Signature

NSL

PTD0 1217 03 7053

ABOVE THIS LINE FOR DIVISION USE ONLY

NEW MEXICO OIL CONSERVATION DIVISION

- Engineering Bureau -

1220 South St. Francis Drive, Santa Fe, NM 87505



ADMINISTRATIVE APPLICATION CHECK THIS CHECKLIST IS MANDATORY FOR ALL ADMINISTRATIVE APPLICATIONS FOR EXCEPTIONS TO DIVISION RULES AND REGULATIONS WHICH REQUIRE PROCESSING AT THE DIVISION LEVEL IN SANTA FE 6653 **Application Acronyms:** [NSL-Non-Standard Location] [NSP-Non-Standard Proration Unit] [SD-Simultaneous Dedication] [DHC-Downhole Commingling] [CTB-Lease Commingling] [PLC-Pool/Lease Commingling] [OLS - Off-Lease Storage] [OLM-Off-Lease Measurement] [PC-Pool Commingling] [WFX-Waterflood Expansion] [PMX-Pressure Maintenance Expansion] [SWD-Salt Water Disposal] [IPI-Injection Pressure Increase] TYPE OF APPLICATION - Check Those Which Apply for [A] [1]Location - Spacing Unit - Simultaneous Dedication Vacuum Glorieta West Unit \boxtimes NSL \square NSP \square SD 175 34E Check One Only for [B] or [C] Commingling - Storage - Measurement \square DHC \square CTB \square PLC \square PC \square OLS \square OLM [C] Injection - Disposal - Pressure Increase - Enhanced Oil Recovery \square WFX \square PMX \square SWD \square IPI \square EOR \square PPR [D]Other: Specify [2] **NOTIFICATION REQUIRED TO:** - Check Those Which Apply, or \square Does Not Apply Working, Royalty or Overriding Royalty Interest Owners [A] [B] Offset Operators, Leaseholders or Surface Owner [C]Application is One Which Requires Published Legal Notice [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 [3] SUBMIT ACCURATE AND COMPLETE INFORMATION REQUIRED TO PROCESS THE TYPE OF APPLICATION INDICATED ABOVE. [4] **CERTIFICATION:** I hereby certify that the information submitted with this application for administrative approval is accurate and complete to the best of my knowledge. I also understand that no action will be taken on this application until the required information and notifications are submitted to the Division. Note: Statement must be completed by an individual with managerial and/or supervisory capacity.



June 01,2012

Denise Pinkerton Regulatory Specialist Midcontinent BU
Chevron North America
Exploration & Production
15 Smith Road
Midland, TX 79705
Tel 432-687-7375
leakejd@chevron.com

New Mexico Oil Conservation Division 1220 South St Francis Drive Santa Fe, New Mexico 87504 Attn: Mr. David Brooks

Re: Request for Administrative Approval

Non-Standard Location Central Vacuum Unit #222 (Presently Vacuum Glorieta West Unit #29) 30-025-31785 2522' FSL & 2283' FWL Unit K, Sec 25, T17S, R34E Lea County, New Mexico

Chevron U.S.A. Inc. respectfully requests administrative approval for a Non-Standard location, for the Central Vacuum Unit Well #222. This well is presently the Vacuum Glorieta West Unit #29, which is a TA'd wellbore with no further potential in the Vacuum Glorieta West Unit unitized interval. Reviewing its salvage opportunities, the only reservoir affording the potential to recover additional hydrocarbons is the San Andres formation. If the San Andres cannot be produced, the well will be plugged and abandoned. This well is located within the unit boundary of the Central Vacuum Unit, however it is located only 118' from a quarter/quarter section line which is also a northern boundary of the Central Vacuum Unit making it an unorthodox location. The San Andres reservoir on the property to the north (the direction of unit boundary encroachment) is produced under primary recovery methods only and the 40 acre proration unit offsetting this proposal has one remaining San Andres completion which is marginally producing at 3 BOPD, 1 MCFPD and 180 BWPD. This recompletion is necessary to salvage the wellbore and potentially access San Andres reserves at the subject location.

A copy of this application has been mailed via certified mail to XTO & Exxon Mobil for their consideration.

If you require additional information, please contact me at 432-687-7375, or by email at: leakejd@chevron.com.

Regulatory Specialist

Enclosure cc: NMOCD - District 1; Hobbs

District I
1625 N. French Dr., Hobbs, NM 88240 |
Phone: (575) 393-6161 Fax: (575) 393-0720
District II
811 S. First St., Artesia, NM 88210
Phone: (575) 748-1283 Fax: (575) 848-9720
District III
1000 Rio Brazos Road, Aztec, NM 87410
Phone: (505) 334-6178 Fax: (505) 334-6170
District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505

Phone: (505) 476-3460 Fax: (505) 476-3462

4 Property Code

¹ API Number

30-025-31785

State of New Mexico Energy, Minerals & Natural Resources Department OIL CONSERVATION DIVISION 1220 South St. Francis Dr. Santa Fe, NM 87505

Form C-102 Revised August 1, 2011 Submit one copy to appropriate District Office

VACUUM; GRAYBURG, SAN ANDRES

Certificate Number

⁶ Well Number

WELL LOCATION AND ACREAGE DEDICATION PLAT

⁵ Property Name

² Pool Code

62180

		CENTRAL VACUUM UNIT (PRESENTLY Vacuum Glorieta West Unit #29)									222	
⁷ OGRID N₀.		⁸ Operator Name								9 F	⁹ Elevation	
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NOTIFICATION LIST

Prepared 5/24/2012 by Daniel Pequeno, Senior Land Representative

Application of Chevron U.S.A. Inc. for Administrative Approval of a Non-Standard Well Location:

Central Vacuum Unit Well No. 222 (API #30-025-31785) (AKA Vacuum Glorieta West Unit Well No. 29WI) 2,522' FSL & 2,283' FWL Section 25, T-17-S, R-34E, Unit Letter K Lea County, New Mexico

Offset Operators, Working Interest Owners, N/2 of Section 25, T17S-R34E:

Mobil Producing Texas & New Mexico Inc.

P. O. Box 4707

Houston, Texas 77210-4707

XTO Energy Inc.

810 Houston Street, Suite 2000

Fort Worth, Texas 76102-6298

Chevron U.S.A. Inc. 15 Smith Road Midland, Texas 79705

Surface Owner for All of Section 25, T-17-S-R34E:

State of New Mexico Commissioner of Public Lands P. O. Box 1148 Santa Fe, New Mexico 87504-1148

Signed By:

Daniel Pequeno, Landman

Date: May 24, 2012





Denise Pinkerton Regulatory Specialist Midcontinent BU Chevron North America Exploration & Production 15 Smith Road Midland, TX 79705 Tel 432-687-7375 leakejd@chevron.com

June 01, 2012

Notice of Request for Administrative Approval
Non-Standard Location
Central Vacuum Unit Well #222 (Presently Vacuum Glorieta West Unit #29)
2522' FSL & 2283' FWL
Unit K, Sec 25, T17S, R34E
Lea County, New Mexico

Chevron U.S.A. Inc. has requested NMOCD administrative approval for a Non-Standard Location, for the Central Vacuum Unit, Well #222. The attached is a copy of the application for your information.

Any objections to this Non-Standard request must be sent to the New Mexico Oil Conservation Division, 1220 South St. Francis Drive, Santa Fe, NM 87504, within 20 days of receipt of this notification.

If you require additional information, please contact me at 432-687-7375, or by email at: leakeid@chevron.com

Sincerely,

Denise Pinkerton Regulatory Specialist

Enclosure cc: NMOCD - District 1; Hobbs

Mobil



Denise Pinkerton Regulatory Specialist Midcontinent BU Chevron North America Exploration & Production 15 Smith Road Midland, TX 79705 Tel 432-687-7375 leakejd@chevron.com

June 01, 2012

Notice of Request for Administrative Approval
Non-Standard Location
Central Vacuum Unit Well #222 (Presently Vacuum Glorieta West Unit #29)
2522' FSL & 2283' FWL
Unit K, Sec 25, T175, R34E
Lea County, New Mexico

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If you require additional information, please contact me at 432-687-7375, or by email at: leakeid@chevron.com

J. C. C.IV.

Denise Pinkerton Regulatory Specialist

Enclosure cc: NMOCD - District 1; Hobbs

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