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

IN THE MATTER OF THE HEARING CALLED BY THE OIL CONSERVATION DIVISION FOR THE PURPOSE OF CONSIDERING: CW.

CASE NO. 11849 ORDER NO. R-1084-D

APPLICATION OF CHEVRON U.S.A. INC. FOR AN UNORTHODOX GAS WELL LOCATION, SIMULTANEOUS DEDICATION, AND TO REINSTATE DIVISION ORDER NO. R-1084-B, LEA COUNTY, NEW MEXICO.

ORDER OF THE DIVISION

BY THE DIVISION:

This cause came on for hearing at 8:15 a.m. on September 4, 1997 and on October 23, 1997, at Santa Fe, New Mexico, before Examiners David R. Catanach and Michael E. Stogner, respectively.

NOW, on this <u>20th</u> day of November, 1997 the Division Director, having considered the testimony, the record and the recommendations of the Examiner, and being fully advised in the premises,

FINDS THAT:

- (1) Due public notice having been given as required by law, the Division has jurisdiction of this cause and the subject matter thereof.
- (2) By Order No. R-1084, issued in Case 1335 and dated November 13, 1957, the Division authorized Gulf Oil Corporation (now Chevron U.S.A., Inc.) a 480-acre non-standard gas spacing and proration unit in the Eumont Gas Pool ("GPU") comprising the SW/4 of Section 1 and the N/2 of Section 12, all in Township 22 South. Range 36 East, NMPM, Lea County, New Mexico, to be dedicated to its H.T. Mattern (NCT-E) Well No. 10 (API No. 30-025-08730), located 660 feet from the South line and 1980 feet from the West line (Unit N) of said Section 1.
- (3) By Order No. R-1084-A, issued in Case 4244, dated November 10, 1969, and made effective December 1, 1969, the Division amended said Order No. R-1084 to permit the simultaneous dedication of said 480-acre GPU to the above-described H.T. Mattern (NCT-E) Well No. 10 and to the H.T. Mattern (NCT-E) Well No. 11 (API No. 30-025-08887), located 660 feet from the North line and 1980 feet from the East line (Unit B) of said Section 12. Said Order No. R-1084-A also allowed the operator to produce the assigned allowable for said 480-acre GPU from both wells in any proportion.