-433/5/1/9 /2-4-200Y 11-19-2004

ABOVE THIS LINE FOR DIVISION USE ONLY

NEW MEXICO OIL CONSERVATION DIVISION

- Engineering Bureau -

ADMINISTRATIVE APPLICATION COVERSHEET TO THE COVERSHEET IS MANDATORY FOR ALL ADMINISTRATIVE APPLICATIONS FOR EXCEPTIONS TO DIVISION RULES AND SEGULATIONS SAINT FOR AND SEGULATION DIVISION DI VISION DIVISION DI VISION DIVISION DI VISION DI VISIONI DI VI Saint Francis Drive Santa Fe, NM 87505

Application Acronyms:

[NSP-Non-Standard Proration Unit] [NSL-Non-Standard Location] **[SD-Simultaneous Dedication]** [DD-Directional Drilling] [DHC-Downhole Commingling] [CTB-Lease Commingling] [PLC-Pool/Lease Commingling] [OLS - Off-Lease Storage] [PC-Pool Commingling] [OLM-Off-Lease Measurement] [WFX-Waterflood Expansion] [PMX-Pressure Maintenance Expansion] [SWD-Salt Water Disposal] [IPI-Injection Pressure Increase] [EOR-Qualified Enhanced Oil Recovery Certification] [PPR-Positive Production Response]

- **TYPE OF APPLICATION** Check Those Which Apply for [A] [1]
 - Location Spacing Unit Directional Drilling

⊠ NSL

NSP

DD

 \boxtimes SD

Check One Only for [B] and [C]

Commingling - Storage - Measurement [B]

DHC

CTB

PLC

PC

OLS

OLM

Injection - Disposal - Pressure Increase - Enhanced Oil Recovery [C]

WFX

PMX

SWD

IΡΙ

EOR

PPR

- [2] **NOTIFICATION REQUIRED TO:** - Check Those Which Apply, or \(\subseteq \text{Does Not Apply} \)
 - Working, Royalty or Overriding Royalty Interest Owners [A]
 - ☑ Offset Operators, Leaseholders or Surface Owner [B]
 - Application is One Which Requires Published Legal Notice [C]
 - [D] Notification and/or Concurrent Approval by BLM or SLO U.S. Bureau of Land Management - Commissioner of Public Lands, State Land Office
 - [E] For all of the above, Proof of Notification or Publication is Attached, and/or,
 - [F] Waivers are Attached

INFORMATION / DATA SUBMITTED IS COMPLETE - Statement of Understanding [3]

I hereby certify that I, or personnel under my supervision, have read and complied with all applicable Rules and Regulations of the Oil Conservation Division. Further, I assert that the attached application for administrative approval is accurate and complete to the best of my knowledge and where applicable, verify that all interest (WI, RI, ORRI) is common. I understand that any omission of data, information or notification is cause to have the application package returned with no action taken.

Note: Statement must be completed by an individual with supervisory capacity.

| Keith Lopez | Theith Laper | Petro. Engineer | 11/10/04 |
|--------------------|--------------|-----------------|----------|
| Print or Type Name | Signature | Title | Date |

Request for Administrative Approval Unorthodox Well Location Alice Paddock #6 660' FSL & 2230' FEL Unit O, Section 1, T22S, R37E Lea County, New Mexico

New Mexico Oil Conservation Division Attn: Michael Stogner 2040 South Pacheco Santa Fe, NM 87505 ChevronTexaco

Midland, TX

Dear Mr. Stogner:

Chevron U.S.A. Inc. respectfully requests administrative approval for an unorthodox well location in the Tubb Oil & Gas pool.

Chevron is planning to recomplete the Alice Paddock #6 as a gas well in the Tubb formation. The subject well was originally drilled and dual completed in the Drinkard and Wantz in 1974. The Drinkard and Abo were then downhole commingled in 1978. Current production from the combined zones is 1 BOPD 0 BWPD 10 MCFD. It is proposed to recomplete as a gas producer in the Tubb formation in order to return the well to economic production. Completion in the Tubb Oil & Gas pool would create an unorthodox well location.

Upon completion the subject well would be simultaneously dedicated with the Alice Paddock #3 and Alice Paddock #8.

All affected offset operators have been notified and reminded of their right to object and directed to file any objections with the NMOCD within 20 days.

If you have any questions concerning this application, please contact Keith Lopez at (432)-687-7120.

Sincerely,

Keith Lopez

Petroleum Engineer

<u>District I</u> 1625 N. French Dr., Hobbs, NM 88240

State of New Mexico Energy, Minerals & Natural Resources Department

Form C-102 Revised March 17, 1999

<u>District II</u> 811 South First, Artesia, NM 88210

<u>District III</u> 1000 Rio Brazos Rd., Aztec, NM 87410

<u>District IV</u> 2040 South Pacheco, Santa Fe, NM 87505

OIL CONSERVATION DIVISION

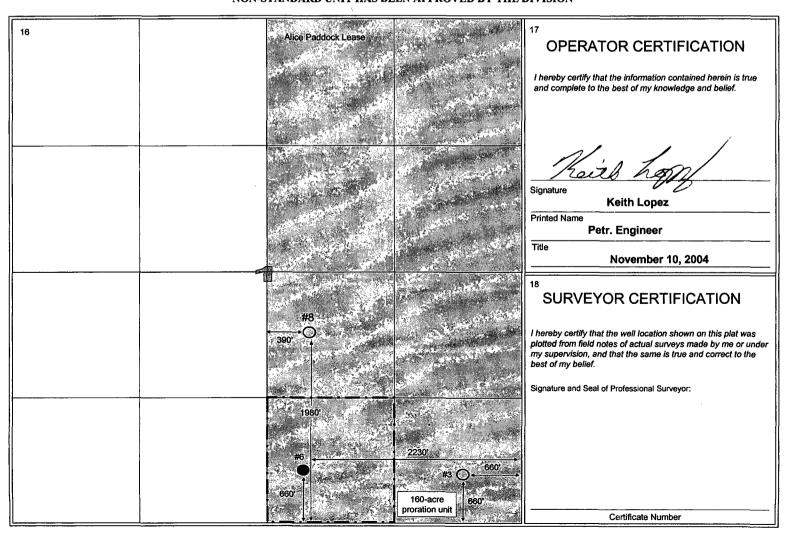
2040 South Pacheco Santa Fe, NM 87505 Submit to Appropriate District Office State Lease - 4 Copies Fee Lease - 3 Copies

□ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

| | ¹ API Number 30-025-2481 | | | ² Pool Code 86440 | | ³ Pool Name Tubb Oil & Gas | | | | | |
|------------------------------------|--|--|------------------|--|---------------|--|---------------|---|-------------------------------|--|--|
| ⁴ Property | Code | ⁵ Property Name Alice Paddock | | | | | | | ⁶ Well Number 6 | | |
| ⁷ OGRIE 432 : | | ⁸ Operator Name Chevron U.S.A., Inc. | | | | | | ⁹ Elevation 3351 ' | | | |
| | | <u> </u> | | | 10 Surface Lo | cation | | | - | | |
| UL or Lot No. | Section | Township | Range | Lot Idn | Feet from the | North/South line | Feet from the | East/West line | County | | |
| 0 | 1 | 22\$ | 37E | | 660' | South | 2230 | East | Lea | | |
| | | L | ¹¹ Bo | tom Hole | Location If D | ifferent From Su | ırface | ! - | | | |
| UL or Lot No. | Section | Township | Range | Lot Idn | Feet from the | North/South line | Feet from the | East/West line | County | | |
| ² Dedicated Acre | s 13 Join | t or Infill 14 Co | onsolidation | Code 15 Orde | er No. | | | | | | |

NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION



<u>District I</u> 1625 N. French Dr., Hobbs, NM 88240 State of New Mexico
Energy, Minerals & Natural Resources Department

Form C-102 Revised March 17, 1999

<u>District II</u> 811 South First, Artesia, NM 88210

OIL CONSERVATION DIVISION

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<u>District III</u> 1000 Rio Brazos Rd., Aztec, NM 87410

2040 South Pacheco Santa Fe, NM 87505

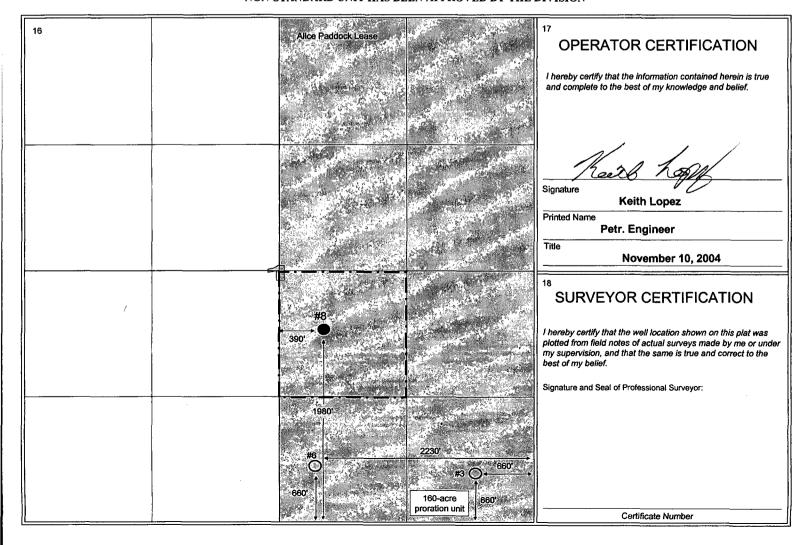
□ AMENDED REPORT

<u>District IV</u> 2040 South Pacheco, Santa Fe, NM 87505

WELL LOCATION AND ACREAGE DEDICATION PLAT

| | ¹ API Number 30-025-2628 | | ² Pool Code 86440 | | | ³ Pool Name Tubb Oil & Gas | | | | |
|------------------------------------|--|-------------------|--|--------------|---------------------------------------|---|---------------|----------------|---------------------------------|--|
| ⁴ Property 270 | | | ⁵ Property Name Alice Paddock | | | | | | | |
| ⁷ OGRIE 432 : | | | | | • • • • • • • • • • • • • • • • • • • | | | | ⁹ Elevation 3348' | |
| | | | | | ¹⁰ Surface Lo | cation | - | | | |
| UL or Lot No. | Section | Township | Range | Lot Idn | Feet from the | North/South line | Feet from the | East/West line | County | |
| J | 1 | 225 | 37E | | 1980 | South | 2250 | East | Lea | |
| | | · | ¹¹ Bo | ttom Hole | Location If D | ifferent From Su | ırface | ! | | |
| UL or Lot No. | Section | Township | Range | Lot Idn | Feet from the | North/South line | Feet from the | East/West line | County | |
| ² Dedicated Acre | s ¹³ Join | t or Infill 14 Co | onsolidation | Code 15 Orde | er No. | | | | | |

NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION



<u>District I</u> 1625 N. French Dr., Hobbs, NM 88240

State of New Mexico Energy, Minerals & Natural Resources Department

Form C-102 Revised March 17, 1999

811 South First, Artesia, NM 88210

District III

1000 Rio Brazos Rd., Aztec, NM 87410

District IV

2040 South Pacheco, Santa Fe, NM 87505

OIL CONSERVATION DIVISION

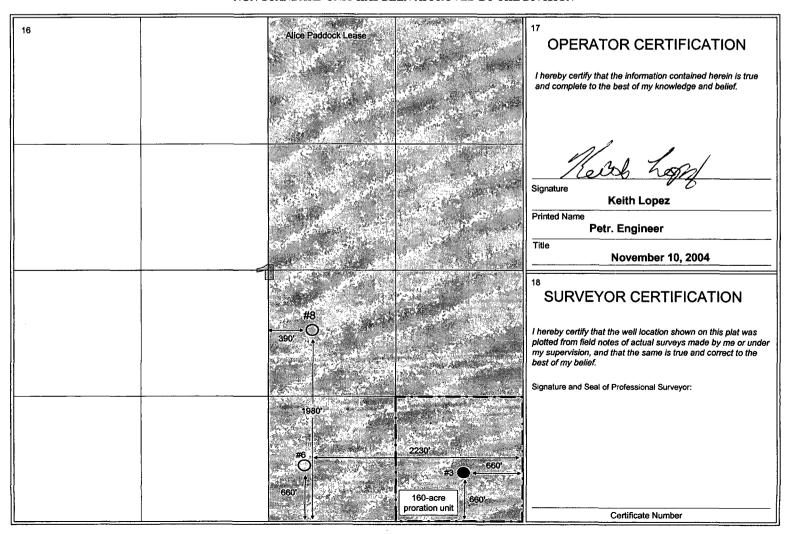
2040 South Pacheco Santa Fe, NM 87505 Submit to Appropriate District Office State Lease - 4 Copies Fee Lease - 3 Copies

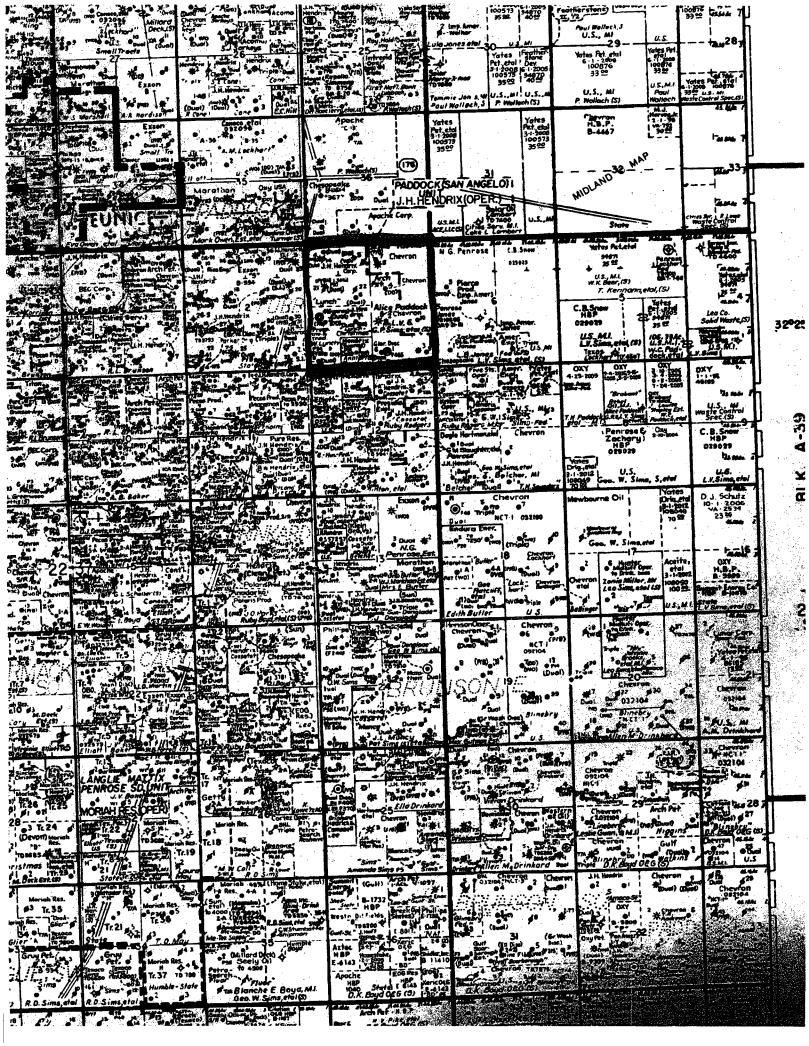
□ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

| | API Number 1-025-09936 | | ² Pool Code 86440 ³ Pool Name Tubb Oil & Gas | | | | | | | |
|-------------------------------------|---------------------------|----------|--|----------|--|------------------------------------|---------------|-------------------------------|---------------------------------|--|
| ⁴ Property Co 2703 | ode | | | | ⁵ Property Nan Alice Paddoo | ne :k | | ⁶ Well Number 3 | | |
| ⁷ OGRID N 4323 | 10. | | | | 8 Operator Nat Chevron U.S.A. | Operator Name vron U.S.A., Inc. | | | ⁹ Elevation 3348' | |
| | | | | | ¹⁰ Surface Lo | cation | | | | |
| UL or Lot No. | Section | Township | Range | Lot Idn | Feet from the | North/South line | Feet from the | East/West line | County | |
| P | 1 | 228 | 37E | | 660 | South | 660 | East | Lea | |
| | | | ¹¹ Bot | tom Hole | Location If D | ifferent From Su | ırface | <u> </u> | | |
| UL or Lot No. | Section | Township | Range | Lot Idn | Feet from the | North/South line | Feet from the | East/West line | County | |

NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION





Alice Paddock #6
660' FSL & 2230' FEL
Unit O, Section 1, T22S, R37E
Lea County, New Mexico
Request For Simultaneous Dedication

List of Offset Operators:

BP Products North America

Marathon Oil Corporation

Devon Energy Corporation

Exxon Mobil

Patricia Penrose Schieffer Trustee of the Patricia Penrose Schieffer Testamentary Trust

D M Royalties, LTD

John H. Hendrix Corporation ET AL

Mary Leonard Children's Trust, Miranda Leonard Revocable Trust, Martha Leonard Revocable Trust C/O: