

Chevron U.S.A. Production Company

P.O. Box 1150, Midland, TX 79702

Midland, Texas July 15, 1993

Administrative Application for Simultaneous Dedication and Unorthodox Well Location Eumont YTS-7RVRS-QN (Pro Gas) Pool 660' FNL and 1980' FWL Section 35, T-21-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

Dear Mr. LeMay:

Chevron U.S.A. is planning to recomplete the W.A. Ramsay (NCT-A) #18 in the Eumont YTS-7RVRS-QN (Pro Gas) Pool. The well is currently completed in the Eumont (Queen) Oil Pool. The location of the proposed recompletion is 660' FNL and 1980' FWL in Section 35, T-21-S, R-36-E, Lea County, New Mexico.

The captioned well is on an existing standard 640-acre Eumont gas spacing and proration unit (GPU) which comprises all of Section 35 of T-21-S, R-36-E according to Division Order R-4590, dated July 13, 1973. The same order authorized the simultaneous dedication of the W.A. Ramsay (NCT-A) Nos. 7 and 20, located in Units N and E, respectively, of T-21-S, R-36-E, to the said standard GPU. Since that time, the W.A. Ramsay (NCT-A) Nos. 3, 10, 12, and 13 have been dedicated to the GPU. We respectfully request that the production from the W.A. Ramsay (NCT-A) #18 be simultaneously dedicated to the said GPU with the existing wells.

Because the location of the captioned well is 660' from the boundary of the 640-acre GPU, we also request your approval for an unorthodox well location.

A copy of this administrative application is being provided to our offset operators via Certified Mail. Attached is a commercial map and C-102 plats illustrating the proration unit acreage and well locations for each of the wells in the GPU. Also included is a copy of Division Order R-4590 as well as copies of the letters to our offset operators.