

April 28, 1998



Administrative Application For  
Simultaneous Dedication  
Eumont Yates 7 Rvrs Qn (Pro Gas) Pool  
Arnott Ramsay (NCT-D) #5  
1980' FNL and 1980' FEL  
Section 33, T-21-S, R-36-E  
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.: Mrs. Lori Wrotenbury - Director

Gentlemen:

Chevron U.S.A. Inc. respectfully requests your approval of this administrative application for Simultaneous Dedication in the Eumont Yates 7 Rvrs Qn (Pro Gas) Pool.

Chevron has reinitiated production on the **Arnott Ramsay (NCT-D) # 5** in the Eumont Yates 7 Rvrs Qn (Pro <sup>GAS</sup> ~~Oil~~) Pool in December of 1997. January production has indicated the well is no longer a productive oil well (average 0 BOPD). With no oil production, the well exceeds the Gas Oil Ratio limit and needs to be reclassified as a Eumont Yates 7 Rvrs Qn (Pro Gas) Pool well. Also, in the near future, it is planned to recomple the **Arnott Ramsay (NCT-D) # 5** to a higher Eumont gas interval. The Arnott Ramsay (NCT-D) # 5 will replace the Eumont Gas well, the Arnott Ramsay (NCT-D) # 14, which was plugged and abandoned in the last half of 1997 due to a severe casing failure. At this time we are requesting NMOCD approval for simultaneously dedication of the 320-acre Eumont Gas Proration Unit currently assigned to our Arnott Ramsay (NCT-D) # 3, # 14, and # 15 (Order No. NSP-607, letter dated January 16, 1979, and Order No. NSL-3193(SD)) to wells # 3, # 5, and # 15. The 320-acre gas proration unit comprises the N/2 of Section 33, T-21-S, R-36-E, Lea County, New Mexico. As the Arnott Ramsay (NCT-D) # 3, # 14, and # 15 are producing at a current combined rate of 270 MCF/D, the recompletion of Well # 5 will essentially capture reserves which otherwise would not be produced from this GPU.

Chevron respectfully requests your approval of this administrative application for Simultaneous Dedication. Attached is Order No. NSL-3193(SD), letter dated January 16, 1979, Order No. NSP-607, a vicinity map and a Form C-102 plat. A copy of this letter and attachments are being furnished by Certified Mail to offset operators as their notice of this application.

If you have any questions or require any further information concerning this application, please contact me at (915) 687-7347.

Yours very truly,

A handwritten signature in black ink, appearing to read "J. H. Saenz".

J. H. Saenz  
Petroleum Engineer

Attachments

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

D. K. Beckham  
J. B. Wilkinson  
Central Files - Lease/Well Files