

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

Permian Basin Production Business Unit

August 5, 1991

ADMINISTRATIVE APPLICATION FOR UNORTHODOX GAS WELL LOCATION AND SIMULTANEOUS DEDICATION EUMONT YT 7-RVRS QN (PRO GAS) 1055' FSL AND 660' FEL SECTION 25, T-19-S, R-36-E 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

Attn: Mr. William J. LeMay - Director

Gentlemen:

Chevron U.S.A. Inc. respectfully requests your approval of this administrative application for the subject Unorthodox Gas Well Location and Simultaneous Dedication.

Chevron is planning to drill and complete it's **Graham State (NCT-C) Com Well No. 11** in the Eumont Yates 7-Rivers Queen (Pro Gas) Pool. It is our desire to also simultaneously dedicate the existing 320acre Eumont Gas Proration Unit assigned to our Graham State (NCT-C) Com Well Nos. 8 and 9 (Admin Order NSP-213 and Order R-6921) to all three wells. The 320-acre gas proration unit comprises the E/2 of Section 25, Township 19 South, Range 36 East, Lea County, New Mexico.

To avoid a 12" gas pipeline, the proposed location for the Graham State (NCT-C) Com Well No. 11 becomes unorthodox in that it is less than 330' from a quarter-quarter section line. The location of Well No. 11 is 1055 feet FSL and 660 feet FEL, Unit Letter P, Section 25, Township 19 South, Range 36 East, Lea County, New Mexico.

In order to prevent waste, Chevron respectfully requests your approval of this administrative application for an unorthodox gas well location and simultaneous dedication. Attached is a map showing offset operators and a Form C-102 plat. A copy of this letter and attachments are being furnished by Certified Mail to offset operators as their notice of this application.