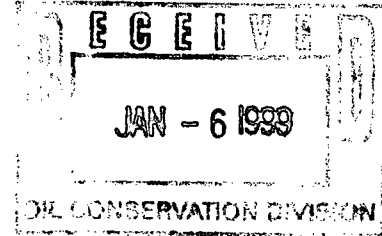


December 30, 1998



Administrative Application
For Non-Standard Oil Well Location
Chevron USA Production Co.
Monument "36" State #2
1632' FSL and 1298' FEL
Section 36, T18S, R36E
North Monument Abo Pool
Lea County, New Mexico

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



State of New Mexico
Energy, Minerals & Natural Resources Dept.
Oil Conservation Division
2040 South Pacheco
Santa Fe, New Mexico 87504

Attn.: Ms. Lori Wrotenbery -- Director

Chevron U.S.A. respectfully requests your approval of this administrative application for the subject Non-Standard Oil Well Location in the North Monument Abo Pool.

Chevron proposes to drill the Monument "36" State #2 at a non-standard location. The target is a shelf margin Abo carbonate build-up that is defined with wells and 3D seismic. The reason for the location to be non-standard is a major powerline running to the east of the location. The location has to be 150' from the powerline. The North Monument Abo Pool is developed on 40 acre spacing. Chevron operated acreage surrounds the proposed well on all sides. No correlative rights will be violated as ownership does not vary within Section 36.

A Form C-102 plat is attached. The approximate location of the powerline is noted on the C-102 plat. If you have any questions or require any further information concerning this application, please contact me at (915) 687-7152.

Sincerely,

A handwritten signature in cursive script, reading "Lloyd V. Trautman".

Lloyd V. Trautman
Sr. Petroleum Engineer - New Mexico Area

lvt

Attachment

cc: NMOCD -- Hobbs, NM
Conoco
J.K. Ripley
N.V. Mouser
Well File

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

DISTRICT II
P.O. Drawer DD, Artesia, NM 88211-0719

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

DISTRICT IV
P.O. BOX 2088, SANTA FE, N.M. 87504-2088

State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-102
Revised February 10, 1994
Submit to Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies

OIL CONSERVATION DIVISION

P.O. Box 2088
Santa Fe, New Mexico 87504-2088

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number	Pool Code	Pool Name
Property Code	Property Name MONUMENT 36 STATE	Well Number 2
OGRID No.	Operator Name CHEVRON U.S.A. PRODUCTION CO.	Elevation 3742

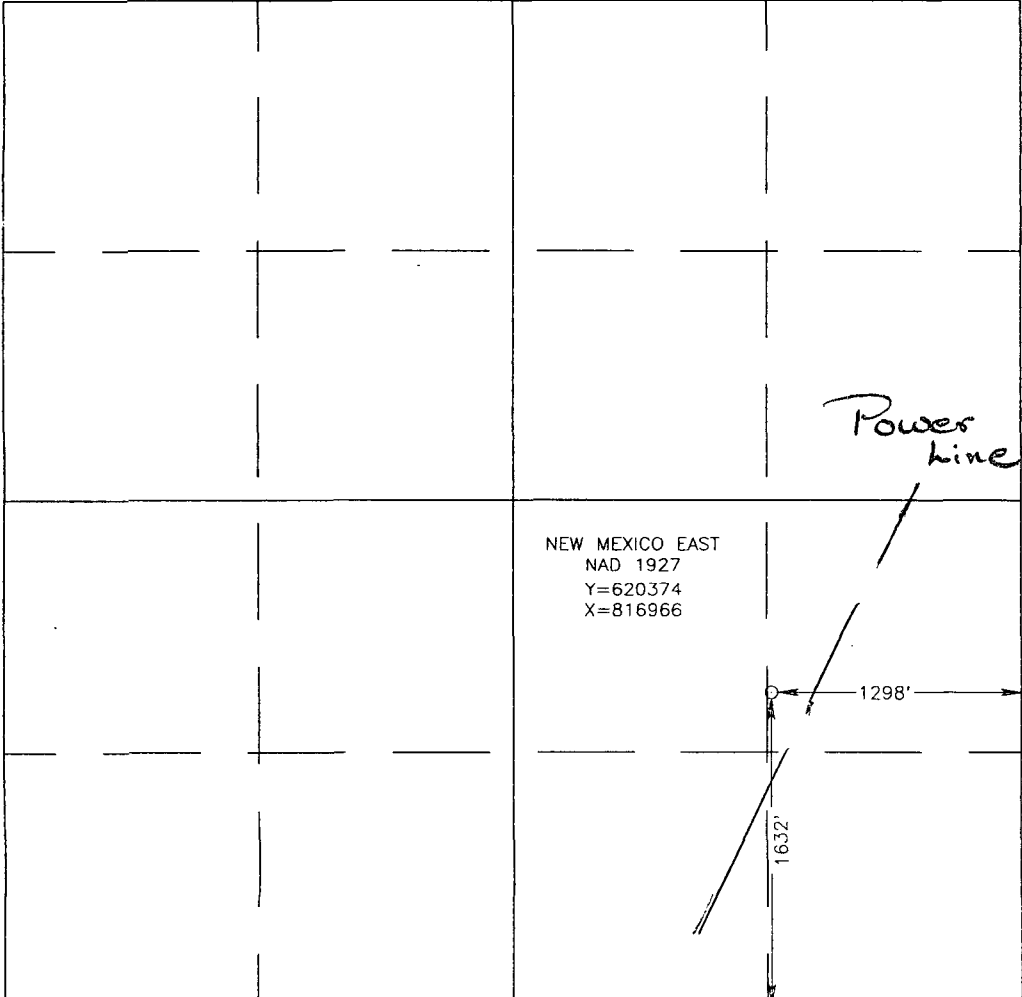
Surface Location

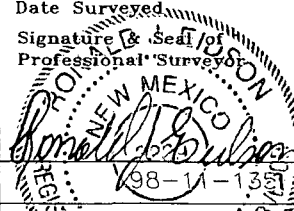
UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
1	36	18 S	36 E		1632	SOUTH	1298	EAST	LEA

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
Dedicated Acres	Joint or Infill	Consolidation Code	Order 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

	<p>NEW MEXICO EAST NAD 1927 Y=620374 X=816966</p>	<p>1298'</p>	<p>1632'</p>
	<p>Power line</p>		

OPERATOR CERTIFICATION	
<i>I hereby certify the the information contained herein is true and complete to the best of my knowledge and belief.</i>	
Signature _____	
Printed Name _____	
Title _____	
Date _____	
SURVEYOR CERTIFICATION	
<i>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.</i>	
OCTOBER 29, 1998	
Date Surveyed	DMCC
Signature & Seal of Professional Surveyor	
	
Certificate No.	RONALD J. EIDSON 3239
	GARY EIDSON 12641
	MACDONALD 12185

T-18-South
R-36-East
Section 36
Lea County, NM

Ownership

Royalty - State of
New Mexico 12.5%

Working Interest -

Chevron 50%

Conoco 50%

034443-002

36

034443-001



NEW MEXICO ENERGY, MINERALS
& NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION
2040 South Pacheco Street
Santa Fe, New Mexico 87505
(505) 827-7131

December 10, 1998

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

Attention: Lloyd V. Trautman

Re: Applications for administrative approval to drill the Monument "36" State Wells No. 1 and 2 at unorthodox oil well locations within either the Undesignated North Monument-Abo or Undesignated Goodwin-Abo Pools: (i) 384' FSL & 1216' FEL (Unit P); and, (ii) 1632' FSL & 1298' FEL (Unit I), respectively, in Section 36, Township 18 South, Range 36 East, NMPM, Lea County, New Mexico.

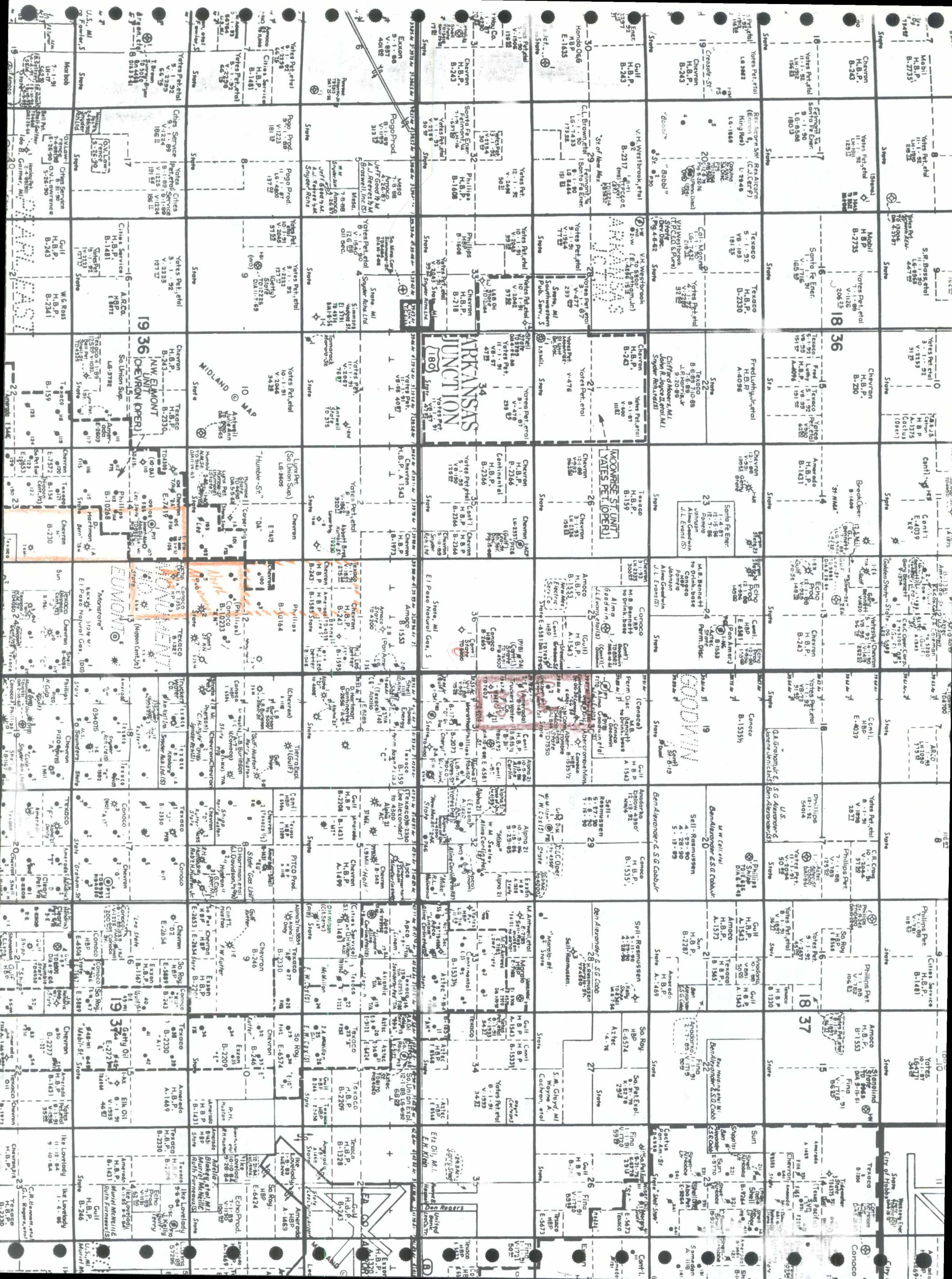
Dear Mr. Trautman:

I am returning the two referenced applications as incomplete, please refer to Division Rule 104.F(3), see copy attached, and submit all relevant geological data to adequately support both applications. Further, in order to determine that correlative rights of all concerned are being adequately protected and to expedite the review process, please submit a land ownership plat that shows the extent of the Monument "36" State lease. Thank you for your cooperation in this matter.

Sincerely,

Michael E. Stogner
Chief Hearing Officer/Engineer

cc: New Mexico Oil Conservation Division - Hobbs
Kathy Valdes, NMOCD - Santa Fe



CMD :
OG5SECTONGARD
INQUIRE LAND BY SECTION01/06/99 10:30:30
OGOMES -TPIN
PAGE NO: 1

Sec : 36 Twp : 18S Rng : 36E Section Type : NORMAL

D 40.00 CS B02657 0000 09/38 CONOCO INC	C 40.00 CS B02657 0000 09/38 CONOCO INC	B 40.00 CS B02657 0000 09/38 CONOCO INC	A 40.00 CS B02657 0000 09/38 CONOCO INC
E 40.00 CS B02657 0000 09/38 CONOCO INC	F 40.00 CS B02657 0000 09/38 CONOCO INC	G 40.00 CS B02657 0000 09/38 CONOCO INC	H 40.00 CS B02657 0000 09/38 CONOCO INC A

M0002: This is the first page

PF01 HELP	PF02	PF03 EXIT	PF04 GoTo	PF05	PF06
PF07 BKWD	PF08 FWD	PF09 PRINT	PF10 SDIV	PF11	PF12

CMD :
OG5SECTONGARD
INQUIRE LAND BY SECTION01/06/99 09:26:58
OGOMES -TPIM
PAGE NO: 2

Sec : 36 Twp : 18S Rng : 36E Section Type : NORMAL

L 40.00 CS B02657 0000 09/38 CONOCO INC	K 40.00 CS B02657 0000 09/38 CONOCO INC	J 40.00 CS B02657 0000 09/38 CONOCO INC	I 40.00 CS B02657 0000 09/38 CONOCO INC
M 40.00 CS B02657 0000 09/38 CONOCO INC	N 40.00 CS B02657 0000 09/38 CONOCO INC	O 40.00 CS B02657 0000 09/38 CONOCO INC	P 40.00 CS B02657 0000 09/38 CONOCO INC

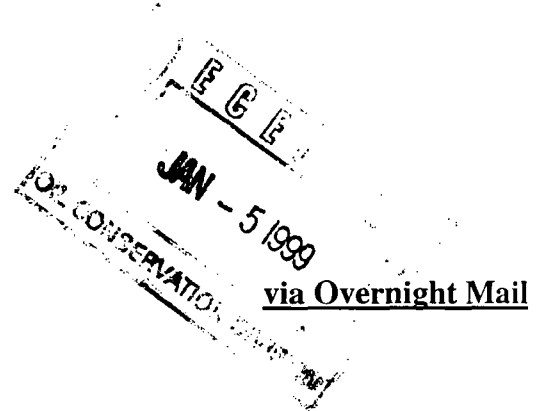
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PF07 BKWDPF02
PF08 FWDPF03 EXIT
PF09 PRINTPF04 GoTo
PF10 SDIVPF05
PF11PF06
PF12

January 4, 1999



Administrative Application for Unorthodox
Oil Well Location
Chevron USA Production Co.
Monument "36" State #1
384' FSL and 1216' FEL
Monument "36" State #2
1632' FSL and 1298' FEL
Section 36, T-18-S, R-36-E
North Monument Abo Pool
Lea County, New Mexico

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



State of New Mexico
Energy, Minerals & Natural Resources Dept.
Oil Conservation Division
2040 South Pacheco
Santa Fe, New Mexico 87504

Attn.: Mr. Michael E. Stogner – Chief Hearing Officer/Engineer

Dear Mr. Stogner:

Per your letter dated December 10, 1998 (copy attached), Chevron U.S.A. is resubmitting the administrative applications for the two subject Unorthodox Oil Well Locations in the North Monument Abo Pool.

Attached is a Form C-102 plat original, a Location Verification Map, an Abo Build-Up Map, and the Land Ownership Plat you requested. If you have any questions or require any further information concerning this application, please contact me at (915) 687-7152.

Sincerely,

A handwritten signature in cursive script, reading "Lloyd V. Trautman".

Lloyd V. Trautman
Sr. Petroleum Engineer - New Mexico Area

lvt

Attachments

cc: NMOCD – Hobbs, NM
Well File
Conoco, Inc.



NEW MEXICO ENERGY, MINERALS
& NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION
2040 South Pacheco Street
Santa Fe, New Mexico 87505
(505) 827-7131

December 10, 1998

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

Attention: Lloyd V. Trautman

Re: Applications for administrative approval to drill the Monument "36" State Wells No. 1 and 2 at unorthodox oil well locations within either the Undesignated North Monument-Abo or Undesignated Goodwin-Abo Pools: (i) 384' FSL & 1216' FEL (Unit P); and, (ii) 1632' FSL & 1298' FEL (Unit I), respectively, in Section 36, Township 18 South, Range 36 East, NMPM, Lea County, New Mexico.

Dear Mr. Trautman:

I am returning the two referenced applications as incomplete, please refer to Division Rule 104.F(3), see copy attached, and submit all relevant geological data to adequately support both applications. Further, in order to determine that correlative rights of all concerned are being adequately protected and to expedite the review process, please submit a land ownership plat that shows the extent of the Monument "36" State lease. Thank you for your cooperation in this matter.

Sincerely,

Michael E. Stogner
Chief Hearing Officer/Engineer

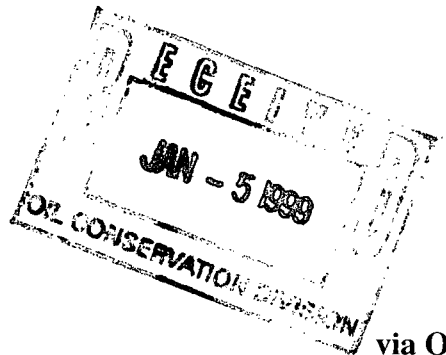
cc: New Mexico Oil Conservation Division - Hobbs
Kathy Valdes, NMOCD - Santa Fe



January 4, 1999

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

Administrative Application for Unorthodox
Oil Well Location
Chevron USA Production Co.
Monument "36" State #2
1632' FSL and 1298' FEL
Section 36, T-18-S, R-36-E
North Monument Abo Pool
Lea County, New Mexico



via Overnight Mail

State of New Mexico
Energy, Minerals & Natural Resources Dept.
Oil Conservation Division
2040 South Pacheco
Santa Fe, New Mexico 87504

Attn.: Mr. William J. LeMay -- Director

Gentlemen:

Chevron U.S.A. respectfully requests your approval of this administrative application for the subject Unorthodox Oil Well Location in the North Monument Abo Pool.

Chevron proposes to drill the Monument "36" State #2 (36 #2) at a non-standard location. The target for the 36 #2 is a shelf margin Abo carbonate build-up that is defined with wells and 3D seismic. The attached map shows the interpreted north to northeast orientation of this carbonate build-up. The build-up is narrow and based on seismic, the location of the 36 #2 is the lowest risk location in unit letter I of section 36. There is a large power line located ~ 200' east of the proposed location making it impossible to move the location farther east. The previous wells drilled in the North Monument field normally drift ~ 200' east of the surface location. Therefore moving the location east would encounter the powerline and make hitting the proposed location difficult and expensive.

Chevron has the lease on all of section 36. Because the non-standard part of the location is the proximity to the west line no rights will be violated, as ownership does not vary.

In addition to the Abo Build-Up Map, a Form C-102 plat original, and a Location Verification Map is attached. If you have any questions or require any further information concerning this application, please contact me at (915) 687-7343.

Sincerely,

A handwritten signature in black ink, appearing to read 'Tim Denny', with a stylized, flowing script.

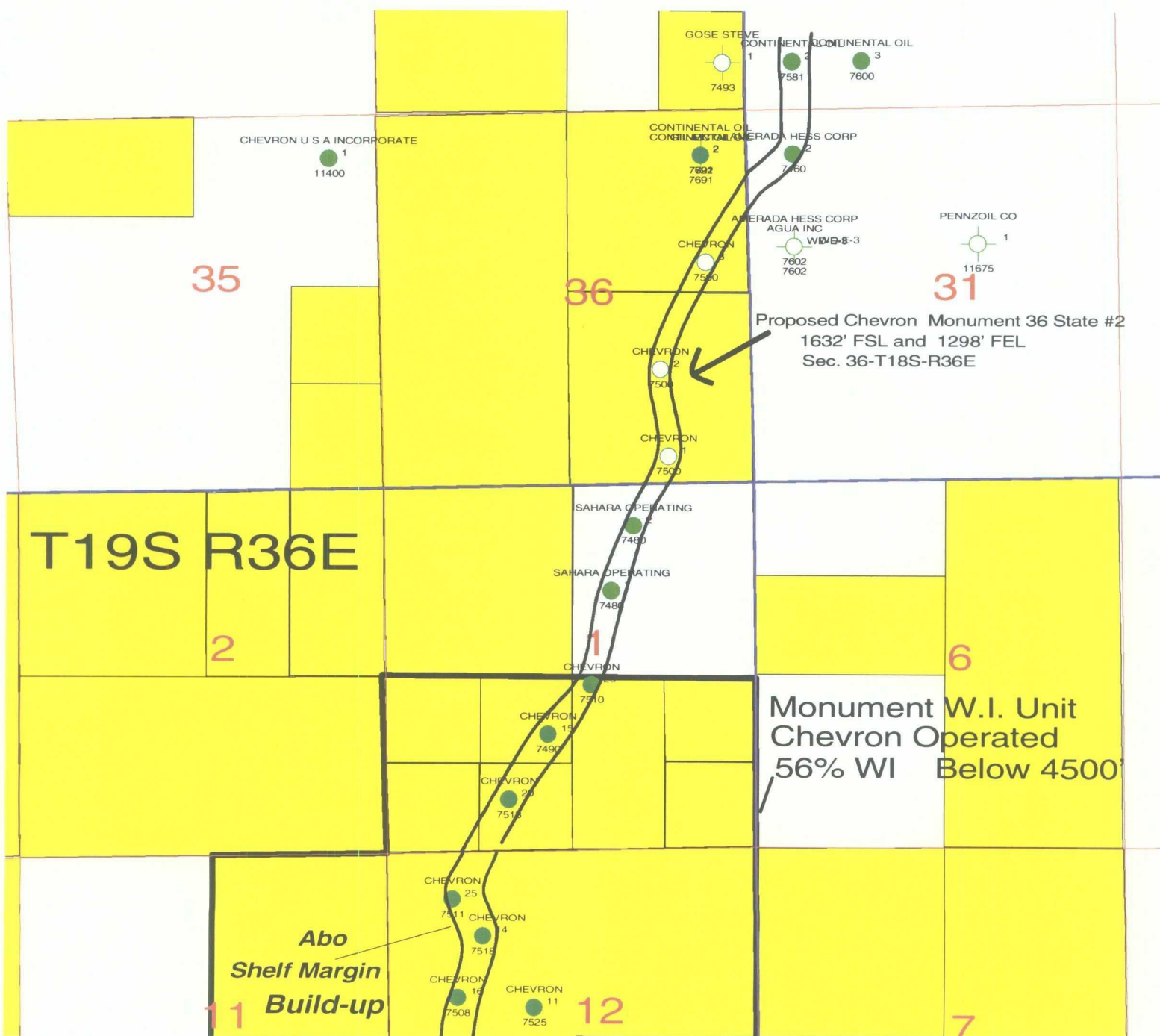
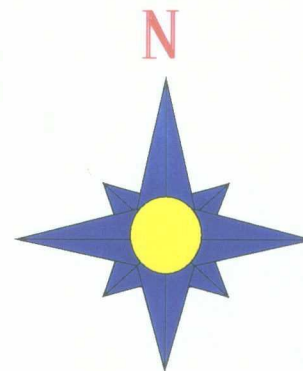
Tim Denny
Geologist - New Mexico Area

trd

Attachments

cc: Conoco, Inc.

Chevron USA		
North Monument Field Proposed Monument 36 St #2 Non-Standard Location		
Tim Denny		1/4/99
	Scale 1:24454.97	



7451, Box 1953, Hobbs, NM 88241-1980

Energy, Minerals and Natural Resources Department.

Revised February 10, 1994

Submit to Appropriate District Office

State Lease - 4 Copies

Free Lease - 3 Copies

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

1000 Rio Brazos Rd., Aztec, NM 87410

P.O. BOX 2088, SANTA FE, N.M. 87504-2088

P.O. Box 2088

Santa Fe, New Mexico 87504-2088

☐ AMENDED REPORT

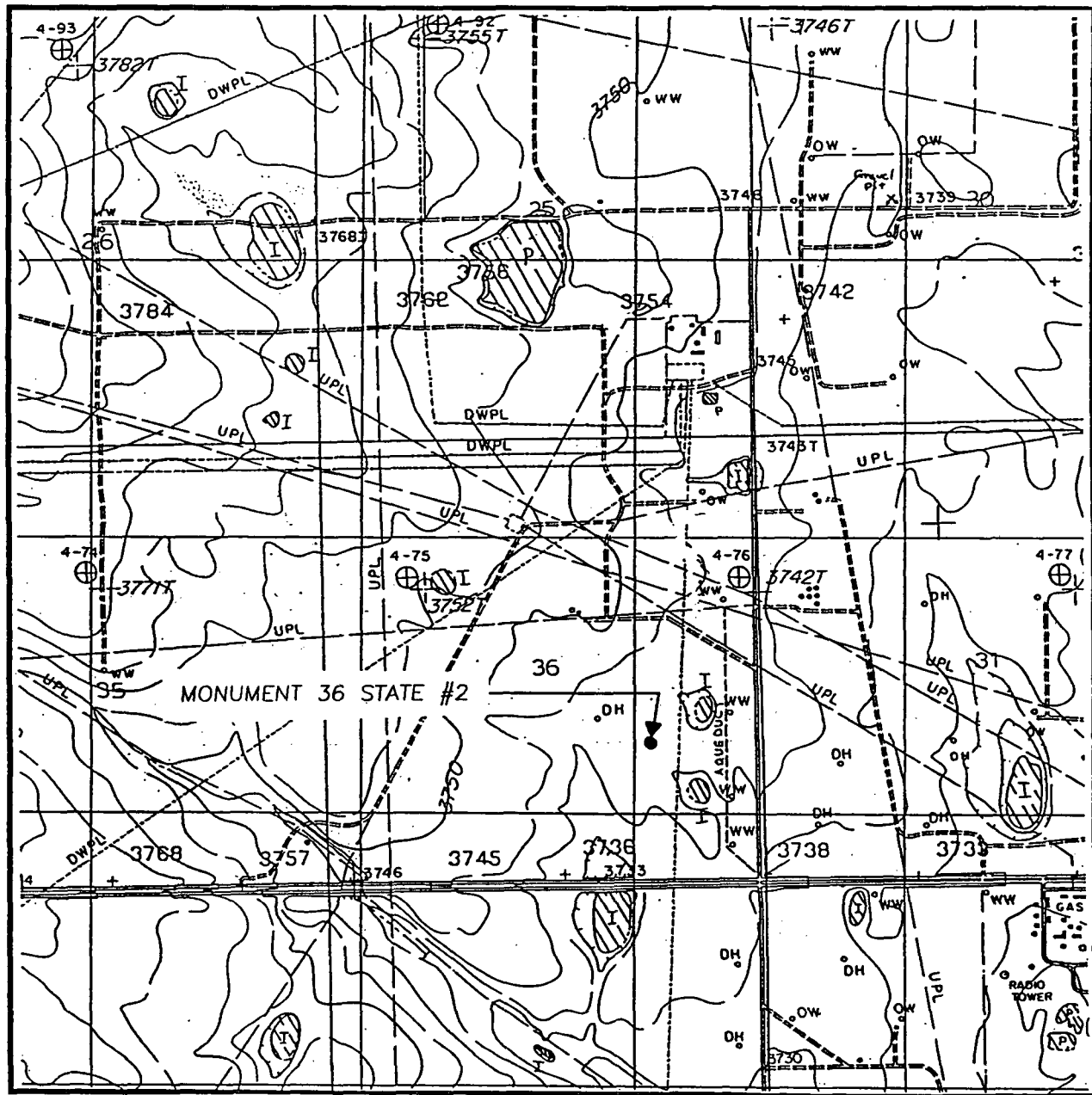
API Number		Pool Code	Pool Name
Property Code	Property Name MONUMENT 36 STATE		Well Number 2
OGRID No.	Operator Name CHEVRON U.S.A. PRODUCTION CO.		Elevation 3742

UL or lot No.	Section	Township	Range	Lot ldn	Feet from the	North/South line	Feet from the	East/West line	County
1	36	18 S	36 E		1632	SOUTH	1298	EAST	LEA

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
Dedicated Acres	Joint or Infill	Consolidation Code	Order No.						

				OPERATOR CERTIFICATION <i>I hereby certify the the information contained herein is true and complete to the best of my knowledge and belief.</i> _____ Signature _____ Printed Name _____ Title _____ Date	
		<p>NEW MEXICO EAST NAD 1927 Y=620374 X=816966</p>		<p>OCTOBER 29, 1998</p> <p>Date Surveyed DMCC</p> <p>Signature of Seal of Professional Surveyor</p> <p><i>Ronald J. Eidson</i> 11-16-98 198-11-1351</p> <p>Certificate No. RONALD J. EIDSON 3239 GARY EIDSON 12641 WAGON McDONALD 12155</p>	

LOCATION VERIFICATION MAP



SCALE: 1" = 2000'

CONTOUR INTERVAL:
MONUMENT NORTH - 10'
WITH 5' SUPPL.

SEC. 36 TWP. 18-S RGE. 36-E

SURVEY N.M.P.M.

COUNTY LEA

DESCRIPTION 1632' FSL & 1298' FEL

ELEVATION 3742

OPERATOR CHEVRON U.S.A.
PRODUCTION CO.

LEASE MONUMENT 36 STATE

U.S.G.S. TOPOGRAPHIC MAP

MONUMENT NORTH, N.M.

JOHN WEST ENGINEERING
HOBBS, NEW MEXICO
(505) 393-3117