



OIL CONSERVATION DIVISION
RECEIVED

Amoco Production Company

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July 23, 1991

SD-91-12

New Mexico Oil Conservation Commission
P. O. Box 2088
Santa Fe, New Mexico 87501

Re: Simultaneous Dedication
Oxy/State AO Well No. 1 and
Oxy/State AO Well No. 2
Eumont Yates Seven Rivers Queen (Pro Gas) Pool
Section 2, T21S, R36E
Lea County, New Mexico

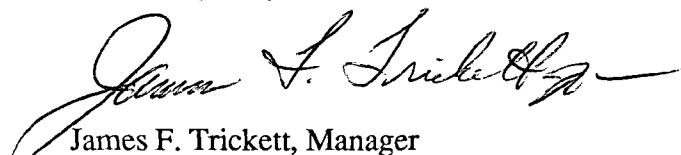
File: 986.51NM

Attention: William J. LeMay

Amoco Production Company has been advised that Oxy USA Inc. has filed an application for administrative approval to simultaneously dedicate the 160 acre proration unit consisting of Lots 1, 2, 7 and 8, Section 2, Township 21 South, Range 36 East, NMPM, Lea County New, Mexico, to the Oxy/State AO Lease Well Nos. 1 and 2.

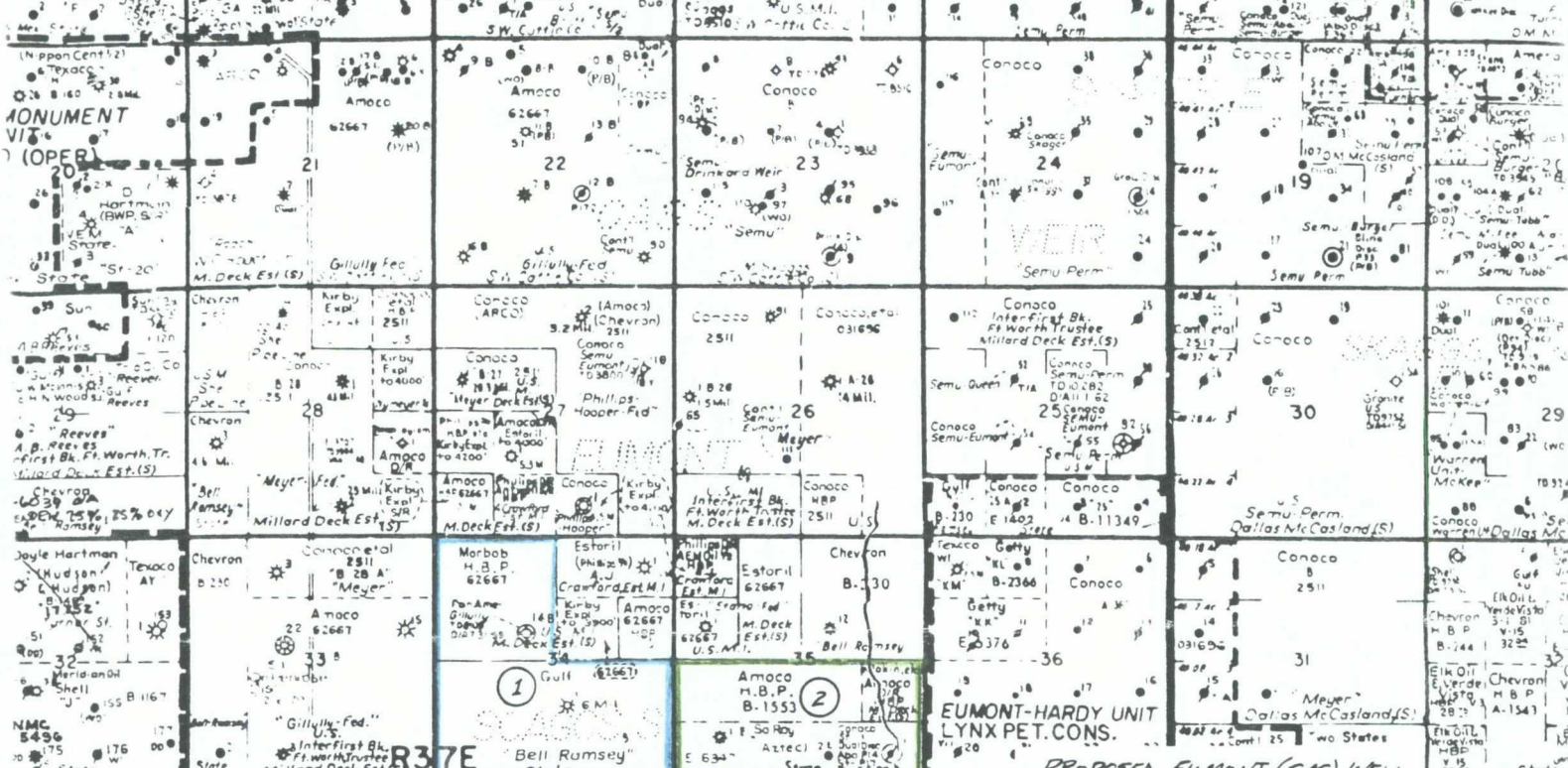
As an offset operator, Amoco Production Company has no objection to Oxy's request for NMOCD administrative approval of simultaneous dedication of the 160 acre proration unit currently dedicated to the Oxy/State AO Well No. 1 in the Eumont Yates Seven Rivers Queen (Pro Gas) Pool.

Yours very truly,

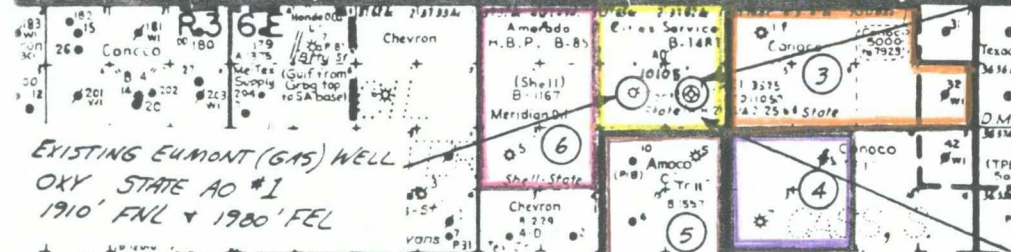

James F. Trickett, Manager
Environmental, Safety and Regulatory Affairs

MLC/kf

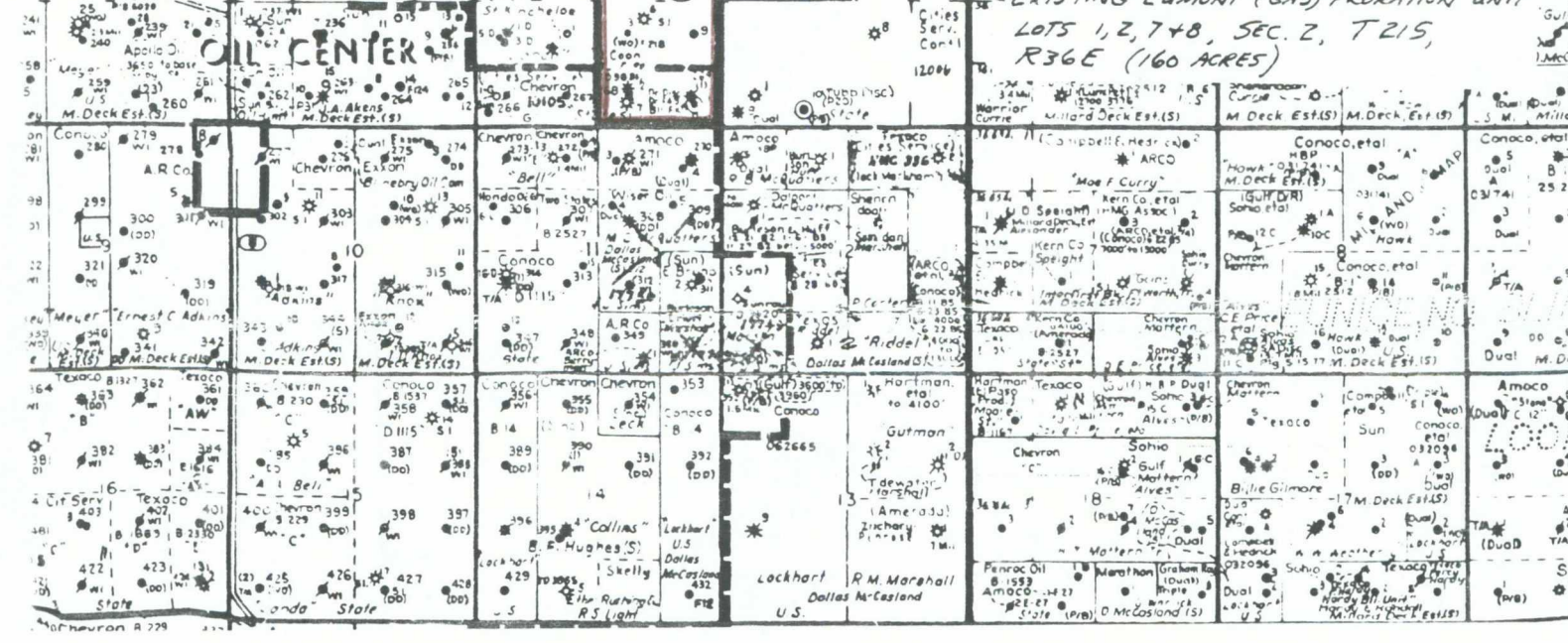
cc: Oxy USA Inc.
P. O. Box 50250
Midland, TX 79710



PROPOSED EUMONT (GAS) WELL
OXY STATE AO #2
1980' FNL + 660' FEL



EXISTING EUMONT (GAS) PRORATION UNIT
LOTS 1, 2, 7 + 8, SEC. 2, T. 21S,
R36E (160 ACRES)



LIST OF OFFSET OPERATORS
 EUMONT YATES - SEVEN RIVERS - QUEEN (PRO GAS)
 OXY USA INC. STATE AO #1 (G-02-21S-36E)
 LOTS 1, 2, 7 & 8, SECTION 2, T21S, R36E
 LEA COUNTY, NEW MEXICO

| REF. OPERATOR NO. | LEASE & WELL NAME(S) | GAS WELL LOCATION(S) | UNIT DESCRIPTION | NO. OF ACRES |
|-------------------|---|--|--|--------------|
| 1. | CHEVRON USA INC. BELL RAMSAY NCT C COM #1 | J-34-20S-37E | NW/4 & S/2, SEC 34, T20S, R37E | 480 |
| 2. | SOUTHLAND ROYALTY STATE E COM #1 | M-35-20S-37E | S/2 SEC 35, T20S, R37E | 320 |
| 3. | CONOCO STATE F-1 #6 | D-01-21S-36E | LOTS 2, 3, 4, 5, 6, 7 & 8, SEC 1, T21S, R36E | 272.38 |
| 4. | CONOCO STATE F-1 #7 | M-01-21S-36E | LOTS 13 & 14 & N/2, SW/4, SEC 1, T21S R36E | 160 |
| 5. | AMOCO PROD. CO. STATE C TR 11 #5 STATE C TR 11 #10 STATE C TR 11 #6 STATE C TR 11 #1 | I-02-21S-36E J-02-21S-36E R-02-21S-36E X-02-21S-36E | LOTS 9, 10, 15, 16, 17, 18, 23 & 24, SEC 2, T21S, R36E | 320 |
| 6. | MERIDIAN OIL INC. SHELL STATE A COM #5 SHELL STATE A COM #6 (Pending) | L-02-21S-36E D-02-21S-36E | LOTS 3, 4, 5, 6, 11 & 12, SEC 2, T21S, R36E | 235 |

SERVICE LIST

Conoco Inc.
P. O. Box 1959
Midland, Texas 79702

Chevron USA Inc.
P. O. Box 1150
Midland, Texas 79702

Southland Royalty
(same as Meridian Oil Co.)

Meridian Oil Inc.
P. O. Box 51810
Midland, Texas 79710-1810

Amoco Production Company
P. O. Box 3092
Houston, Texas 77253
Attention: Mr. Jim Allen

Example

July 23, 1991

Meridian Oil, Inc.
21 Desta Drive
Midland, TX 79705

Attention: Connie L. Malik

Administrative Order SD-91-_____

Dear Ms. Malik:

Per your application dated *, you are hereby authorized to simultaneously dedicate * Pool production to the previously approved non-standard *-acre * spacing and proration unit comprising the * of Section *, Township *, Range *, NMPM, * County, New Mexico (Division * Order *, dated *), from the existing * Well No. * located at a * location * feet from the * line and * feet from the * line (Unit *) of said Section * and to * Well No. * located at a * location * feet from the * line and * feet from the * line (Unit *) of said Section *.

Further, you are permitted to produce the allowable assigned said *-acre unit from * wells in any proportion.

Sincerely,

William J. LeMay
Director

MES/AG/joc

cc: Oil Conservation Division - *



OIL CONSERVATION COMMISSION

P. O. BOX 871

SANTA FE, NEW MEXICO

CITIES SERVICE OIL COMPANY

PRODUCERS-REFINERS-MARKETERS OF PETROLEUM PRODUCTS

BOX 97

HOBBS, NEW MEXICO

October 9, 1954

November 4, 1954

Cities Service Oil Company
P. O. Box 97
Hobbs, New Mexico

Cities Service Oil Company
P. O. Box 97
Hobbs, New Mexico

Application for a non-standard gas proration unit
with Cities Service Oil Company
Lease, Eumont Gas Pool, Lea County, New Mexico

Attention: Mr. John Albright, District Engineer

Cities Service Oil Company makes application under Rule 5 of the special
rules and regulations for the Eumont Administrative Order NSP-24 7-520, 20

Reference is made to your application for approval of a non-standard
gas proration unit of approximately 155.47 acres in the Eumont Gas Pool
consisting of the following acreage:

2. The State "AO" Lots 1, 2, 7 and 8 of Section 2, Township 21 South, Range 36 East, NMPM, Lea County, New Mexico. (It is noted that Section 2 is a survey correction section

3. The drilling of approximately 1-1/2 miles long by 1 mile wide. This well is now in progress. This well is now being drilled to the Queen formation and will be in the Eumont Gas Pool as defined in

It is understood that this unit is to be ascribed to the well now being drilled on your company's State "AO" lease at a site 1910 feet from the north line and 1980 feet from the east line of Section 2, Township 21 South, Range 36 East, NMPM.

We have now received waivers from offset operators agreeing to formation of the proposed unit. By authority granted us under provisions of Rule 5, Section (b)-5 of the Special Rules and Regulations for the Eumont Gas Pool, as set forth in Order R-520, you are hereby authorized to operate the above-described acreage as a non-standard gas proration unit, with allowable to be assigned thereto in accordance with pool rules.

Very truly yours,
W. B. Macey, Secretary-Director

Respectfully submitted,

CITIES SERVICE OIL COMPANY

Hobbs

Oil & Gas Eng. Comm.

WMA/lbc

Distribution in Po.



STATE OF NEW MEXICO

ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION
HOBBS DISTRICT OFFICE

7-18-91

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

BRUCE KING
GOVERNOR

OIL CONSERVATION DIVISION
P. O. BOX 2088
SANTA FE, NEW MEXICO 87501

RE: Proposed:

- MC _____
- DHC _____
- NSL _____
- NSP _____
- SWD _____
- WFX _____
- PMX _____

Simultaneous dedication X

Gentlemen:

I have examined the application for the:

| | |
|---------------------|------------------------------|
| <u>OKY USA Inc.</u> | <u>State AO #1-G 2-21-36</u> |
| Operator | Lease & Well No. Unit S-T-R |

and my recommendations are as follows: *Proposed new well #2-H 2-21-36*

OK

Yours very truly,

Jerry Sexton
 Jerry Sexton
 Supervisor, District 1

/ed