

January 4, 1999

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Administrative Application for Unorthodox Oil Well Location Chevron USA Production Co. Monument "36" State #1 384' FSL and 1216' FEL Monument "36" State #2 1632' FSL and 1298' FEL Section 36, T-18-S, R-36-E North Monument Abo Pool Lea County, New Mexico Chevron U.S.A. Production Company P.O. Box 1150 Midland, TX 79702

via Overnight Mail

State of New Mexico Energy, Minerals & Natural Resources Dept. Oil Conservation Division 2040 South Pacheco Santa Fe, New Mexico 87504

Attn.: Mr. Michael E. Stogner - Chief Hearing Officer/Engineer

Dear Mr. Stogner:

Per your letter dated December 10, 1998 (copy attached), Chevron U.S.A. is resubmitting the administrative applications for the two subject Unorthodox Oil Well Locations in the North Monument Abo Pool.

Attached is a Form C-102 plat original, a Location Verification Map, an Abo Build-Up Map, and the Land Ownership Plat you requested. If you have any questions or require any further information concerning this application, please contact me at (915) 687-7152.

Sincerely,

Lloyd V. Trautman Sr. Petroleum Engineer - New Mexico Area

lvt Attachments

> cc: NMOCD – Hobbs, NM Well File Conoco, Inc.



NEW MEXICO L. ERGY, MINERALS & NATURAL RESOURCES DEPARTMENT

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

December 10, 1998

Chevron U.S.A. Production Company P. O. Box 1150 Midland, Texas 79702

Attention: Lloyd V. Trautman

Re: Applications for administrative approval to drill the Monument "36" State Wells No. 1 and 2 at unorthodox oil well locations within either the Undesignated North Monument-Abo or Undesignated Goodwin-Abo Pools: (i) 384' FSL & 1216' FEL (Unit P); and, (ii) 1632' FSL & 1298' FEL (Unit I), respectively, in Section 36, Township 18 South, Range 36 East, NMPM, Lea County, New Mexico.

Dear Mr. Trautman:

cc:

I am returning the two referenced applications as incomplete, please refer to Division Rule 104.F(3), see copy attached, and submit all relevant geological data to adequately support both applications. Further, in order to determine that correlative rights of all concerned are being adequately protected and to expedite the review process, please submit a land ownership plat that shows the extent of the Monument¹"36" State lease. Thank you for your cooperation in this matter.

Sincerely Michael E. Stogner Chief Hearing Officer/Engineer

New Mexico Oil Conservation Division - Hobbs Kathy Valdes, NMOCD - Santa Fe



January 4, 1999

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

Administrative Application for Unorthodox Oil Well Location Chevron USA Production Co. Monument "36" State #2 1632' FSL and 1298' FEL Section 36, T-18-S, R-36-E North Monument Abo Pool Lea County, New Mexico

via Overnight Mail

State of New Mexico Energy, Minerals & Natural Resources Dept. Oil Conservation Division 2040 South Pacheco Santa Fe, New Mexico 87504

Attn.: Mr. William J. LeMay -- Director

Gentlemen:

Chevron U.S.A. respectfully requests your approval of this administrative application for the subject Unorthodox Oil Well Location in the North Monument Abo Pool.

Chevron proposes to drill the Monument "36" State #2 (36 #2) at a non-standard location. The target for the 36 #2 is a shelf margin Abo carbonate build-up that is defined with wells and 3D seismic. The attached map shows the interpreted north to northeast orientation of this carbonate build-up. The build-up is narrow and based on seismic, the location of the 36 #2 is the lowest risk location in unit letter I of section 36. There is a large power line located ~ 200' east of the proposed location making it impossible to move the location farther east. The previous wells drilled in the North Monument field normally drift ~ 200' east of the surface location. Therefore moving the location east would encounter the powerline and make hitting the proposed location difficult and expensive.

Chevron has the lease on all of section 36. Because the non-standard part of the location is the proximity to the west line no rights will be violated, as ownership does not vary.

In addition to the Abo Build-Up Map, a Form C-102 plat original, and a Location Verification Map is attached. If you have any questions or require any further information concerning this application, please contact me at (915) 687-7343.

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Sincerely,

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Tim Denny / Geologist - New Mexico Area

^{trd} Attachments

cc: Conoco, Inc.







DISTRICT I P.0. Box 1953, Robbe, NM 58241-1980

DISTRICT II P.O. Drawer DD, Artesia, NM 88211-0719

DISTRICT III 1000 Rio Brazos Rd., Aztec, NM 87410

DISTRICT IV P.O. BOX 2086, SANTA FE, N.M. 87504-2088 State of New Mexico

Energy, Minerals and Natural Resources Departmen

Form C-102 Revised February 10, 1994 Submit to Appropriate District Office State Lease - 4 Copies Fee Lease - 3 Copies

OIL CONSERVATION DIVISION P.O. Box 2088 Santa Fa New Marico 87504-2088

Santa Fe, New Mexico 87504-2088

□ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number	Pool Code	Pool Name		
Property Code	Pro MONUME	Well Number 2		
OGRID No.	-	A. PRODUCTION CO.	Elevation 3742	

Surface Location

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
I	36	18 S	36 E		1632	SOUTH	1298	EAST	LEA

Bottom Hole Location If Different From Surface

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
		<u> </u>						<u> </u>	
Dedicated Acres	Joint o	r Infill Co	nsolidation (Code Or	ier No.				
· · · · · · · · · · · · · · · · · · ·			<u> </u>						

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

			OPERATOR CERTIFICATION
			I hereby certify the the information contained herein is true and complete to the best of my knowledge and belief.
 +-	 	+	Signature
			Printed Name
			Title i Date
			SURVEYOR CERTIFICATION
	 NEW MEXICO EAST NAD 1927 Y=620374 X=816966		I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervison, and that the same is true and correct to the best of my belief.
	 	1298'	OCTOBER 29, 1998 Date Surveyed DMCC Signature Stallor
		1632	1000 11 10 100 11-16-98 1 498-14-1351
			Cortificate No. RONALD J. ELDSON 3235 CARY ELDSON 1264 MAGON MCDONALD 12:55

LOCATION VERIFICATION MAP



MONUMENT NORTH, N.M.