ORPORATION (On weather pri worth 1, TEXAS MAIN PENERSTELLIN AND ITS PRODUCTS

P.O. DRAWER 1290 FORT WORTH 1, TEXAS

E. HOSFORD DIVISION PRODUCTION COORDINATOR

October 3, 1958

PRODUCTION DIVISION

Jue bet 2

Oil Conservation Commission State of New Mexico P. O. Box 871 Santa Fe, New Mexico

> Request for Approval of Unorthodox Well Location for Gulf's W. A. Ramsay "A" No. 20 and the Assignment Thereto of a

640-acre Standard Gas Proration Unit

Gentlemen:

On May 28, 1958, Gulf Oil Corporation filed an application, together with Form C-128, with the Hobbs Office of the New Mexico Oil Conservation Commission requesting that a standard 640-acre Eumont gas unit be assigned to Gulf Oil Corporation's W. A. Ramsay "A" Well No. 20. This request was denied by letter from the Hobbs Office dated June 5, 1958, on the basis that an application for an exception to Order R-520 would be necessary.

By this letter, Gulf Oil Corporation hereby makes application for administrative approval of an unorthodox well location for subject well as an exception to Rule 2 of the Eumont Gas Pool Rules set out in Order R-520. In addition, Gulf is requesting authority to assign the 640 acres in Section 35, T-21-S, R-36-E, to our W. A. Ramsay "A" No. 20 as a standard gas proration unit in the Eumont Gas Pool. If the above request can not be granted administratively, it is requested that an examiner hearing be set on this matter at an early date.

The following facts are offered in support of this application:

- Gulf Oil Corporation is the owner and operator of the 1920-acre W. A. Ramsay "A" Lease, which consists of Sections 27, 34 and 35, all in T-21-S, R-36-E, Lea County, New Mexico, as shown on the attached plat. The unit well, Gulf's Ramsay "A" No. 20, is located 660 feet from the west line and 1980 feet from the north line of said Section 35. Both the working interest and the mineral ownership are common throughout the W. A. Ramsay "A" Lease.
- (2) The unit well was originally completed in the Eumont Oil Pool on August 31, 1956, through 5½-inch casing perforations from 3822 to 3864 feet at a plugged back total depth of 3877 feet. In January 1957, this

well was dually completed so as to produce from 3100 to 3260 feet in the Eumont Gas Pool and from 3784 to 3864 feet in the Eumont Oil Pool.

- (3) In this application Gulf Oil Corporation is requesting an exception to Eumont Pool Rule 2 of Order R-520 to permit Gulf to use its W. A. Ramsay "A" Well No. 20 as the unit well for the 640-acre standard gas unit consisting of Section 35, T-21-S, R-36-E, Lea County, New Mexico. Although subject well is located 660 feet from the east boundary of Section 34, the unit well is 1980 feet from the nearest offset operator. Further, this Section 34 and Section 35 are both a part of the same lease, as outlined in red on the attached plat.
- (4) By copy of this letter of application, all operators which offset Section 35, T-21-S, R-36-E, are notified of the intent of Gulf Oil Corporation to form the proposed standard gas proration unit in the manner described above.

Respectfully submitted,

GULF OIL CORPORATION

By:

Division Froduction Coordinator

cc: Oil Conservation Commission P. O. Box 2045 Hobbs, New Mexico

> Cities Service Oil Company P. O. Box 97 Hobbs, New Mexico

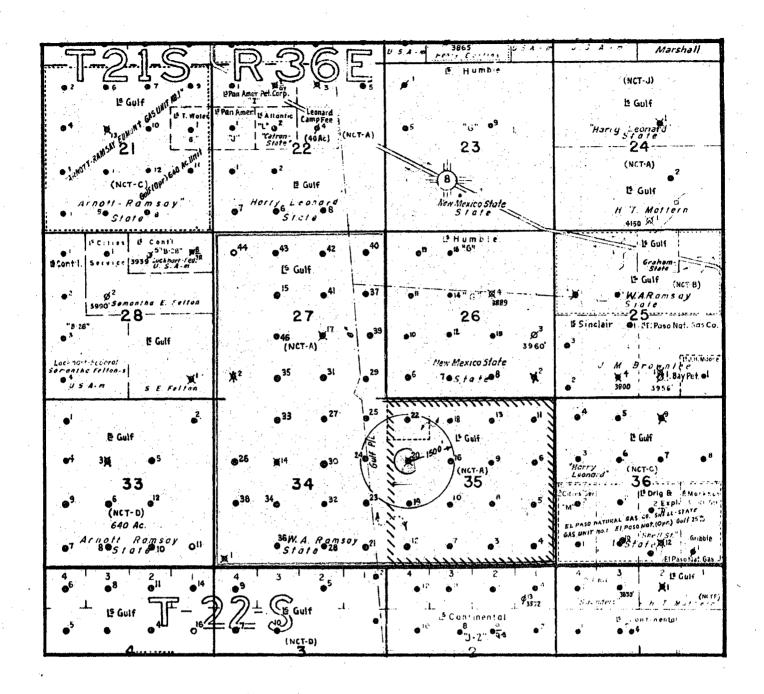
Continental Oil Company P. O. Box 427 Hobbs, New Mexico

El Paso Natural Gas Company P. O. Box 1384 Jal, New Mexico

Humble Oil & Refining Company P. O. Box 1600 Midland, Texas

The Ohio Oil Company P. O. Box 552 Midland, Texas

Sinclair Oil & Gas Company P. O. Box 1470 Hobbs, New Mexico



GULF'S W. A. RAMSAY "A" LEASE LEA COUNTY, NEW MEXICO

LEGEND

1920-ACRE RAMSAY "A" LEASE
PROPOSED 640-ACRE EUMONT
GAS UNIT

Gulf Oil Corporation

Scale 1" = 3,000!

MAIN OFFICE OCC

1958 OCT 15 OTL CONSERVATION COMMISSION

BOX 2045

HOBBS, NEW MEXICO

	DATE	Oct.	13.195	- -
OIL CONSERVATION COMMISSION	Re:	Proposed NS	P	
BOX 871 SANTA FE, NEW MEXICO		Proposed NS	L 163	
		Proposed NF	C,	
,		Proposed DC		
Gentlemen:				
I have examined the application dated				
for the Gulf Oil Corp. W. A. Ramsay "A" #20 Operator Lease and Well No.	35-21-	-36 S-T-R		
and my recommendations are as follows:				
O.KE.F.E.				
Yours very truly,		,		

OIL CONSERVATION COMMISSION

OIL CONSERVATION DIVISION 2040 South Pacheco Street Santa Fe, New Mexico 87505 (505) 827-7131

January 16, 1998

Chevron U.S.A. Inc. P. O. Box 1150 Midland, Texas 79702 Attention: John H. Saenz

Amendment No. 6 To
Division Administrative Order NSL-990(SD)

Dear Mr. Saenz:

Reference is made to the following: (i) Chevron U.S.A., Inc.'s ("Chevron") original application to the Division, dated December 4, 1997; (ii) the Division's initial response to said application by letter from Mr. Michael E. Stogner dated January 8, 1998; (iii) Mr. John H. Saenz's response dated January 15, 1998; and, (vi) the records of the Division in Santa Fe: all concerning Chevron's request for an unorthodox Eumont Gas well location in a standard 640-acre gas spacing and proration unit ("GPU") for the Eumont Gas Pool comprising all of Section 35, Township 21 South, Range 36 East, NMPM, Lea County, New Mexico.

Division Administrative Order NSL-163, dated October 28, 1958, authorized the drilling of the initial well on the subject 640-acre GPU, the W. A. Ramsey (NCT-A) Well No. 20 (API No. 30-025-04927), at an unorthodox gas well location 1980 feet from the North line and 660 feet from the West line (Unit E) of said Section 35.

By Division Order No. R-4590, issued in Case 4983 and dated July 13, 1973, a second well, the W.A. Ramsey (NCT-A) Well No. 7 (API No. 30-025-04918), located at an unorthodox gas well location 660 feet from the South line and 1980 feet from the West line (Unit N) of said Section 35, was included in the subject GPU.

By Division Administrative Order NSL-990, dated November 8, 1978, a third well, the W.A. Ramsey (NCT-A) Well No. 13 (API No. 30-025-04912), located at an unorthodox gas well location 660 feet from the North line and 1980 feet from the East line (Unit B) of said Section 35, was included in the subject GPU.

On February 2, 1979, the Division issued Amendment No. 2 to Administrative Order NSL-990, which authorized a fourth Eumont Gas well on the subject GPU, the W.A. Ramsey (NCT-A) Well No. 3 (API No. 30-025-04922), located at an unorthodox gas well location 660 feet from the South line and 1980 feet from the East line (Unit O) of said Section 35.

Amendment No. 3 to Division Administrative Order NSL-990, issued on March 25, 1980, authorized the W.A. Ramsey (NCT-A) Well No. 12 (API No. 30-025-04913), located at an unorthodox gas well location 660 feet from the South and West lines (Unit M) of Said Section 35 as the fifth well to be simultaneously dedicated to the subject GPU.

In June 1991 the W.A. Ramsey (NCT-A) Well No. 10 (API No. 30-025-04915), located at a standard gas well location 1980 feet from the South and West lines (Unit K) of said Section 35 was included in the subject GPU as the sixth well within the subject GPU.

On August 20, 1993, the Division issued Amendment No. 4 to Administrative Order NSL-990(SD), which authorized the W.A. Ramsey (NCT-A) Well No. 18 (API No. 30-025-04925), located at an unorthodox gas well location 660 feet from the North line and 1980 feet from the West line (Unit C) of said Section 35, as the seventh well to be simultaneously dedicated to the subject GPU.

Amendment No. 6
Division Administrative Order NSL-990(SD)
Chevron U.S.A. Inc.
January 16, 1998
Page 2

Amendment No. 5 to Division Administrative Order NSL-990(SD), issued on August 8, 1994, authorized the W. A. Ramsey (NCT-A) Well No. 51 (API No. 30-025-25626), located at an unorthodox gas well location 1980 feet from the North line and 510 feet from the East line (Unit H) of Said Section 35 as the eighth well to be simultaneously dedicated to the subject GPU.

The above-described W. A. Ramsey (NCT-A) Well No. 3 ceased producing in late 1994. Subsequently, in February, 1995 it was plugged and abandoned.

By the authority granted me under the provisions of Rule 2(d) of the "General Rules for the Prorated Gas Pools of New Mexico/Special Rules and Regulations for the Eumont Gas Pool," as promulgated by Division Order No. R-8170, as amended, the following described well to be drilled at an unorthodox Eumont gas well location within the subject 640-acre GPU is hereby approved:

W. A. Ramsey (NCT-A) Well No. 52 910' FSL & 990' FEL (Unit P).

Also, Chevron is hereby authorized to simultaneously dedicate Eumont Gas production from the W.A. Ramsey (NCT-A) Well No. 52 with the W.A. Ramsey (NCT-A) Well Nos. 7, 10, 12, 13, 18, 20, and 51. Furthermore, you are hereby permitted to produce the allowable assigned the subject GPU from all eight wells in any proportion.

All previous orders herein referred shall remain in full force and effect until further notice.

Sincerely,

Kathleen A. Garland Acting Director

KAG/MES/kv

cc:

New Mexico Oil Conservation Division - Hobbs

New Mexico State Land Office - Santa Fe

File:

NSL-163 /

NSL-990