

Permian Basin Production Business Unit

October 7, 1991

ADMINISTRATIVE APPLICATION FOR UNORTHODOX GAS WELL LOCATION AND SIMULTANEOUS DEDICATION JALMAT TANSIL YTS 7-RVRS (PRO GAS) 1980' FSL AND 660' FEL SECTION 3, T-22-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 re-complete it's Harry Leonard (NCT-D) Well No. 4 in the Jalmat Tansil Yates 7 Rvrs (Pro Gas) Pool. It is our desire to also simultaneously dedicate the existing 480-acre Jalmat Gas Proration Unit assigned to our Harry Leonard (NCT-D) Well Nos. 3 & 16 (Admin Order NSP-68 and Administrative Order NSL-2994 SD) to all three wells. As a result, the location of the Harry Leonard Well No. 4 becomes unorthodox in that it is less than 990 feet from the outer boundary of the proration unit. The location of Well No. 4 is 1980 feet FSL and 660 feet FEL of Section 3, T-22-S, R-36-E, NMPM, 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.