



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

December 4, 1990

PROPOSED REPLACEMENT INJECTION WELL
EUNICE MONUMENT OIL POOL
EUNICE MONUMENT SOUTH UNIT B
WELL NUMBER 855
LEA COUNTY, NEW MEXICO

New Mexico Oil Conservation Division
310 Old Santa Fe Trail, Room 206
Santa Fe, New Mexico 87503

Attention: William J. LeMay, Director

Gentlemen:

The New Mexico District of Chevron USA Inc. respectfully requests your administrative approval for an unorthodox location for the subject proposed replacement injection well. This well will replace a well in the proration unit, not completed in the Eunice Monument Oil Pool, that will not be tendered to the Unit by the original operator. We further request that you waive the 20 day waiting period requirement of Rule 104 (F) (IV) since the subject proration unit of the unorthodox location is surrounded by proration units included in the Unit and operated by Chevron.

The proposed location for this Eunice Monument South Unit B injection well, 1450' FNL, 870' FWL, Sec. 11, T20S, R36E, Unit E, as shown on the attached plat, will be in an approved waterflood project, under Form C-108 submitted 7/9/90, Order Nos. R-7765-B, R-7766-A, and R-7767-A (copies enclosed). This location will also meet the spacing requirements of Rule 104 (F) (I) which states that a well will be 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. The location was chosen to eliminate conflict with existing pipelines and other surface facilities that prevent us from drilling in an orthodox location.

Chevron has notified all working interest owners in the Eunice Monument South Unit B and expects to receive sufficient approval by mid-December, thereby satisfying Unit Operating Agreement requirements. Also, all directly offsetting unit wells, completed in the Eunice Monument Oil Pool, and their respective proration units are included in the Unit and are operated by Chevron.

Based upon the foregoing information, Chevron requests your administrative approval of the attached application for permit to drill this well at an unorthodox location. To enable Chevron to drill this proposed well this year, we are further requesting that