

Release: 10/25/85

By: Michael E. Stogner



Chevron U.S.A. Inc.
P. O. Box 670, Hobbs, NM 88240

NSP (50) -1473

R. C. Anderson
Division Manager
Hobbs Division
Production Department

September 23, 1985

consisting of $\frac{S}{2}$ NW/4 and the
APPLICATION FOR A 160 ACRE NON- $\frac{N}{2}$ SW/4
STANDARD PRORATION UNIT AND
SIMULTANEOUS DEDICATION BETWEEN
WELLS NO. 1 AND NO. 2 OF THE
A. B. REEVES LEASE IN THE
EUMONT GAS POOL

of 29
T-20S
R-37E

Bokehville
@ standard location

Rule 5(c) 3. of R-1670

Richard L. Stamets
Oil Conservation Division
P. O. Box 2088
Santa Fe, New Mexico 87501

A.B. Reeves Well No. 1 located 1980' FSL - 660' FWL (Unit L) Sec. 29

A.B. Reeves Well No. 2 located 1980' FSL - 666' FWL (Unit E) Sec. 29

Gentlemen:

Chevron U.S.A. Inc., formerly Gulf Oil Corporation, requested approval for a 160 Acre Non-Standard Proration Unit, by letter dated October 26, 1983, for the A. B. Reeves Well No. 3. Approval was granted in Administrative Order NSP-1408, dated December 1, 1983. When we recently applied for a wellhead price ceiling category determination, under the NGPA of 1978, M. E. Stogner of the OCD found that the 160 acres dedicated to Well No. 3 were also dedicated to Well's No. 1 and 2 under Division Order No. R-4224.

In an effort to eliminate simultaneous dedication of acreage to Well No. 3, Chevron U.S.A. Inc. respectfully requests Administrative Approval for a 160 Acre Non-Standard Gas Proration Unit in the Eumont Gas Pool, comprising the $\frac{S}{2}$ of NW/4 and the N/2 of SW/4 of Section 29-T20S-R37E, Lea County, New Mexico, to be simultaneously assigned to Wells No. 1 and No. 2. The 160 Acre Non-Standard Gas Proration Unit in the Eumont Gas Pool, comprising the $\frac{S}{2}$ of NE/4 and the N/2 of SE/4 of Section 29-T20S-R37E, Lea County, New Mexico, shall remain dedicated to Well No. 3. In support thereof, Chevron U.S.A. Inc. states that the proposed Non-Standard Gas Proration Unit will meet the requirements of Rule 5(c) of the Oil Conservation Division Order No. R-1670 as follows:

1. The proposed unit consists of 160 Acres.
2. The proposed unit consists of Contiguous quarter-quarter sections.
3. The proposed unit lies wholly within a single government section in the Eumont Gas Pool.
4. The entire proposed unit may reasonably be presumed to be productive of gas from the Eumont Gas Pool.
5. The proposed unit does not exceed 5280' in length or width within the Eumont Gas Pool.

Remarks: Division Order No. R-4224, dated November 19, 1971, which approved a 320-acre non-standard gas spacing and proration unit in the Eumont Gas Pool consisting of the $\frac{S}{2}$ NW/4 and $\frac{N}{2}$ SE/4 of said Section 29, ~~and~~ simultaneously dedicated to the two ~~above~~ subject wells is hereby stayed until further notice. The $\frac{S}{2}$ NE/4 and the $\frac{N}{2}$ SE/4 were previously approved for a 160-acre unit by NSP-1408.

6. A copy of this application has been sent by Certified mail to all offset operators and operators owning interest in the proposed unit's boundary and shall serve as notification.

In support of this application, attached is a plat outlining the proposed Non-Standard Unit, the acreage to be dedicated to the proposed unit, and showing offset operated properties and wells.

In view of the facts submitted, Chevron U.S.A. Inc. requests that administrative approval of the subject 160 Acre Non-Standard Proration Unit be granted.

Yours very truly,


R. C. ANDERSON

MWC/skc
Att'd

cc: OCD-Hobbs
Mark Costello-Houston

CERTIFIED MAIL-RETURN RECEIPT REQUESTED

Cities Service Oil and Gas Corporation
P. O. Box 1919
Midland, Texas 79702

Sun Exploration & Production Co.
P. O. Box 1861
Midland, Texas 79702

Texaco, Inc.
P. O. Box 728
Hobbs, New Mexico 88240

Phillips Petroleum Co.
4001 Penbrook
Odessa, Texas 79762

Amerada Hess Corporation
P. O. Box 840
Seminole, Texas 79360

WELL LOCATION AND ACREAGE DEDICATION PLAT

Supersedes C-128
Effective 1-1-65

All distances must be from the outer boundaries of the Section.

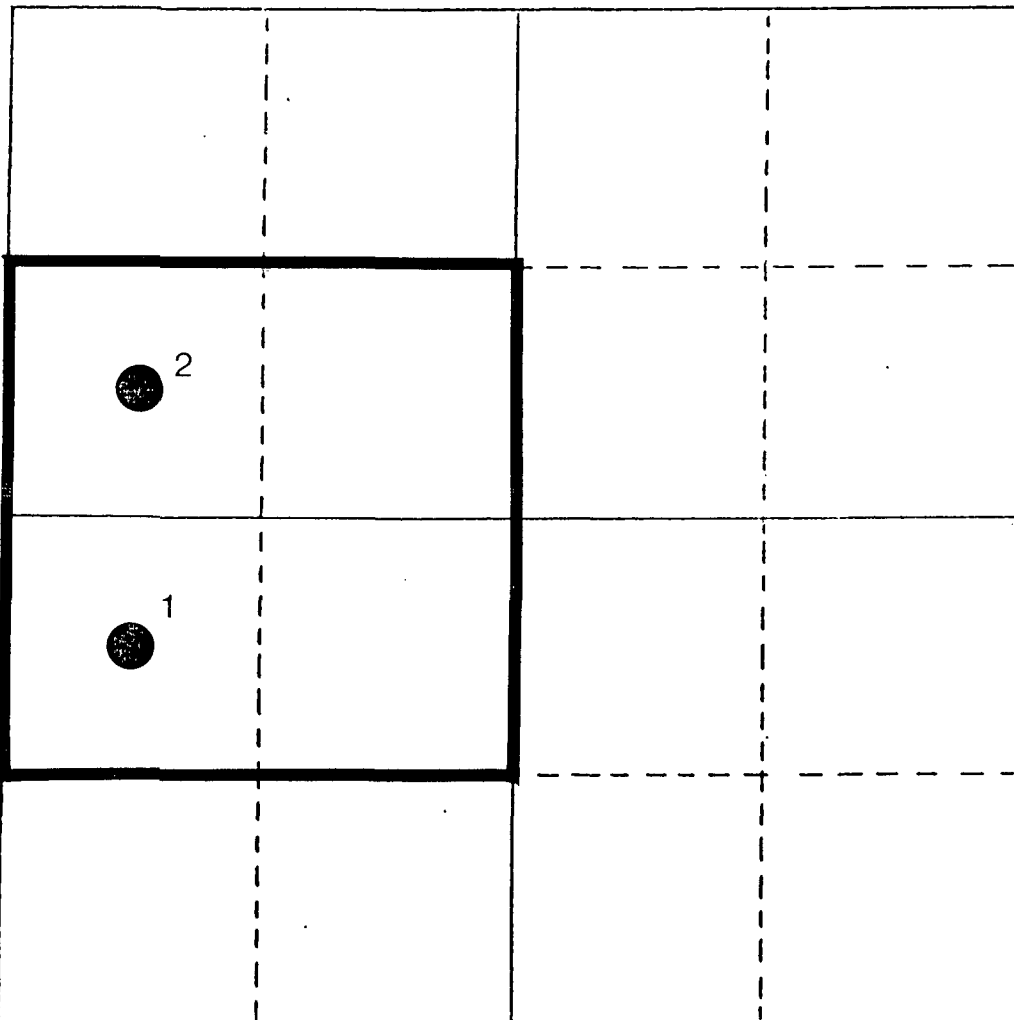
Operator Chevron U.S.A. Inc.		Lease A. B. Reeves		Well No. 1
Unit Letter L	Section 29	Township 20S	Range 37E	County Lea
Actual Postage Location of Well: 1980 feet from the South line and 660 feet from the West line				
Ground Level Elev. 3529'	Producing Formation Queen	Pool Eumont Gas	Dedicated Acreage: 160 Acres	

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



WELL LOCATION AND ACREAGE DEDICATION PLAT

Superseries C-128
Effective 1-1-65

All distances must be from the outer boundaries of the Section.

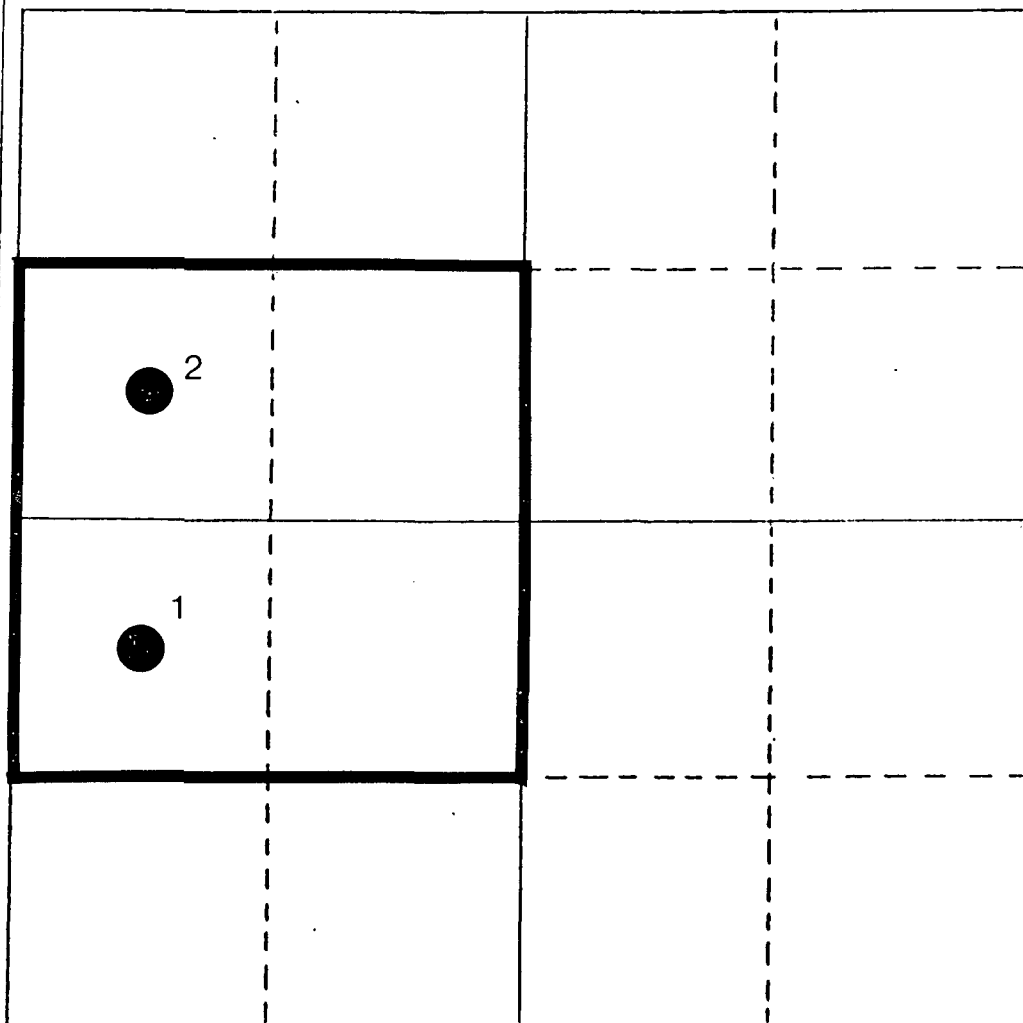
Operator Chevron U.S.A. Inc.		Lease A. B. Reeves		Well No. 2
Unit Letter E	Section 29	Township 20S	Range 37E	County Lea
Actual Footage Location of Well: 1980 feet from the North line and 660 feet from the West line				
Ground Level Elev. 3529'	Producing Formation Queen		Pool Eumont Gas	Dedicated Acreage: 160 Acres

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



CERTIFICATION

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

Name

R. D. Pitre

Position

Division Petroleum Engineer

Company

Chevron U.S.A. Inc.

Date

September 12, 1985

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.

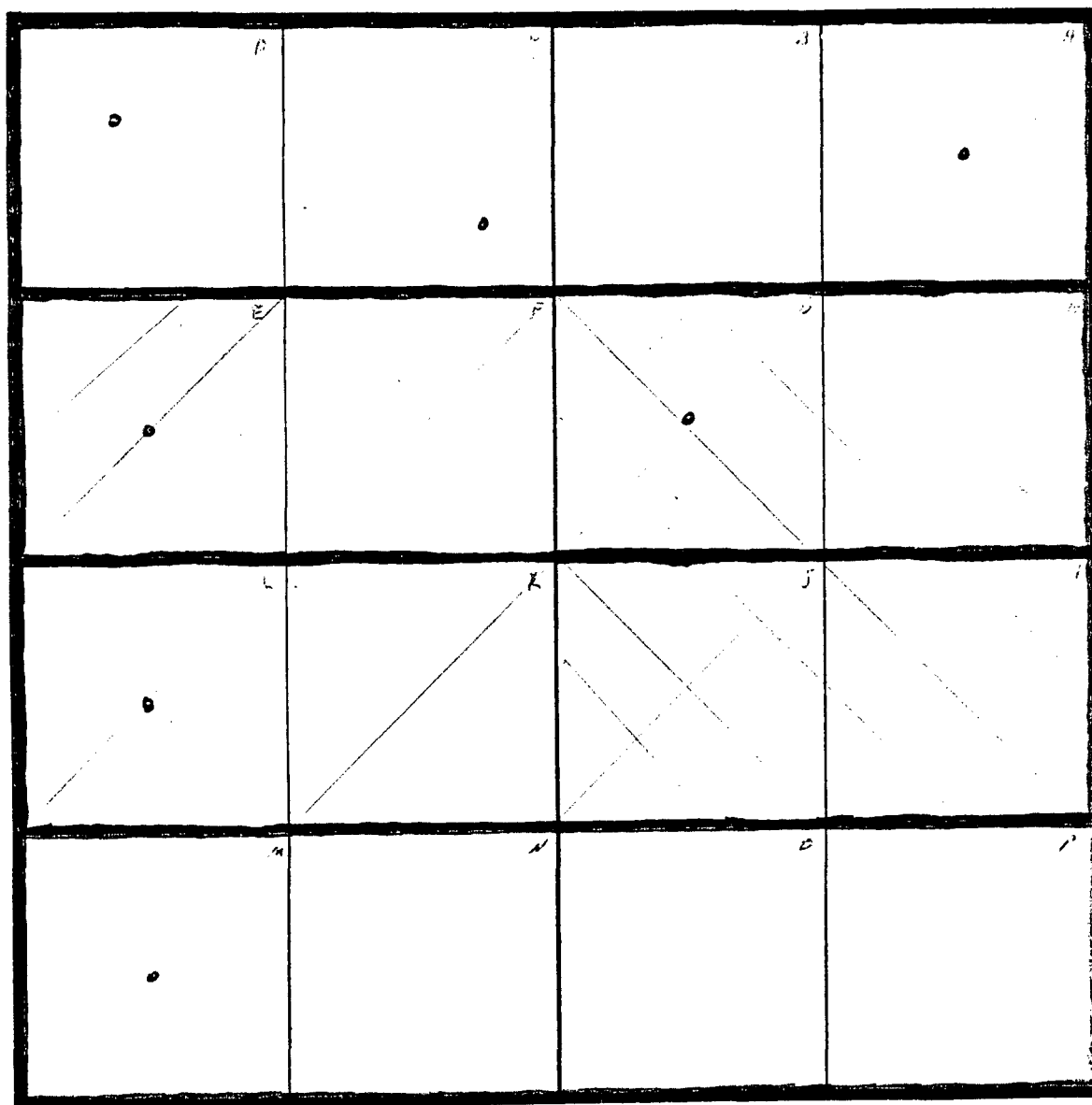
Date Surveyed

Registered Professional Engineer
and/or Land Surveyor

Certificate No.

0 330 660 990 1320 1650 1980 2310 2640 2000 1500 1000 500 0

Sec. 22 Township No. 20 South of Range No. 21E, 5, N.M.P.M.,
County Lea, New Mexico.



NSP-315
Approved 9/19/56
Dedicated to
the A.B. Reeves
Well No. 2 in D.

NSP-93
Approved 2/21/55
Dedicated to the
A.B. Reeves Well
No. 2 in E.

NSP-97
Approved 2/21/55
Dedicated to the
A.B. Reeves Well
No. 1 - Unit L

NSP-56
Approved 1/7/56
Dedicated to the
Bell Ramsey "B"
Well No. 1 in
M.

☒ R-4224, dated 11/19/71, effective 12/1/71, approved a 320-acre unit comprising the $5\frac{1}{2}$ NE $\frac{1}{4}$ and $4\frac{1}{2}$ SE $\frac{1}{4}$, superseding NSP-93 and NSP-97, and approved the simultaneous dedication of Gulf's A.B. Reeves Wells Nos 1 and 2, located in Units L and E, respectively.

☒ NSP-1408 Dated 12/1/83 approved the 160-acre unit comprising the $5\frac{1}{2}$ NE $\frac{1}{4}$ and $4\frac{1}{2}$ SE $\frac{1}{4}$ to be dedicated to the A.B. Reeves Well No. 3. (* the $5\frac{1}{2}$ NE $\frac{1}{4}$ and $4\frac{1}{2}$ SE $\frac{1}{4}$ are still reserved on the previous lease as 320-acre). GULF HAS BEEN NOTIFIED

Unit A

Sun Exploration & Production Co.

A.B. Reeves Well No. 6

660' FWL - 610' FEL

Spud: 6/12/80

Eugene Yates 7 Rivers Queen completion

Cumulative Production as of 12/31/84

Gas - 449909 MCF

Dil - 9705 A.O.

2nd well on the $\frac{1}{2} \frac{1}{2}$ (NSP 315) non-standard spacing and production unit

Unit C

Sun Exploration & Production Co.

A.B. Reeves Well No. 7

990' FWL - 2310' FWL

Spud: 11/17/83

Eugene Yates 7 Rivers Queen completion

Cumulative Production as of 12/31/84

Gas - 14259 MCF

Dil - 0 A.O.

3rd well on the $\frac{1}{2} \frac{1}{2}$ non-standard spacing and production unit.

Unit D

Sun Exploration & Production Co.

A.B. Reeves Well No. 2

440' FNL - 440' FNL

Spud: 7/5/47

Eumont Yates 7 Rivers Queen Completion

Cumulative Production as of 12/31/84

Gas - 2796501 MCF

Oil - 206 B.O.

* NSP-315 Authorized a 160-acre non-standard gas spacing and ~~production~~ production unit to be dedicated to this well (NSP-315, approved 9/19/86).

Unit E

Gulf Oil Corporation

A.B. Reeves Well No. 2

1950' FNL - 660' FNL

Spud: 5/15/37

Eumize Monument Completion

Recompleted to the Eumont Yates 7 Rivers Queen Pool 10/9/54

Cumulative Eumont production as of 12/31/84

Gas - 2720196 MCF

Oil - 0 B.O.

Division Order No. R-4224, dated 11/19/71 combined the $5\frac{1}{2} \times \frac{1}{2}$ and the $4\frac{1}{2} \times \frac{1}{2}$ of said Section 29 to form a 320-acre unit, said Order R-4224 supersedes NSP-93 and NSP-77, and it approved the simultaneous dedication of the A.B. Reeves Wells Nos. 1 and 2, located in Unit L and E, respectively.

Unit 6

Gulf Oil Corporation

A.B. Reeves Well No. 3

1890' FNL - 1930' FEL

Spd: 12/8/83

Eminent Yates 7 Rivers Queen completion

Cumulative production as of 12/31/84

Gas - 26493 MCF

Oil - 0 B.O.

OSP-1408, dated 12/1/83 approved the 160-acre unit comprising the $\frac{5}{16}$ NE $\frac{1}{4}$ and the $\frac{1}{16}$ SE $\frac{1}{4}$ of the Section

Unit L

Gulf Oil Corporation

A.B. Reeves Well No. 1

1930' FSL - 660' FWL

Spd: ~~2/20/57~~ 4/2/36

Eminent Monument Completion

Recompletion to the Eminent Yates 7 Rivers Queen Pool 2/12/55

Cumulative Production as of 12/31/84

Gas - 3545179 MCF

Oil - 0 B.O.

Unit A

Gulf Oil Corporation

Bill Ramsay "B" Well No. 1

660' FSL - 660' FW

Spud: 2/26/37

Ernest Yates 7 Rivers Queen completion

Cumulative production as of 12/31/34

Gas - 7332055 MCF

Oil - 3005 B.O.

WSP-56 authorized the 5/2 5/2 160-acre non standard spacing and production unit dedicated to this well. (only well in this unit)

OIL CONSERVATION COMMISSION

P. O. BOX 871

SANTA FE, NEW MEXICO

OIL CONSERVATION COMMISSION

BOX 20-5

HOBBS, NEW MEXICO

February 21, 1955

Date _____

MR. W. B. MACEY
Gulf Oil Corporation
P. O. Drawer 1290
Fort Worth, Texas

RE: PROPOSED NSP _____
PROPOSED NSL _____

Attention: Mr. Gordon H. Fisher

I have examined the application listed Administrative Order NSP-93
Gentlemen:

For the _____
Reference is made to your application for approval of a 160-acre non-standard
gas proration unit in the Eumont Gas Pool consisting of the following acreage:
and my recommendations are as follows:

Township 20 South, Range 37 East, NMPM
3/2-N/2 of Section 29

It is understood that this unit is to be ascribed to your Amos B. Reeves Well
No. 2, located 1980' from the north line and 660' from the west line of Section
29, Township 20 South, Range 37 East, NMPM, Lea County, New Mexico.

By authority granted me under provisions of Rule 5, Section (b)-6 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, based upon the unit size of 160 acres.

OIL CONSERVATION COMMISSION
Very truly yours,

W. B. Macey
Secretary - Director

WBM:jh

cc: Oil Conservation Commission, Hobbs
N. M. Oil and Gas Engineering Committee, Hobbs

OIL CONSERVATION COMMISSION

P. O. BOX 871

SANTA FE, NEW MEXICO

GULF OIL CORPORATION

P. O. DRAWER 1290 FORT WORTH 1, TEXAS

February 17, 1955

FORT WORTH
PRODUCTION DIVISION

February 21, 1955

New Mexico Oil Conservation Commission
Santa Fe, New Mexico

Re: Application for 160-acre non-
standard gas proration unit,
Eumont Gas Pool, Lea County,
New Mexico

Gulf Oil Corporation
P. O. Drawer 1290
Fort Worth 1, Texas

Attention: Mr. Gordon H. Fisher January 19, 1955, Oil Conservation
Commission, P. O. Box 871, Santa Fe, New Mexico, regarding
Administrative Order NSP-97-
proration unit to be assigned to our Amos B. Reeves Well No. 1, com-
prising the N/2 of the S/2 of Section 29, T-20-S, R-37-E, Eumont
Gas Pool, Lea County, New Mexico.

Reference is made to your application for approval of a 160-acre non-standard
gas proration unit in the Eumont Gas Pool consisting of the following acreage:
of the Oil Conservation Commission Order No. R-520. Enclosed herewith
with please find Township 20 South, Range 37 East, NMPM West
operators. We have N/2 S/2 of Section 29 covered by the Eumont
Petroleum Company was submitted directly to the Oil Conservation
Commission.

It is understood that this unit is to be ascribed to your Amos B. Reeves Well
No. 1, located 1980' from the south line and 660' from the west line of Section
29, Township 20 South, Range 37 East, NMPM, Lea County, New Mexico.

Inasmuch as you enclosed waivers from the offset operators agreeing to the
formation of the proposed unit, it is possible for immediate approval to be
granted. Therefore, by authority granted me under provisions of Rule 5,
Section (b)-5 of the Special Rules and Regulations of the Eumont Gas Pool, as
set forth in Order R-520, you are hereby authorized to operate the above des-
cribed acreage as a non-standard gas proration, with allowable to be assigned
thereto in accordance with pool rules, based upon the unit size of 160 acres.

Very truly yours,

W. B. Macey
Secretary - Director

WBM:jh

cc: Oil Conservation Commission, Hobbs
N. M. Oil & Gas Engineering Comm., Hobbs



STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
OIL CONSERVATION DIVISION

December 1, 1983

TONEY ANAYA
GOVERNOR

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

Gulf Oil Exploration and
Production Company
P. O. Box 670
Hobbs, New Mexico 88240

Attention: R. C. Anderson

Administrative Order NSP-1408

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 29: S/2 NE/4 and N/2 SE/4

It is my understanding that this unit is to be dedicated to your A. B. Reeves Well No. 3 located 1980 feet from the North line and 1980 feet from the East line of said Section 29.

By authority granted me under the provisions of Rule 5C3 of Order No. R-1670, the above non-standard proration unit is hereby approved.

Sincerely,


JOE D. RAMEY,
Director

JDR/RLS/dr

cc: Oil Conservation Division - Hobbs
Oil & Gas Engineering Committee - Hobbs

BEFORE THE OIL CONSERVATION COMMISSION
OF THE STATE OF NEW MEXICO

IN THE MATTER OF THE HEARING
CALLED BY THE OIL CONSERVATION
COMMISSION OF NEW MEXICO FOR
THE PURPOSE OF CONSIDERING:

CASE NO. 4624
Order No. R-4224

APPLICATION OF GULF OIL
CORPORATION FOR A NON-STANDARD
GAS PRORATION UNIT, LEA COUNTY,
NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on November 17, 1971, at Santa Fe, New Mexico, before Examiner Elvis A. Utz.

NOW, on this 19th day of November, 1971, the Commission, a quorum being present, having considered the testimony, the record, and the recommendations of the Examiner, and being fully advised in the premises,

FINDS:

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

(2) That the applicant, Gulf Oil Corporation, is the owner and operator of two 160-acre non-standard gas proration units comprising the S/2 N/2 and the N/2 S/2, respectively, of Section 29, Township 20 South, Range 37 East, NMPM, Eumont Gas Pool, Lea County, New Mexico.

(3) That the N/2 S/2 of said Section 29 is presently dedicated to the applicant's A. B. Reeves Well No. 1, located in Unit L of said Section 29.

(4) That the S/2 N/2 of said Section 29 is presently dedicated to the applicant's A. B. Reeves Well No. 2, located in Unit E of said Section 29.

(5) That the applicant now seeks the consolidation of the two existing non-standard gas proration units to form one 320-acre non-standard unit comprising the S/2 N/2 and N/2 S/2 of Section 29, said unit to be simultaneously dedicated to its aforesaid A. B. Reeves Wells No. 1 and 2.

(6) That the applicant further seeks authority to produce the allowable assigned to the unit from either of the aforesaid wells in any proportion.

(7) That the proposed non-standard gas proration unit can be efficiently and economically drained and developed by the A. B. Reeves Wells No. 1 and 2.

(8) That approval of the subject application will afford the applicant the opportunity to produce its just and equitable share of the gas in the Eumont Gas Pool, and will otherwise prevent waste and protect correlative rights.

(9) That Administrative Orders NSP-93 and NSP-97 should be superseded.

IT IS THEREFORE ORDERED:

(1) That, effective December 1, 1971, a 320-acre non-standard unit in the Eumont Gas Pool comprising the S/2 N/2 and N/2 S/2 of Section 29, Township 20 South, Range 37 East, NMPM, Lea County, New Mexico, is hereby established and simultaneously dedicated to the A. B. Reeves Wells Nos. 1 and 2, located in Units L and E, respectively, of said Section 29.

(2) That the allowable assigned to the above-described gas proration unit shall be based upon the unit size of 320-acres; and that the operator may produce the allowable assigned to the unit from the subject wells in any proportion.

(3) That the cumulative overproduction/underproduction status of said consolidated unit shall be the combined cumulative overproduction/underproduction statuses as of December 1, 1971, of the two units being consolidated.

(4) That the cancellation status of said consolidated unit shall be the combined cancellation statuses as of December 1, 1971, of the two individual units being consolidated.

-3-

CASE NO. 4624

Order No. R-4224

(5) That Administrative Orders NSP-93 and NSP-97 are hereby superseded.

(6) That jurisdiction of this cause is retained for the entry of such further orders as the Commission may deem necessary.

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

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION

BRUCE KING, Chairman.

ALEX J. ARMIJO, Member

A. L. PORTER, Jr., Member & Secretary

S E A L

dr/

BEFORE THE OIL CONSERVATION COMMISSION
OF THE STATE OF NEW MEXICO

IN THE MATTER OF THE HEARING
CALLED BY THE OIL CONSERVATION
COMMISSION OF NEW MEXICO FOR
THE PURPOSE OF CONSIDERING:

CASE NO. 4624
Order No. R-4224

APPLICATION OF GULF OIL
CORPORATION FOR A NON-STANDARD
GAS PRORATION UNIT, LEA COUNTY,
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NOW, on this 19th day of November, 1971, the Commission, a quorum being present, having considered the testimony, the record, and the recommendations of the Examiner, and being fully advised in the premises,

FINDS:

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

(2) That the applicant, Gulf Oil Corporation, is the owner and operator of two 160-acre non-standard gas proration units comprising the S/2 N/2 and the N/2 S/2, respectively, of Section 29, Township 20 South, Range 37 East, NMPM, Eumont Gas Pool, Lea County, New Mexico.

(3) That the N/2 S/2 of said Section 29 is presently dedicated to the applicant's A. B. Reeves Well No. 1, located in Unit L of said Section 29.

(4) That the S/2 N/2 of said Section 29 is presently dedicated to the applicant's A. B. Reeves Well No. 2, located in Unit E of said Section 29.

(5) That the applicant now seeks the consolidation of the two existing non-standard gas proration units to form one 320-acre non-standard unit comprising the S/2 N/2 and N/2 S/2 of Section 29, said unit to be simultaneously dedicated to its aforesaid A. B. Reeves Wells No. 1 and 2.

(6) That the applicant further seeks authority to produce the allowable assigned to the unit from either of the aforesaid wells in any proportion.

(7) That the proposed non-standard gas proration unit can be efficiently and economically drained and developed by the A. B. Reeves Wells No. 1 and 2.

(8) That approval of the subject application will afford the applicant the opportunity to produce its just and equitable share of the gas in the Eumont Gas Pool, and will otherwise prevent waste and protect correlative rights.

(9) That Administrative Orders NSP-93 and NSP-97 should be superseded.

IT IS THEREFORE ORDERED:

(1) That, effective December 1, 1971, a 320-acre non-standard unit in the Eumont Gas Pool comprising the S/2 N/2 and N/2 S/2 of Section 29, Township 20 South, Range 37 East, NMPM, Lea County, New Mexico, is hereby established and simultaneously dedicated to the A. B. Reeves Wells Nos. 1 and 2, located in Units L and E, respectively, of said Section 29.

(2) That the allowable assigned to the above-described gas proration unit shall be based upon the unit size of 320-acres; and that the operator may produce the allowable assigned to the unit from the subject wells in any proportion.

(3) That the cumulative overproduction/underproduction status of said consolidated unit shall be the combined cumulative overproduction/underproduction statuses as of December 1, 1971, of the two units being consolidated.

(4) That the cancellation status of said consolidated unit shall be the combined cancellation statuses as of December 1, 1971, of the two individual units being consolidated.

-3-

CASE NO. 4624

Order No. R-4224

(5) That Administrative Orders NSP-93 and NSP-97 are hereby superseded.

(6) That jurisdiction of this cause is retained for the entry of such further orders as the Commission may deem necessary.

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

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION

BRUCE KING, Chairman.

ALEX J. ARMIJO, Member

A. L. PORTER, Jr., Member & Secretary

S E A L

dr/