



March 1, 1995
Midland, Texas

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

Administrative Application for
Unorthodox Well Location
White City-Wolfcamp
1,650' FNL & 1,650' FWL
Section 01, T-25-S, R-26-E
Eddy County, New Mexico

RECEIVED

MAR 1 1995

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

Dear Mr. LeMay:

Chevron U.S.A. Production Company has recompleted the **Marquardt Federal #1** in the Wolfcamp. Chevron hopes to dually complete this well with the White City Penn latter this year. It currently makes approximately 1,000 mcf/d from the Wolfcamp.

The captioned well was originally drilled to a legal location in the White City Penn Field; however, it is unorthodox for its current completion in the Wolfcamp in that it is less than 1,980' from the end boundary of its dedicated proration unit (SWR 104 B.II.(a)). We respectfully request approval of this unorthodox gas well location of 1,650' FNL & 1,650' FWL, Section 1, T-25-S, R-26-E thus allowing Chevron to continue producing from the Wolfcamp formation in its **Marquardt Federal #1** well.

A copy of this administrative application is being provided to offset operators via Certified Mail. Attached is a commercial map, and Form C-102 plats which show the locations of the wells in the section. Finally, copies of the letters to our offset operators are also attached.

Your prompt consideration of this administrative application for the subject unorthodox gas well location will be greatly appreciated.