HOLLAND & HART LLP AND CAMPBELL & CARR ATTORNEYS AT LAW

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March 5, 2001

VIA HAND DELIVERY

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Lori Wrotenbery, Director Oil Conservation Division New Mexico Energy, Minerals and Natural Resources Department 1220 South St. Francis Drive Santa Fe, New Mexico 87504

Re: In the matter of Case 12320: The application of Chevron U.S.A. Production Company for approval to convert the EMSU Wells No. 210, 212, 222,252 and 258 to Injection in the Eunice Monument South Unit, Lea County, New Mexico.

Dear Ms. Wrotenbery,

Chevron U.S.A. Production Company hereby requests that the Examiner Hearing in the abovereferenced case which is currently scheduled for March 8, 2001 be continued to the April 5, 2001 Examiner Hearing Docket.

Your attention to this request in appreciated.

Very truly yours,

William F. Carr

WFC/js

cc: Mr. Tracy Love J. E. Gallegos, Esq. is currently plugged and abandoned;

(iii) State "A" A/C-1 Well No. 5, located at an unorthodox gas well location 1320 feet from the North line and 660 feet from the East line (Units A/H) of Section 20, which is also plugged and abandoned; and

(iv) State "A" A/C-1 Well No. 39 (API No. 30-025-09358), located at an unorthodox gas well location 1980 feet from the South and East lines (Unit J) of Section 17.

The applicant in this matter, Raptor Resources, Inc. seeks to: (i) expand this unit to include the 40 acres comprising the SE/4 NW/4 of Section 21; and (ii) to contract this unit by deleting therefrom the two 40-acre tracts that comprise the SW/4 SE/4 (Unit O) of Section 17 and the NW/4 NE/4 (Unit B) of Section 20. Further, the applicant seeks an exception to the well location requirements provided within the *"Special Rules and Regulations for the Jalmat Gas Pool"*, as promulgated by Division Order No. R-8170, as amended, for an unorthodox Jalmat infill gas well location within this newly established 400-acre GPU for its existing State "A" A/C-1 Well No. 6 (API No. 30-025-09369), located 2310 feet from the North line and 1650 feet from the West line (Unit F) of Section 21. Both the State "A" A/C-1 Wells No. 6 and 39 are to be dedicated to this GPU. IN THE ABSENCE OF OBJECTION, THIS APPLICATION WILL BE TAKEN UNDER ADVISEMENT.

CASE 12320: Continued from February 8, 2001, Examiner Hearing.

Application of Chevron U.S.A. Production Co. for Approval to convert the EMSU Wells No. 210, 212, 222, 252 and 258 to Injection in the Eunice Monument South Unit, Lea County, New Mexico. Applicant seeks approval to convert its EMSU Wells No. 210, 212, 222, 252 and 258 to injection in the Eunice Monument South Unit (EMSU). These wells are designed to improve recovery efficiency of the waterflood patterns and enhance production of the EMSU secondary recovery project. The wells are located in the following locations: No. 210 - Section 4, Unit K, Township 21 South, Range 36 East; No. 252 - Section 5, Unit I, Township 21 South, Range 36 East; No. 222 - Section 6, Unit O, Township 21 South, Range 36 East; No. 258 - Section 4, Unit U, Township 21 South, Range 36 East. Water will be injected into the unitized interval of the Eunice Monument Grayburg-San Andres Pool which has an upper limit of 100 feet below mean sea level or the top of the Grayburg formation, whichever is higher, to a lower limit of the base of the San Andres formation. Injection will occur at an expected maximum pressure rate of 1500 barrels of water per day and an expected maximum pressure of 750 pounds per square inch. This area is approximately one mile west-southwest of Oil Center, New Mexico.

CASE 12609: Application of Chevron U.S.A., Inc. for an unorthodox infill gas well location and simultaneous dedication, Lea County, New Mexico. Applicant seeks an exception to the well location requirements provided within the "Special Rules and Regulations for the Eumont Gas Pool", as promulgated by Division Order No. R-8170, as amended, for an unorthodox Eumont infill gas well location within an existing non-standard 480-acre gas spacing and proration unit (authorized by Division Administrative Order NSP-944, dated April 12, 1974, and upheld by Division Order No. R-5549, issued in Case No. 6041 on October 25, 1977) comprising the NE/4 and the S/2 of Section 22, Township 21 South, Range 36 East, which is located approximately one mile northwest of the Eunice-Lea County Airport. The applicant's proposed Harry Leonard NCT-A Well No. 15 (API No. 30-025-35396) is to be drilled at an unorthodox infill gas well location 1980 feet from the South line and 760 feet from the West line (Unit L) of Section 22. This unit is currently dedicated to Chevron U.S.A., Inc.'s:

(i) Harry Leonard NCT-A Well No. 3 (API No. 30-025-04757), located 660 feet from the North line and 1980 feet from the East line (Unit B) of Section 22;

(ii) Harry Leonard NCT-A Well No. 7 (API No. 30-025-04760), located 660 feet from the South and West lines (Unit M) of Section 22;

(iii) Harry Leonard NCT-A Well No. 12 (API No. 30-025-25496), located at an unorthodox infill gas well location (approved by Division Order No. R-5549) 990 feet from the South line and 660 feet from the East line (Unit P) of Section 22;

(iv) Harry Leonard NCT-A Well No. 13 (API No. 30-025-31320), located at a standard infill gas well location 1650 feet from the South line and 2310 feet from the East line (Unit J) of Section 22;

(v) Harry Leonard NCT-A Well No. 6 (API No. 30-025-04759), located at an unorthodox infill gas well location [approved by Division Administrative Order NSL-3253 (SD), dated May 28, 1993] 660 feet from the South line and 1980 feet from the West line (Unit N) of Section 22;

(vi) Harry Leonard NCT-A Well No. 14 (API No. 30-025-32154), located at a standard infill gas well location 1760 feet from the North line and 990 feet from the East line (Unit H) of Section 22, which is a new gas well that was included in this unit in February, 1998.

Further, the applicant, pursuant to the rules governing the Eumont Gas Pool and the stipulated declaratory judgement issued by the First Judicial District Court in Santa Fe County, New Mexico on December 15, 2000, seeks to simultaneously dedicate Eumont gas production to this 480-acre unit from all seven of the above-described Harry Leonard NCT-A Wells No. 3, 6, 7, 12, 13, 14, and 15.

Note: Records indicate that Chevron U.S.A., Inc.'s Harry Leonard NCT-A Well No. 8 (API No. 30-025-04761), located 660 feet from the South line and 1980 feet from the East line (Unit O) of Section 22, is a Eumont oil well that is currently dedicated to a standard 40-acre oil spacing and proration unit comprising the SW/4 SE/4 of Section 22. It will be necessary for the applicant to address this matter at the time of the hearing.

<u>CASE 12610</u>: Application of Chevron U.S.A., Inc. for simultaneous dedication, Lea County, New Mexico. Applicant, pursuant to the rules governing the Eumont Gas Pool and the stipulated declaratory judgement issued by the First Judicial District Court in Santa Fe County, New Mexico on December 15, 2000, seeks to simultaneously dedicate Eumont gas production to the previously approved 160-acre non-standard gas spacing and proration unit comprising the SE/4 of Section 28, Township 21 South, Range 36 East (approved by Division Administrative Order NSP-272, dated June 27, 1956) from the following four wells:

- existing S. E. Felton Well No. 1 (API No. 30-025-04815) located at a standard gas well location 660 feet from the South and East lines (Unit P) of Section 28;

- existing S. E. Felton Well No. 2 (API No. 30-025-25352) located at a standard gas well location either 800 feet or 880 feet from the South line and 1980 feet from the East line (Unit O) of Section 28; and,

- existing S. E. Felton Well No. 5 (API No. 30-025-33796) located at a standard Euront gas well