



STATE OF NEW MEXICO
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION
HOBBS DISTRICT OFFICE

BRUCE KING
GOVERNOR

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

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

NSP
45P
R-1084-B

RE: Proposed:

MC _____
DHC _____
NSL _____
NSP X + SB amended
SWD _____
WFX _____
PMX _____

Gentlemen:

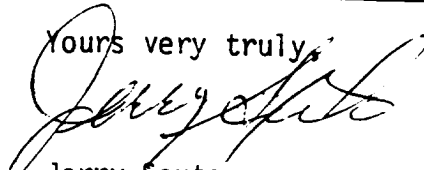
I have examined the application for the:

Chevron USA Inc. H. J. Mattern # 11-B 12-22-36
Operator Lease & Well No. Unit NCT-E # 10-N 1-22-36
S-T-R

and my recommendations are as follows:

OK

Yours very truly,


Jerry Sexton
Supervisor, District 1

/ed



STATE OF NEW MEXICO
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT
OIL CONSERVATION DIVISION

BRUCE KING
GOVERNOR

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

March 26, 1991

Chevron USA, Inc.
P.O. Box 1150
Midland, TX 79702

Attention: A. W. Bohling

RE: Application to amend Division Order No. R-1084-A. H.T. Mattern (NCT-E) Well Nos. 10 and 11; Eumont Gas Pool, Sections 1 and 12, Township 22 South, Range 36 East, Lea County, New Mexico.

Dear Mr. Bohling:

I am unable to administratively process the subject application, dated March 15, 1991, because the proration unit involved crosses a section line. By Rule 2(a)4(2) of the Special Rules and Regulations for the Eumont Gas Pool/General Rules for the Prorated Gas Pools of New Mexico, as promulgated by Division Order No. R-8170, as amended, such administrative review is limited to acreage within a section. Any time a unit in the Eumont Pool extends beyond a section line, a hearing is required.

In this particular instance where the facts are quite clear, I see no reason why testimony should be required (unless, of course, objections are encountered). I have therefore advertised this matter for the May 2, 1991 docket in the following style:

"APPLICATION OF CHEVRON USA, INC. TO AMEND DIVISION ORDER NO. R-1084-A, LEA COUNTY, NEW MEXICO.

Applicant, in the above-styled cause, seeks to amend Division Order No. R-1804-A, dated November 10, 1969, which authorized a 480-acre non-standard gas spacing and proration unit in the Eumont Gas Pool comprising the SW/4 of Section 1 and the N/2 of Section 12, both in Township 22 South, Range 36 East, to be simultaneously dedicated to its H.T. Mattern (NCT-E) Well Nos. 10 and 11 located in Unit N of Section 1 and Unit B of Section 12, respectively. At this time the applicant requests to delete the SW/4 NW/4 of said Section 12 from the

Chevron USA, Inc.
Attention: A.W. Bohling
March 26, 1991
Page 2

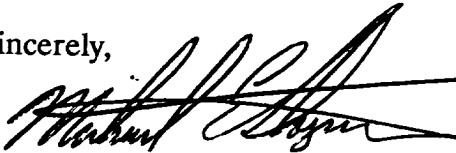
proration unit reducing the acreage to 440 acres for both Eumont Gas wells. Said unit area is located approximately 4 miles west southwest of Eunice, New Mexico.

IN THE ABSENCE OF OBJECTION, THIS MATTER WILL BE TAKEN UNDER ADVISEMENT."

Chevron will still be required to make proper notice of this hearing pursuant to the provisions of General Rule 1206.3.

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

Sincerely,

A handwritten signature in black ink, appearing to read "Michael E. Stogner", with a long horizontal line extending to the right.

Michael E. Stogner
Chief Hearing Officer/Engineer

MES/ag

cc: ~~Oil Conservation Division~~ - Hobbs



STATE OF NEW MEXICO
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION
HOBBS DISTRICT OFFICE

December 20, 1990

GARREY CARRUTHERS
GOVERNOR

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

Chevron USA Inc.
P.O. Box 1150
Midland, TX 79702

Attn: Al Bohling

Re: H.T. Mattern NCT-E #15-E
Sec. 12, T22S, R36E
Eumont-Y-SR-Qn (oil) Completion

Gentlemen:

The above-referenced well was completed as a Eumont oil well inside a Eumont gas 480-acre proration unit consisting of the SW/4 Section 1 and N/2 Section 12.

Our geologist indicates there is some overlap of producing zones in the gas wells and the oil well. If you disagree with this, please contact Paul Kautz at (505) 393-6161. If you concur with his findings it will be necessary for you to squeeze off the overlapping intervals or get the 480-acre NSP reduced by the deletion of unit E Section 12.

Please advise this office which option you select in order that we will know what to do about reducing the gas acreage. We feel 60 days is ample time to get this matter resolved.

Very truly yours,

OIL CONSERVATION DIVISION

Jerry Sexton
Supervisor, District I

ed

Note: The other two wells involved are: #10-N 1-22-36 & 11-B 12-22-36