preventing waste, and will not violate correlative rights.
- (16) Division Order Nos. NSP-261, NSP-287 and R-850 should be superseded by this order.
- (17) The subject 160 and 240-acre non-standard gas proration units should be assigned acreage factors of 1.0 and 1.5, respectively, in the Eumont Gas Pool for the purpose of assigning gas allowable.

CASE NO. 10092 Order No. R-9430 Page -5-

IT IS THEREFORE ORDERED THAT:

- (1) A non-standard 160-acre gas spacing and proration unit comprising Lots 12 and 13 and the W/2 SW/4 of said Section 4, Township 21 South, Range 36 East, NMPM, Eumont Gas Pool, Lea County, New Mexico, is hereby established and simultaneously dedicated to the existing Bell Ramsay NCT-A Well No. 5 located at a standard gas well location 660 feet from the South and West lines (Unit U), and to the existing Bell Ramsay NCT-A Well No. 8 located at an unorthodox gas well location 3258 feet from the North line and 660 feet from the West line (Unit L), both wells in said Section 4.
- (2) A non-standard 240-acre gas spacing and proration unit comprising the NW/4 and E/2 SW/4 of Section 9, Township 21 South, Range 36 East, NMPM, Eumont Gas Pool, Lea County, New Mexico, is hereby established and dedicated to the Meyer Bell Ramsay Well No. 5 to be drilled at a standard gas well location 990 feet from the South line and 1980 feet from the West line (Unit N) of said Section 9.
- (3) Division Order Nos. NSP-261, NSP-287 and R-850 are hereby superseded by this order.
- (4) The 160 and 240-acre non-standard gas proration units as described above shall be assigned acreage factors of 1.0 and 1.5, respectively, in the Eumont Gas Pool for the purpose of assigning gas allowable.
- (5) The gas allowable assigned to the 160-acre non-standard gas proration unit as described above may be produced from the Bell Ramsay NCT-A Well Nos. 5 and 8 in any proportion.
- (6) Jurisdiction of this cause is retained for the entry of such further orders as the Division may deem necessary.

CASE NO. 10092 Order No. R-9430 Page -6-

DONE at Santa Fe, New Mexico, on the day and year hereinabove designated.

STATE OF NEW MEXICO OIL CONSERVATION DIVISION

WILLIAM J. LEMAY

Director

SEAL



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

Unorthodox Gas Well Location and Simultaneous Dedication Eumont (Pro Gas) Pool 1080' FNL and 2020' FWL Section 9, T-21-S, R-36-E Lea County, New Mexico

ARCO Oil and Gas Company P.O. Box 1610 Midland, Texas 79702

Attn: Mr. David K. Newell

Gentlemen:

Attached is a copy of Chevron's administrative application for NMOCD approval of an Unorthodox Gas Well Location and Simultaneous Dedication in the Eumont (Pro Gas) Pool.

Chevron plans to drill and complete the Meyer-Bell Ramsay Well #6 in the Eumont (Pro Gas) Pool. It is our desire to also simultaneously dedicate the existing 240-acre Eumont Gas Proration Unit assigned to our Meyer-Bell Ramsay Well No. 5, [Order No. R-9430] to both wells. As a result, the location of the Meyer-Bell Ramsay Well #6 becomes unorthodox. The location of Well No. 6 is 1080' ft. FNL and 2020' ft. FWL of Section 9, T-21-S, R-36-E, NMPM, Lea County, New Mexico.

As an offset operator, if you do not have an objection to the attached application, please sign the enclosed waivers and mail the original and two copies to the NMOCD in Santa Fe, New Mexico and one copy to the NMOCD in Hobbs, New Mexico. We also request that one copy be returned to Chevron U.S.A. We have enclosed addressed, stamped envelopes for your convenience.

If you have any questions, please contact me at (915) 687-7246. Your prompt consideration will be appreciated.

Yours very truly,

A. W. Bohling Petroleum Engineer

Clan a Bolling

/tmdr

Attachments

14600.DOC



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

Unorthodox Gas Well Location and Simultaneous Dedication Eumont (Pro Gas) Pool 1080' FNL and 2020' FWL Section 9, T-21-S, R-36-E Lea County, New Mexico

Conoco Incorporated 10 Desta Drive Suite 100W Midland, Texas 79705

Attn: Mr. Jerry Hoover

Gentlemen:

Attached is a copy of Chevron's administrative application for NMOCD approval of an Unorthodox Gas Well Location and Simultaneous Dedication in the Eumont (Pro Gas) Pool.

Chevron plans to drill and complete the Meyer-Bell Ramsay Well #6 in the Eumont (Pro Gas) Pool. It is our desire to also simultaneously dedicate the existing 240-acre Eumont Gas Proration Unit assigned to our Meyer-Bell Ramsay Well No. 5, [Order No. R-9430] to both wells. As a result, the location of the Meyer-Bell Ramsay Well #6 becomes unorthodox. The location of Well No. 6 is 1080' ft. FNL and 2020' ft. FWL of Section 9, T-21-S, R-36-E, NMPM, Lea County, New Mexico.

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If you have any questions, please contact me at (915) 687-7246. Your prompt consideration will be appreciated.

Yours very truly,

Cland Balling
A. W. Bohling
Petroleum Engineer

/tmdr 14600.DOC



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

Unorthodox Gas Well Location and Simultaneous Dedication Eumont (Pro Gas) Pool 1080' FNL and 2020' FWL Section 9, T-21-S, R-36-E Lea County, New Mexico

Doyle Hartman 500 N. Main Midland, Texas 79701

Gentlemen:

Attached is a copy of Chevron's administrative application for NMOCD approval of an Unorthodox Gas Well Location and Simultaneous Dedication in the Eumont (Pro Gas) Pool.

Chevron plans to drill and complete the Meyer-Bell Ramsay Well #6 in the Eumont (Pro Gas) Pool. It is our desire to also simultaneously dedicate the existing 240-acre Eumont Gas Proration Unit assigned to our Meyer-Bell Ramsay Well No. 5, [Order No. R-9430] to both wells. As a result, the location of the Meyer-Bell Ramsay Well #6 becomes unorthodox. The location of Well No. 6 is 1080' ft. FNL and 2020' ft. FWL of Section 9, T-21-S, R-36-E, NMPM, Lea County, New Mexico.

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If you have any questions, please contact me at (915) 687-7246. Your prompt consideration will be appreciated.

Yours very truly,

Clanto Bolling
A. W. Bohling
Petroleum Engineer

/tmdr 14600.DOC

Attachments



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

Unorthodox Gas Well Location and Simultaneous Dedication Eumont (Pro Gas) Pool 1080' FNL and 2020' FWL Section 9, T-21-S, R-36-E Lea County, New Mexico

Texaco Exploration & Production, Inc. 205 E. Bender Hobbs, New Mexico 88240

Attn: Mr. Todd Lackey

Gentlemen:

Attached is a copy of Chevron's administrative application for NMOCD approval of an Unorthodox Gas Well Location and Simultaneous Dedication in the Eumont (Pro Gas) Pool.

4

Chevron plans to drill and complete the Meyer-Bell Ramsay Well #6 in the Eumont (Pro Gas) Pool. It is our desire to also simultaneously dedicate the existing 240-acre Eumont Gas Proration Unit assigned to our Meyer-Bell Ramsay Well No. 5, [Order No. R-9430] to both wells. As a result, the location of the Meyer-Bell Ramsay Well #6 becomes unorthodox. The location of Well No. 6 is 1080' ft. FNL and 2020' ft. FWL of Section 9, T-21-S, R-36-E, NMPM, Lea County, New Mexico.

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Yours very truly,

alan W. Bolding

A. W. Bohling

Petroleum Engineer

/tmdr 14600.DOC

Attachments

CHEVRON U.S.A. INC.

Meyer-Bell Ramsay Lease Well No. 6

Unorthodox Location and Simultaneous Dedication Application Eumont (Pro Gas) Pool 1080' FNL and 2020' FWL Section 9, T-21-S, R-36-E Lea 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 NMOCD approval of an Unorthodox Gas Well Location in the Eumont Yates 7-Rivers Queen (Prorated Gas) Pool. This location is to be 1080 feet FNL and 2020 feet FWL, Section 9, Township 21 South, Range 36 East, NMPM, Lea County, New Mexico. We further understand that this well will be simultaneously dedicated to an existing 240-acre gas proration unit along with Chevron's Meyer-Bell Ramsay Well No. 5. This proration unit comprises the NW/4 and E/2 SW/4 of Section 9, Township 21 South, Range 36 East, NMPM, Lea County, New Mexico.

Company:	 	
Representative:		<u>.</u>
Signature:		
Title:	 	_
Date:	 	

TEL No.

DEC-21-94 TUE 10:02 ID:ARCO 6TH FLOOR EAST TEL NO:915 688 5894 #900 Hus

TO: MR. STOGNER - ODD DIRECTOR (ACTING)

Per our conversation today, reference Meyer Bell Ramsay #6 NSL application, please consider this waiver from the only offset operator to which This chese consider this waiver from the only offset operator to which This please consider this waiver from the only offset operator to which This chese consider this waiver from the only offset operator to which This please consider this waiver from the only offset operator to which This chese consider the waiver from the only offset operator to which This please consider the waiver from the only offset operator to which This chese consider the waiver from the only offset operator to which This chese consider the waiver from the only offset operator to which This waiver from the only offset operator to which This chese consider the waiver from the only offset operator to which This waiver from the

Unorthodox Location and Simultaneous Dedication Application Eumont (Pro Gas) Pool 1080' FNL and 2020' FWL Section 9, T-21-S, R-36-E Lea County, New Mexico

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Company: ARCO Permian
Representative: David K. Newell
Representative: David K. Newell Signature: Varid X. Newell
Title: Senior Engineer
Date: 12-20-94

Post-It* brand fax transmitte	
Al Bohling	From Dave Newell
co. Chevron	CO. ARCO
Dopt.	Phone # 688-5446
Fax 687-7884	Fax #

TUE

JAN-03-95

P.01

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STATE OF NEW MEXICO

ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERV ON DIVISION RECEIVED HOBBS DISTRICT OFFICE

194 DE 119 AM 8 52

BRUCE KING GOVERNOR 12-12-94

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

OIL CONSERVATION DIVISION P. O. BOX 2088 SANTA FE, NEW MEXICO 87507
RE: Proposed: MC DHC NSL
Gentlemen:
I have examined the application for the: Chevron USATic Meyer Bell Ransey b-C 9-21-31 Operator Lease & Well No. Unit S-1-R and my recommendations are as follows: Chevron USATic Meyer Bell Ransey b-C 9-21-31 Lease & Well No. Unit S-1-R
Yours very truly, Jerry Sexton Supervisor, District 1