N&P-2838(80)

Mobil Exploration & Producing U.S. Inc.

July 24, 1990

P.O. BOX 633 MIDLAND, TEXAS 79702

MIDLAND DIVISION

New Mexico Oil Conservation Division P. O. Box 2088 Santa Fe, New Mexico 87504

CERTIFIED MAIL-RETURN

RECEIPT REQUESTED

UNORTHODOX GAS WELL LOCATION AND SIMULATION DEDICATION CHEVRON USA INC. MARK OWEN WELLS 3 & 4 SECTION 34-21-S-37-E LEA COUNTY, NEW MEXICO NM-601, 694, 797

Gentlemen:

Reference is made to Mobil's letter dated July 9, 1990 stating that we object to the unorthodox well location of the Mark Owen No. 4 on the captioned acreage.

After discussing this situation with Chevron USA Inc., Mobil respectfully withdraws its objection to this unorthodox location.

Should you need anything further in this regard, please feel free to contact me at 915/688-2082 or the letterhead address.

Very truly yours,

MOBIL EXPLORATION & PRODUCING U.S. INC. AS AGENT FOR MOBIL PRODUCING TEXA'S & NEW MEXICO INC.

19 an 10

Mark A. Haralson Senior Landman Snyder Area

MAH/kc Attachment .cc w/att: D. G. Elwood/1145 UBB D. E. Burnham/1116 UBB M. K. Moshell/1114 UBB Chevron USA Inc., P.O.Box 670, Hobbs,NM 88240, Attn: Ray Clark Chevron USA Inc., P.O.Box 1150, Midland,TX 79702, Attn: M.F.Cohlmia NMOCD, P. O. Box 1980, Hobbs, NM 88240 STATE OF NEW MEXICO

ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION

mobil Waried's

POST OFFICE BOX 2088 STATE LAND OFFICE BUILDING SANTA FE, NEW MEX.CO 87504 (505) 827-5800

GARREY CARRUTHERS

July 23, 1990

Chevron USA, Inc. P.O. Box 670 Hobbs, NM 88240

Attention: R. C. Anderson, Division Manager

Administrative Application for an Unorthodox Gas Well RE: Location and Simultaneous Dedication. Mark Owen Well Nos. 3 and 4, SE/4 of Section 34, Township 21 South, Range 37 East, NMPM, Blinebry Oil and Gas Pool, Lea County, New Mexico.

Dear Mr. Anderson:

The Division has received an objective from Mobil Exploration & Producing U.S., Inc. by letter dated July 9, 1990 (see copy attached) to the subject application. This matter will therefore be set for hearing before a Division Examiner on the next available docket, which is scheduled for August 22, 1990.

Please provide adequate notice for such an application prior to the hearing as required by Division General Rule 1207.

If you should have any questions concerning this matter, please contact me.

Sincerely,

Michael E. Stogner Chief Hearing Officer

MES/ag

cc: Oil Conservation Division - Hobbs Mobil Exploration Producing U.S. Inc. - Midland, TX

Mcbil Exploration & Producing U.S. Inc.

P.O. BOX 633 MIDLAND, TEXAS 79702

MIDLAND DIVISION

July 9, 1990

CERTIFIED MAIL-RETURN RECEIPT REQUESTED

New Mexico Oil Conservation Division P. O. Box 2088 Santa Fe, New Mexico 87504

> UNORTHODOX GAS WELL LOCATION AND SIMULATION DEDICATION CHEVRON USA INC. MARK OWEN WELLS 3 & 4 SECTION 34-21-S-37-E LEA COUNTY, NEW MEXICO NM-601, 694, 797

Gentlemen:

By letter dated June 21, 1990, Chevron USA Inc. requested waivers from offset operators for their unorthodox gas well location in Section 34 of Township 21 South, Range 37 East, NMPM, Lea County, New Mexico.

Please be advised that Mobil Producing Texas & New Mexico Inc. objects to the unorthodox well location of the Mark Owen #4 located in unit letter J of Section 34. It is our position that this well would drain reserves from our Marshall Com Lease located in the NW/4 of the same section.

Please advise when and if a hearing will be set to review this matter so that we may make plans to attend.

Very truly yours,

MOBIL EXPLORATION & PRODUCING U.S. INC. AS AGENT FOR

MOBIL PRODUCING TEXAS /& NEW MEXICO INC.

Mart Mara

Mark A. Haralson Senior Landman Snyder Area

MAH/kc

cc: D. G. Ellwood/1145 UBB Chevron USA Inc., P. O. Box 670, Hobbs, NM 88240, Attn: A.W. Bohling NMOCD, P. O. Box 1980, Hobbs, NM 88240

Application For An Unorthodox Gas Well Location and Simultaneous Dedication of Acreage Blinebry (Pro Gas) (Consolidated) 2068' FSL and 2068' FEL Section 34, T21S, R37E Lea County, New Mexico

WAIVER TO OBJECTION

Company:	Marathon Oil Company
Representative:	W. O. Snyder
Signature:	Sr. O. Mudu
Title:	Fred Myr Midland Opus
Date:	7-18-90

CHEVRON U.S.A. INC. Eunice Gas Unit

Application For An Unorthodox Gas Well Location and Sumultaneous Dedication of Acreage Eumont (Pro Gas) Pool 1980' FSL and 560' FWL Section 19, T21S, R37E Lea County, New Mexico

WAIVER TO OBJECTION

Company:	Marathon Oil Company
Representative:	W. O. Snyder
Signature:	St. Q. Junde
Title:	God. Ulge Will. Jone.
Date:	2-17-50

CHEVRON U.S.A. INC. Eunice Gas Unit

Application For An Unorthodox Gas Well Location and Sumultaneous Dedication of Acreage Eumont (Pro Gas) Pool 1980' FSL and 560' FWL Section 19, T21S, R37E Lea County, New Mexico

WAIVER TO OBJECTION

Company: Representative:	Texaco Patruk B. Highmich
Signature:	
Title:	alea Manager
Date:	7/17/90

ENERGY AND MINERALS DEPARTMENT

OIL CONSERVATION DIVISION HOBBS DISTRICT OFFICE

7-9-90

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

GARREY CARRUTHERS GOVERNOR

But sheeted

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

RE: Proposed: MC DHC NSL X 4 8 0-NSP SWD WFX PMX

Gentlemen:

I have examined the application for the:

evron USA Inc. Mark Owen # 4-7 34-21-37 rator Lease & Well No. Unit S-T-R Operator

and my recommendations are as follows:

DA.

Yours very truly,

Jerry Sexton Supervisor, District 1

/ed

R. C. Anderson Division Manager Production Department Hobbs Division

Chevron

June 21, 1990

ADMINISTRATIVE APPLICATION FOR UNORTHODOX GAS WELL LOCATION AND SIMULTANEOUS DEDICATION BLINEBRY (PRO GAS) (CONSOLIDATED) 2068' FSL AND 2068' FEL SECTION 34, T-21-S, R-37-E, NMPM 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

RECEIVED JUN 27 1990 ocd Hobbs Office

Attention: Mr. William J. LeMay - Director

Gentlemen:

Chevron U.S.A. Inc. respectfully requests your approval of our administrative application for an unorthodox gas well location in the <u>Blinebry</u> (Pro Gas) (Consolidated) Pool. We are also requesting your approval to simultaneously dedicate this 160-acre proration unit to our <u>Mark Owen Wells</u> No. 3 and <u>4</u>, located in letter units I and J of Section 34, respectively.

Chevron has recently recompleted this well within the Blinebry formation which has resulted in this wells' GOR exceeding 50,000:1, making it a gas well. This makes the current location of 2068' FSL and 2068' FEL, Section 34, T-21-S, R-37-E, NMPM an unorthodox location in that it is less than 660' from the outer boundary of the proration unit.

Chevron therefore, respectfully requests your approval of this administrative application under the provisions of Rule 104 (F). Attached is a map showing offset operators and a Form C-102. A copy of this letter and attachments are being furnished to the Offset Operators by Certified Mail, as notice of this application.

Yours very truly,

R. C ANDERSON

AWB/awb Attachments Enclosures

cc: NMOCD - Hobbs

Application For An Unorthodox Gas Well Location and Simultaneous Dedication of Acreage Blinebry (Pro Gas) (Consolidated) 2068' FSL and 2068' FEL Section 34, T21S, R37E Lea County, New Mexico

OFFSET OPERATORS

Amoco Production Company P.O. Box 3092 Houston, TX 77253

Exxon Company, U.S.A. P.O. Box 1600 Midland, TX 79702-1600

Mobil Producing Texas & New Mexico P.O. Box 633 Midland, TX 79702 Marathon Oil Company P.O. Box 552 Midland, TX 79702

J. H. Hendrix Corp. 223 W. Wall, Ste. 525 Midland, TX 79701

Conoco Inc. P.O. Box 460 Hobbs, NM 88240

Application For An Unorthodox Gas Well Location and Simultaneous Dedication of Acreage Blinebry (Pro Gas) (Consolidated) 2068' FSL and 2068' FEL Section 34, T21S, R37E Lea County, New Mexico

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R. C. Anderson Division Manager Production Department Hobbs Division June 21, 1990

WAIVER REQUEST UNORTHODOX GAS WELL LOCATION AND SIMULTANEOUS DEDICATION BLINEBRY (PRO GAS) (CONSOLIDATED) 2068' FSL AND 2068' FEL SECTION 34, T-21-S, R-37-E, NMPM LEA COUNTY, NEW MEXICO

Amoco Production Company P.O. Box 3092 Houston, Texas 77253

Gentlemen:

Attached is a copy of Chevron's administrative application for NMOCD approval of an Unorthodox Gas Well Location and Simultaneous Dedication in the Blinebry (Pro Gas) (Consolidated) Pool. Recent recompletion work within the Blinebry formation results in this wells' classification being changed from Blinebry Oil to Blinebry Gas. Concurrently, this wells' location of 2068' FSL and 2068' FEL Section 34, T-21-S, R-37-E, becomes unorthodox in that it is less than 660' from the outer boundary of the proration unit. We are also making application to simultaneously dedicate this 160-acre proration unit to our Mark Owen Wells No. 3 and 4 located in unit letters I and J, respectively, of Section 34.

As an offset operator, If you do not have any objections to the attached application, please sign the enclosed waivers and mail the original and two copies to the NMOCD in Santa Fe and one copy to the NMOCD in Hobbs. We would also request that you send a copy to Chevron U.S.A. Inc. in Hobbs. We have enclosed self addressed, stamped envelopes for your convenience.

If you have any questions, please contact Mr. A. W. Bohling at (505) 393-4121. Your prompt consideration in the above matter is appreciated.

Yours very truly,

alan W. Bohing pr R. C ANDERSON

Chevron

Chevron U.S.A. Inc. P.O. Box 670, Hobbs, NM 88240

R. C. Anderson **Division Manager** Production Department Hobbs Division

June 21, 1990

WAIVER REQUEST UNORTHODOX GAS WELL LOCATION AND SIMULTANEOUS DEDICATION BLINEBRY (PRO GAS) (CONSOLIDATED) 2068' FSL AND 2068' FEL SECTION 34, T-21-S, R-37-E, NMPM LEA COUNTY, NEW MEXICO

Conoco Inc. P.O. Box 460 Hobbs, New Mexico 88240

Gentlemen:

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If you have any questions, please contact Mr. A. W. Bohling at (505) 393-4121. Your prompt consideration in the above matter is appreciated.

Yours very truly,

alan W. Bohlmg R. C ANDERSON



R. C. Anderson **Division Manager** Production Department Hobbs Division

June 21, 1990

WAIVER REQUEST UNORTHODOX GAS WELL LOCATION AND SIMULTANEOUS DEDICATION BLINEBRY (PRO GAS) (CONSOLIDATED) 2068' FSL AND 2068' FEL SECTION 34, T-21-S, R-37-E, NMPM LEA COUNTY, NEW MEXICO

Exxon Company, U.S.A. P.O. Box 1600 Midland, Texas 79702-1600

Gentlemen:

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If you have any questions, please contact Mr. A. W. Bohling at (505) 393-4121. Your prompt consideration in the above matter is appreciated.

Yours very truly,

alan W. Bohling for R. C ANDERSON



R. C. Anderson **Division Manager** Production Department Hobbs Division

June 21, 1990

WAIVER REQUEST UNORTHODOX GAS WELL LOCATION AND SIMULTANEOUS DEDICATION BLINEBRY (PRO GAS) (CONSOLIDATED) 2068' FSL AND 2068' FEL SECTION 34, T-21-S, R-37-E, NMPM LEA COUNTY, NEW MEXICO

J. H. Hendrix Corp. 223 W. Wall, Ste. 525 Midland, Texas 79701

Gentlemen:

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If you have any questions, please contact Mr. A. W. Bohling at (505) 393-4121. Your prompt consideration in the above matter is appreciated.

Yours very truly,

Alan W Bohlmg pe R. C ANDERSON



R. C. Anderson **Division Manager** Production Department Hobbs Division

June 21, 1990

WAIVER REQUEST UNORTHODOX GAS WELL LOCATION AND SIMULTANEOUS DEDICATION BLINEBRY (PRO GAS) (CONSOLIDATED) 2068' FSL AND 2068' FEL SECTION 34, T-21-S, R-37-E, NMPM LEA COUNTY, NEW MEXICO

Marathon Oil Company P.O. Box 552 Midland, Texas 79702

Gentlemen:

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Yours very truly,

Alan W. Bohlmig MR R. C ANDERSON



R. C. Anderson Division Manager Production Department Hobbs Division June 21, 1990

WAIVER REQUEST UNORTHODOX GAS WELL LOCATION AND SIMULTANEOUS DEDICATION BLINEBRY (PRO GAS) (CONSOLIDATED) 2068' FSL AND 2068' FEL SECTION 34, T-21-S, R-37-E, NMPM LEA COUNTY, NEW MEXICO

Mobil Producing Texas and New Mexico P.O. Box 633 Midland, Texas 79702

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Yours very truly,

R. C ANDERSON

Application For An Unorthodox Gas Well Location and Simultaneous Dedication of Acreage Blinebry (Pro Gas) (Consolidated) 2068' FSL and 2068' FEL Section 34, T21S, R37E Lea County, New Mexico

WAIVER TO OBJECTION

Company:	·····
Representative:	
Signature:	
Title:	 • `
Date:	

Application For An Unorthodox Gas Well Location and Simultaneous Dedication of Acreage Blinebry (Pro Gas) (Consolidated) 2068' FSL and 2068' FEL Section 34, T21S, R37E Lea County, New Mexico

WAIVER TO OBJECTION

Company:	John H. Hendrix Corporation
Representative:	Bonnie H. Westbrook
Signature:	Connie H. Weitherte
Title:	Vice-President
Date:	July 6, 1990

Application For An Unorthodox Gas Well Location and Simultaneous Dedication of Acreage Blinebry (Pro Gas) (Consolidated) 2068' FSL and 2068' FEL Section 34, T21S, R37E Lea County, New Mexico

WAIVER TO OBJECTION

Company:	Conoco Ine,
Representative:	Brent D. Merer
Signature:	Build. Meym
Title:	Division Operatione Manager
Date:	15 July 1990