



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

OIL CONSERVATION DIVISION
RECEIVED

September 28, 1995

1995 OCT 4 AM 8 52

Permian Basin Production Business Unit

**PROPOSED INFILL WELLS
EUNICE MONUMENT SOUTH UNIT
WELL NOS. 621, 641 and 649
EUNICE-MONUMENT (G-SA) OIL POOL
LEA COUNTY, NEW MEXICO**

State of New Mexico
Energy, Minerals & Natural Resources Dept.
Oil Conservation Division
P. O. Box 2088
Santa Fe, New Mexico 87504

Attention: William J. LeMay, Director

Gentlemen:

Chevron U.S.A. Inc. respectfully requests your administrative approval of three unorthodox well locations in the Eunice-Monument (G-SA) Oil Pool for the subject infill producing wells. We further request that the 20-day notice period of Rule 104 (F) (4) be waived since the subject oil proration and spacing units are surrounded by Chevron operated oil proration units within said pool.

The proposed locations for these Eunice Monument South Unit infill producing wells, as shown on the attached map and plats, will be in an existing approved waterflood project, Order No. R-7766 (copy enclosed). These locations will meet the requirements of Rule 104 (F) (1) in that they are no closer than 330 feet to the outer boundary of the unitized area and no closer than 10 feet to any quarter-quarter section line. In addition, these locations were chosen so as to be within a 40-acre proration unit associated with existing water injection wells.

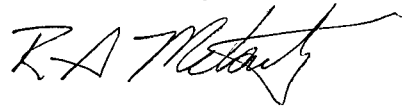
The purpose of the unorthodox locations is to intersect a pinched out zone within the Grayburg formation. The pinch out contains banked oil which is not being drained by the current 40 acre well spacing. The unorthodox locations will maintain normal 20 acre spacing which will yield further information for future infill drilling from which a more efficient production and injection pattern can be established to enhance recovery from this secondary waterflood project.

Chevron has notified all working interest owners in the Eunice Monument South Unit and expects to receive sufficient approval to satisfy the Unit Operating Agreement requirements.

Based upon the foregoing information, Chevron respectfully requests your administrative approval of these three unorthodox locations in the Eunice-Monument (G-SA) Oil Pool and to enable Chevron to drill these wells during this 4th quarter 1995. We further request that the Oil Conservation Division waive the 20-day notice period in granting these administrative applications.

For further information regarding this matter, please contact me at (915) 687-7702. Your prompt consideration will be greatly appreciated.

Yours very truly,

A handwritten signature in black ink, appearing to read "RA McCarty", with a stylized flourish at the end.

Andrew McCarty
Petroleum Engineer

jr
Attachments
Enclosures

PROPOSED INFILL WELL LOCATIONS

Eunice Monument South Unit #621	Unit P, 2650' FSL & 10' FEL, Sec. 6-T21S-R36E
Eunice Monument South Unit #641	Unit T, 1505' FSL & 1155' FWL, Sec. 5-T21S-R36E
Eunice Monument South Unit #649	Unit X, 10' FSL & 10' FEL, Sec. 6-T21S-R36E

R 36 E

T
20
S

R 37 E

T
21
S

R 36 E

- OIL
- ⊕ P&A OIL
- ⊕ TA OR CI OIL
- ☀ GAS
- ☀ P&A GAS
- ☀ TA OR CI GAS
- ⊙ DRY & ABANDONED
- ⊙ INJECTOR
- WATER SUPPLY WELL

==LEGEND==



	Chevron U.S.A. Inc. Exploration, Land and Production
EUNICE MONUMENT SOUTH UNIT LEA COUNTY, NEW MEXICO	
ZFB0: (35, 32) CH21 45EN, DGN	

STATE OF NEW MEXICO
DEPARTMENT OF ENERGY AND MINERALS
OIL CONSERVATION COMMISSION

IN THE MATTER OF THE HEARING
CALLED BY THE OIL CONSERVATION
COMMISSION FOR THE PURPOSE OF
CONSIDERING:

CASE No. 8398
Order No. R-7766

APPLICATION OF GULF OIL CORPORATION
FOR A WATERFLOOD PROJECT, LEA
COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This case came on for hearing at 9:00 A.M. on November 7, 1984, at Santa Fe, New Mexico, before the Oil Conservation Commission of New Mexico, hereinafter referred to as the "Commission".

NOW, on this 27th day of December, 1984, the Commission, a quorum having been present, having considered the testimony and the record and being otherwise fully advised in the premises,

FINDS THAT:

(1) Due public notice has been given as required by law, the Commission has jurisdiction of this cause and the subject matter thereof.

(2) The applicant, Gulf Oil Corporation, in Commission Case 8398, seeks authority to institute a waterflood project in its Eunice Monument South Unit, by the injection of water into the unitized interval which shall include the formations which extend from an upper limit of 100 feet below mean sea level or the top of the Grayburg formation, whichever is higher, to a lower limit being the base of the San Andres formation in the proposed unitized area, all as shown on Exhibit "A" attached to this order.

(3) The subject Commission Case 8398 was consolidated for hearing with Commission Cases 8397 and 8399.

(4) Gulf proposes to utilize an 80-acre five spot injection pattern using a well number system and proposed

Unit injection wells all as shown and identified on Exhibit "B" attached hereto.

(5) Said injection wells shall be conversions of existing wells or newly drilled wells as noted on said Exhibit "B".

(6) The proposed waterflood project should result in the recovery of otherwise unrecoverable oil, thereby preventing waste.

(7) The producing formations in the proposed project area are in an advanced stage of depletion and the area is suitable for waterflooding.

(8) There are five wells within or adjacent to the proposed project which may not have been completed or plugged in a manner which will assure that their wellbores will not serve as a conduit for movement of injected fluid out of the injection interval.

(9) The five possible problem wells are identified and described on Exhibit "C" attached hereto.

(10) Prior to instituting injection within one-half mile of any of the five possible "problem wells" Gulf shall first contact the Oil Conservation Division's District Supervisor at Hobbs to develop a plan acceptable to the Director of said Division for repairing or replugging such wells, for monitoring for determination of fluid movement from the injected interval, or for the drilling of replacement producing wells to lower reservoir pressure and fluid levels in order to protect neighboring properties and to protect other oil or gas zones or fresh water.

(11) The operator should otherwise take all steps necessary to ensure that the injected water enters only the proposed injection interval and is not permitted to escape to other formations or onto the surface from injection, production, or plugged and abandoned wells.

(12) The injection wells or injection pressurization system should be so equipped as to limit injection pressure at the wellhead to no more than 0.2 psi per foot of depth from the surface to the top injection perforation in any injection well, but the Division Director should have authority to increase said pressure limitation, should circumstances warrant.

(13) The subject application should be approved and the project should be governed by the provisions of Rule 701 through 708 of the Commission Rules and Regulations.

IT IS THEREFORE ORDERED THAT:

(1) The applicant, Gulf Oil Corporation, is hereby authorized to institute a waterflood project in the Eunice Monument South Unit Area for the acreage described on Exhibit "A" attached hereto and made a part hereof, by the injection of water into the unitized interval which shall include the formations which extend from an upper limit described as 100 feet below mean sea level or at the top of the Grayburg formation, whichever is higher, to a lower limit being the base of the San Andres formation said geologic markers having been as found to occur at 3,666 feet to 5,283 feet, respectively, in the Continental Oil Company's Meyer B-4 Well No. 23 located 660 feet from the South line and 1980 feet from the East line of Section 4, Township 21 South, Range 36 East, Lea County, New Mexico.

(2) Applicant, Gulf Oil Corporation, is hereby authorized to utilize for injection purposes the wells identified and described on Exhibit "B" attached hereto and made a part hereof.

(3) The injection wells herein authorized and/or the injection pressurization system shall be so equipped as to limit injection pressure at the wellhead to no more than 0.2 psi per foot of depth from the surface to the top injection perforation, provided however, the Division Director may authorize a higher surface injection pressure upon satisfactory showing that such pressure will not result in fracturing of the confining strata.

(4) Injection into each of said wells shall be through plastic or cement-lined tubing, set in a packer which shall be located as near as practicable to the uppermost perforations, or, in the case of open-hole completions, as near as practicable to the casing-shoe; that the casing-tubing annulus shall be loaded with an inert fluid and equipped with an approved pressure gauge or attention attracting leak detection device.

(5) Prior to injection into any well located within one-half mile of any of the five wells listed on Exhibit "C" attached to this order, the applicant shall consult with the supervisor of the Oil Conservation Division's district office at Hobbs to develop a plan acceptable to

the Director of said Division, for the repairing, plugging, or replugging of said wells or for the monitoring for determination of fluid movement from the injected interval or for the drilling of producing wells to lower reservoir pressure and fluid levels in the vicinity of said wells in order to protect neighboring properties and to protect other oil or gas zones or fresh water.

(6) The operator shall immediately notify the supervisor of the Division's Hobbs District Office of the failure of the tubing or packer in any of said injection wells, the leakage of water or oil from around any producing well, or the leakage of water or oil from any plugged and abandoned well within the project area, and shall take such timely steps as may be necessary or required to correct such failure or leakage.

(7) The authorized subject waterflood project is hereby designated the Eunice Monument South Unit Waterflood Project and shall be governed by the provisions of Rules 701 through 708 of the Commission Rules and Regulations.

(8) Monthly progress reports of the waterflood projects herein authorized shall be submitted to the Commission in accordance with Rules 704 and 1120 of the Commission Rules and Regulations.

(9) Jurisdiction of this cause is retained for the entry of such further orders as the Commission may deem necessary.

-5-
Case No. 8398
Order No. R-7766

DONE at Santa Fe, New Mexico, on the day and year
hereinabove designated.

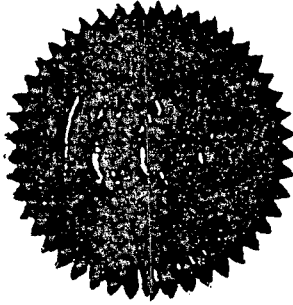
STATE OF NEW MEXICO
OIL CONSERVATION DIVISION

JIM BACA, Member

Ed Kelley

ED KELLEY, Member

R. L. Stamets
R. L. STAMETS, Chairman and
Secretary



S E A L

LEA COUNTY, NEW MEXICO

TOWNSHIP 20 SOUTH, RANGE 36 EAST, NMPM

Section 25: All

Section 36: All

TOWNSHIP 20 SOUTH, RANGE 37 EAST, NMPM

Section 30: S/2, S/2 N/2, NE/4 NW/4 and NW/4 NE/4

Section 31: All

Section 32: All

TOWNSHIP 21 SOUTH, RANGE 36 EAST, NMPM

Section 2: S/2 S/2

Section 3: Lots 3, 4, 5, 6, 11, 12, 13, and 14
and S/2

Sections 4 through 11: All

Section 12: W/2 SW/4

Section 13: NW/4 NW/4

Sections 14 through 18: All

Section 21: N/2 and N/2 S/2

Section 22: N/2 and N/2 S/2

CASE NO. 8398
ORDER NO. R-7766
EXHIBIT "A"

LEA COUNTY, NEW MEXICO

179	D	3	21	36
181	B	4	21	36
183	D	4	21	36
185	B	5	21	36
187	D	5	21	36
189	B	6	21	36
191	D	6	21	36
193	F	6	21	36
195	H	6	21	36
197	F	5	21	36
199	H	5	21	36
201	F	4	21	36
203	H	4	21	36
205	F	3	21	36
207	L	3	21	36
209	J	4	21	36
211	L	4	21	36
213	J	5	21	36
215	L	5	21	36
217	J	6	21	36
219	L	6	21	36
221	N	6	21	36
223	P	6	21	36
225	N	5	21	36
227	P	5	21	36
229	N	4	21	36
231	P	4	21	36
233	N	3	21	36
235	R	3	21	36
237	T	3	21	36
239	R	4	21	36
241	T	4	21	36
243	R	5	21	36
245	T	5	21	36
247	R	6	21	36

N

N

N

CASE NO. 8398
ORDER NO. R-7766
EXHIBIT "B"

LEA COUNTY, NEW MEXICO

UNIT WELL NO.	UNIT LETTER	SECTION-TOWNSHIP-RANGE		NEW WELL
		SOUTH	EAST	
101	C	30	20 37	N
102	A	25	20 36	
104	C	25	20 36	
106	E	25	20 36	
108	G	25	20 36	
110	E	30	20 37	
112	G	30	20 37	
114	I	30	20 37	
116	K	30	20 37	
118	I	25	20 36	
120	K	25	20 36	
122	M	25	20 36	
124	O	25	20 36	
126	M	30	20 37	
128	O	30	20 37	N
130	A	32	20 37	
132	C	32	20 37	
134	A	31	20 37	
136	C	31	20 37	
138	A	36	20 36	
140	C	36	20 36	
142	E	36	20 36	
144	G	36	20 36	
146	E	31	20 37	
148	G	31	20 37	
150	E	32	20 37	
152	G	32	20 37	N
154	I	32	20 37	
156	K	32	20 37	
158	I	31	20 37	
160	K	31	20 37	
162	I	36	20 36	
164	K	36	20 36	
166	M	36	20 36	
168	O	36	20 36	
170	M	31	20 37	
172	O	31	20 37	
174	M	32	20 37	
176	O	32	20 37	

CASE NO. 8398
ORDER NO. R-7766
EXHIBIT "B"

LEA COUNTY, NEW MEXICO

249	T	6	21	36
251	V	6	21	36
253	X	6	21	36
255	V	5	21	36
257	X	5	21	36
259	V	4	21	36
261	X	4	21	36
263	V	3	21	36
265	X	3	21	36
267	V	2	21	36
269	X	2	21	36
271	B	11	21	36
273	D	11	21	36
275	B	10	21	36
277	D	10	21	36
279	B	9	21	36
281	D	9	21	36
283	B	8	21	36
285	D	8	21	36
287	B	7	21	36
289	D	7	21	36
291	F	7	21	36
293	H	7	21	36
295	F	8	21	36
297	H	8	21	36
299	F	9	21	36
301	H	9	21	36
303	F	10	21	36
305	H	10	21	36
307	F	11	21	36
309	H	11	21	36
310	L	12	21	36
312	J	11	21	36
314	L	11	21	36
316	J	10	21	36
318	L	10	21	36
320	J	9	21	36
322	L	9	21	36
324	J	8	21	36

CASE NO. 8398
ORDER NO. R-7766
EXHIBIT "B"

LEA COUNTY, NEW MEXICO

326	L	8	21	36
328	J	7	21	36
330	L	7	21	36
332	N	7	21	36
334	P	7	21	36
336	N	8	21	36
338	P	8	21	36
340	N	9	21	36
342	P	9	21	36
344	N	10	21	36
346	P	10	21	36
348	N	11	21	36
350	P	11	21	36
352	D	13	21	36
354	B	14	21	36
356	D	14	21	36
358	B	15	21	36
360	D	15	21	36
362	B	16	21	36
364	D	16	21	36
366	B	17	21	36
368	D	17	21	36
370	B	18	21	36
372	D	18	21	36
374	F	18	21	36
376	H	18	21	36
378	F	17	21	36
380	H	17	21	36
382	F	16	21	36
384	H	16	21	36
386	F	15	21	36
388	H	15	21	36
390	F	14	21	36
392	H	14	21	36
394	J	14	21	36
396	L	14	21	36
398	J	15	21	36
400	L	15	21	36
402	J	16	21	36
404	L	16	21	36

CASE NO. 8398
ORDER NO. R-7766
EXHIBIT "B"

N

LEA COUNTY, NEW MEXICO

406	J	17	21	36
408	L	17	21	36
410	J	18	21	36
412	L	18	21	36
414	N	18	21	36
416	P	18	21	36
418	N	17	21	36
420	P	17	21	36
422	N	16	21	36
424	P	16	21	36
426	N	15	21	36
428	P	15	21	36
430	N	14	21	36
432	P	14	21	36
434	B	22	21	36
436	D	22	21	36
438	B	21	21	36
440	D	21	21	36
442	F	21	21	36
444	H	21	21	36
446	F	22	21	36
448	H	22	21	36
450	J	22	21	36
454	J	21	21	36
456	L	21	21	36
452	L	22	21	36

CASE 8398
ORDER NO. R-8398
EXHIBIT "B"

- (1) Amoco Production Co. State "C" Tr. 11 Well No. 3
located 1980 feet from the South line and 1980 feet from
the East line of Section 2, Township 21 South, Range 36
East;
- (2) Amoco Production Co. State "C" Tr. 11 Well No. 4
located 3300 feet from the South line and 1980 feet from
the East line of Section 2, Township 21 South, Range 36
East;
- (3) Texas Crude Oil Co. Kincheloe 2 State Well No. 1
located 1980 feet from the South line and 1980 feet from
the West line of Section 2, Township 21 South, Range 36
East;
- (4) El Paso Natural Gas Co. Coleman Well No. 1
located 2310 feet from the South line and 2310 feet from
the East line of Section 17, Township 21 South, Range 36
East;
- (5) Texaco Inc. New Mexico "H" NCT-1 Well No. 28, a dry
hole, located 990 feet from the South line and 660
feet from the East line of Section 31, Township 20 South,
Range 37 East;

all in Lea County, New Mexico.

CASE NO. 8398
Order No. R-7766
EXHIBIT "C"

CMD :
OG5SECT

ONGARD
INQUIRE LAND BY SECTION

10/12/95 10:45:22
OGOMES -EMFB
PAGE NO: 1

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1245 40.00 39.47 40.00 CS CS CS MULTI C U U A A A P	1136 40.00 39.28 40.00 CS CS CS MULTI C U U P P	1027 40.00 39.10 40.00 CS CS CS MULTI C U U P P P A	189 38.91 40.00 40.00 CS CS CS MULTI C U U A P P A P
13 40.00 CS B00244 1 11/38 CHEVRON U S A INC C U P	14 40.00 CS B00244 1 11/38 CHEVRON U S A INC C U A A	15 40.00 CS B02139 3 10/38 ATLANTIC RICHFIEL U	16 40.00 CS B02139 3 10/38 ATLANTIC RICHFIEL U A A A

PF01 HELP
PF07 BKWD

PF02
PF08 FWD

PF03 EXIT
PF09 PRINT

PF04 GoTo
PF10 SDIV

PF05
PF11

PF06
PF12

CMD :
OG5SECT

ONGARD
INQUIRE LAND BY SECTION

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PAGE NO: 2

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17 35.18 CS B00230 1 02/38 CHEVRON U S A INC U P A	K 40.00 CS B02352 2 01/39 ATLANTIC RICHFIEL C U P A	J 40.00 CS A01543 1 12/38 CHEVRON U S A INC C U P A A A	I 40.00 CS B00230 1 02/38 CHEVRON U S A INC C U P A A
18 35.19 CS B00230 1 02/38 CHEVRON U S A INC U P A	N 40.00 CS B01936 8 01/39 ATLANTIC RICHFIEL C U A	O 40.00 CS A01543 1 12/38 CHEVRON U S A INC C U P A	P 40.00 CS B00230 1 02/38 CHEVRON U S A INC C U A A

PF01 HELP
PF07 BKWD

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PF08 FWD

PF03 EXIT
PF09 PRINT

PF04 GoTo
PF10 SDIV

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OG5SECT

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Sec : 06 Twp : 21S Rng : 36E Section Type : LONG

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13 35.17 CS B01398 33 12/42 EL PASO PROD CO & C U	14 40.00 CS B01398 33 12/42 EL PASO PROD CO & C U A A A	15 40.00 CS B00244 1 11/38 CHEVRON U S A INC C U P	16 40.00 CS B00244 1 11/38 CHEVRON U S A INC C U A

PF01 HELP
PF07 BKWD

PF02
PF08 FWD

PF03 EXIT
PF09 PRINT

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PF10 SDIV

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OG5SECT

ONGARD
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Sec : 05 Twp : 21S Rng : 36E Section Type : LONG

L 40.00 CS B01940 2 10/38 ATLANTIC RICHFIEL C U A	K 40.00 CS B01940 2 10/38 ATLANTIC RICHFIEL C U P A	J 40.00 CS B02456 10 02/39 KOCH INDUSTRIES I C U A P A	I 40.00 CS B02456 10 02/39 KOCH INDUSTRIES I C U P P A P A
M 40.00 CS B03114 3 09/44 ATLANTIC RICHFIEL C U P	N 40.00 CS B03114 3 09/44 ATLANTIC RICHFIEL C U P A A	O 40.00 CS B01673 7 11/38 ATLANTIC RICH CO C U P A	P 40.00 CS B01673 7 11/38 ATLANTIC RICH CO C U A A

PF01 HELP	PF02	PF03 EXIT	PF04 GoTo	PF05	PF06
PF07 BKWD	PF08 FWD	PF09 PRINT	PF10 SDIV	PF11	PF12



STATE OF NEW MEXICO

ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

RECEIVED

OIL CONSERVATION DIVISION
HOBBS DISTRICT OFFICE

'95 OCT 10 AM 8 52

10/3/95

GOVERNOR

POST OFFICE BOX 1980
HOBBS, NEW MEXICO 88241-1980
(505) 393-6161

OIL CONSERVATION DIVISION
P. O. BOX 2088
SANTA FE, NEW MEXICO 87501

RE: Proposed:

MC _____
DHC _____
NSL X _____
NSP _____
SWD _____
WFX _____
PMX _____

Eunice Monument South Unit #621	Unit P, 2650' FSL & 10' FEL, Sec. 6-T21S-R36E
Eunice Monument South Unit #641	Unit T, 1505' FSL & 1155' FWL, Sec. 5-T21S-R36E
Eunice Monument South Unit #649	Unit X, 10' FSL & 10' FEL, Sec. 6-T21S-R36E

Gentlemen:

I have examined the application for the:

Chevron USA Inc
Operator _____ Lease & Well No. Unit S-T-R _____

and my recommendations are as follows:

OK

Yours very truly,

Jerry Sexton
Jerry Sexton
Supervisor, District 1

/ed