

R. C. Anderson Division Manager Production Department Hobbs Division October 23, 1989

ADMINISTRATIVE APPLICATION FOR UNORTHODOX GAS WELL LOCATION AND SIMULTANEOUS DEDICATION W.A. RAMSAY (NCT-A) WELL NO. 24 UNIT H, SEC. 34, T21S, R36E LEA COUNTY, NEW MEXICO

State Of New Mexico Energy and Minerals Department Oil Conservation Division P. O. Box 2088 Santa Fe, New Mexico 87501

Attention: Mr. William J. LeMay - Director

Gentlemen:

Chevron U. S. A. respectfully requests your approval of our administrative application for an unorthodox gas well location of 1920' FNL & 660' FEL, Unit H, Sec. 34, T21S, R36E, Lea County, New Mexico for our W. A. Ramsay (NCT-A) Well No. 24. We are also requesting approval to simultaneously dedicate a 480-acre proration unit (N/2 and SE/4 Section 34, T21S, R36E) to our W. A. Ramsay (NCT-A) Wells No. 14 and 24.

Due to the result of an annual GOR test in October, 1976, we were requested to reclassify our W. A. Ramsay #24 from a Eumont Oil well to a Eumont Gas well. The well was shut-in as uneconomical to produce at that time. Now, on October 4, 1989, this well was plugged-back from the Eumont Oil zone and recompleted in the Eumont Gas zone.

On October 16, 1989, Chevron filed an acreage dedication plat, Form C-102, to dedicate 480-acres to this well and our W. A. Ramsay (NCT-A) Well No. 14. Since the Eumont Gas Special Pool rules call for a minimum distance of 990' from an end or side boundary to assign a 320-acre or greater proration unit to a well, our W. A. Ramsay #24 is in an unorthodox location. That location is 1920' FNL and 660' FEL, Sec. 34, T21S, R36E.

Based on plug back and re-completion from oil to gas, Chevron requests your consideration and approval of this unorthodox gas well location for our W. A. Ramsay (NCT-A) Well No. 24. Concurrently, Chevron also requests your approval to simultaneously dedicate the indicated 480-acre proration unit to the W. A. Ramsay (NCT-A) Wells No. 14 and 24.