

MJA
JAA
JCP



Amoco Production Company

501 WestLake Park Boulevard
Post Office Box 3092
Houston, Texas 77253

J.C. Allen
Regional Unitization and
Proration Manager

July 6, 1989

Working Interest Owners
Proposed Eunice Monument West Unit (EMWU)
(Addressee List Attached)

File: JCA-191-416

Gentlemen:

EMWU/EMSU Expansion Ballot (7/6/89)
Lea County, New Mexico

This is to advise you that the ballot of May 12, 1989, for submittal of the Technical Committee Study (which includes the March 17, 1987 report, the February 19, 1988 addendum, and data from the May 12, 1989 letter to the Technical Committee representatives) has been approved by the Eunice Monument West Unit (EMWU) Technical Committee. Attached for your approval is a Working Interest Owner ballot to (1) approve the Technical Committee Study, (2) approve the use of the Eunice Monument South Unit (EMSU) participation formula for the basis of EMWU participation in the expanded EMSU, and (3) authorize Amoco, as EMWU expediter, to apply to Chevron (EMSU operator) for expansion of the EMSU to include the EMWU area.

We ask that you return your ballot to the undersigned at the letterhead address as soon as possible. This will expedite the formal application to Chevron for EMSU expansion and result in an expansion effective date as early as possible in 1990. If you have any questions, please call Dan Janik at 713/556-3930.

We appreciate your prompt attention to this important unitization matter.

Yours very truly,

DAJ

Attachments

BEFORE EXAMINER CATANACH	
OIL CONSERVATION DIVISION	
<u>Chevron</u>	EXHIBIT NO. <u>7</u>
CASE NO. <u>10059-61</u>	

BALLOT (7/6/89)
EMWU/EMSU EXPANSION
LEA COUNTY, NEW MEXICO

It is recommended that the Eunice Monument West Unit (EMWU) Working Interest Owners hereby:

1. Approve the EMWU Technical Committee Study (which includes the March 12, 1987 report, the February 19, 1988 addendum, and data from the May 12, 1989 letter to the Technical Committee representatives).
2. Approve the use of the Eunice Monument South Unit (EMSU) participation formula for the basis of EMWU participation in the expanded EMSU. This formula is as follows:

Tract Participation = 50% (Tract Oil Cumulative Production as of 9/30/82 / EMWU Total Cumulative Oil Production as of 9/30/82)

+ 40% (Remaining Primary Oil Reserves for the Tract as of 10/1/82 / Remaining Primary Oil Reserves for all EMWU Tracts as of 10/1/82)

+ 10% (Oil Production by the Tract from 1/1/82 through 9/30/82 / Oil Production by all EMWU Tracts from 1/1/82 through 9/30/82)

3. Authorize Amoco Production Company, as EMWU expediter, to apply to Chevron (EMSU operator) for expansion of the EMSU to include the EMWU area.

WORKING INTEREST OWNER: _____

APPROVED BY: _____

TITLE: _____

DATE: _____

NOT APPROVED: _____

EUNICE MONUMENT WEST STUDY AREA
WORKING INTEREST OWNERS
ADDRESS LIST

Amerada Hess Corporation
P. O. Box 2040
Tulsa, OK 74102
Attn: Mr. J. C. Hefley

Conoco Inc.
P. O. Box 460
Hobbs, NM 88240
Attn: Mr. D. W. Johnson

Amoco Production Company
P. O. Box 3092
Houston, TX 77253
Attn: Mr. J. C. Allen

Shell Western E&P Inc.
P. O. Box 576
Houston, TX 77001
Attn: Mr. J. H. Smitherman

Chevron U.S.A. Inc.
P. O. Box 670
Hobbs, NM 88240
Attn: Mr. J. C. Prindle

ARCO Oil and Gas Company
P. O. Box 1610
Midland, TX 79702
Attn: Mr. Sam Keasler
Mr. J. A. Nicholson

Chevron U.S.A. Inc.
P. O. Box 1635
Houston, TX 77251
Attn: Mr. R. M. Vaden
Mr. G. C. Thakur