



Chevron

October 25, 1994
Midland, Texas

Chevron U.S.A. Production Company
P.O. Box 1150
Midland, TX 79702

Administrative Application for
Reclassification from Oil to Gas Well,
Non-Standard Gas Proration Unit,
and Non-Standard Gas Well Location
Blinebry Oil and Gas Pool
Scarborough Estate #2
1880' FNL and 660' FEL, Unit H,
Section 31, T22S, R38E
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

Attention: Mr. William J. LeMay - Director

Dear Mr. LeMay:

Chevron U.S.A. Inc. respectfully requests administrative approval for a reclassification of the Scarborough Estate #2 from an oil well to a gas well, creation of a non-standard 40 acre gas proration unit, and a non-standard gas well location.

Well No. 2 needs to be reclassified as a gas well, per OCD guidelines, as the GOR is higher than 50,000 to 1. A non-standard 40 acre gas proration unit has to be formed for well No. 2 to be dedicated to. The location of the proposed new proration unit is the SE/4 NE/4, Unit H, Section 31, T22S, R38E. Well No. 2 is located at 1880' FNL and 660' FEL in Section 31, T22S, R38E, Lea County, New Mexico. This makes the well an unorthodox location per the Blinebry Gas Pool regulations.

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A copy of this administrative application is being provided to our offset operators via Certified Mail. Attached is a commercial map and a Form C-102 plat illustrating the proration unit acreage and well location. Also included is a copy of the letter sent to our offset operators.

If you have any questions, or if you require further information, please contact Lloyd Trautman at (915) 687-7152.

Sincerely,



L. V. Trautman
Sr. Petroleum Engineer
New Mexico Area

/tmdr
14289.DOC

Attachments

cc: NMOCD - Hobbs, New Mexico
A.L. Alexander/C.O. Blake
L.V. Trautman
J.K. Ripley
O.G. Brown
R.E. Green
J.A. Howard
Central Files - Lease and Well Files