



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

BRUCE KING
GOVERNOR

August 29, 1991

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

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

Attention: A.W. Bohling

Administrative Order NSL-3044(SD)

Dear Mr. Bohling:

Reference is made to your application dated August 5, 1991, for an unorthodox Eumont gas well location in an existing non-standard 320-acre gas spacing and proration unit (GPU) for said Eumont Gas Pool comprising the E/2 of Section 25, Township 19 South, Range 36 East, NMPM, Lea County, New Mexico. Said GPU was authorized by Division Administrative Order NSP-213, dated December 16, 1955 and had dedicated thereon the Graham State (NCT-C) Com Well No. 8 located at a standard gas well location in Unit J of said Section 25.

By Division Order R-6921, dated March 15, 1982, an additional well for said GPU, the Graham State (NCT-C) Com Well No. 9 located in Unit B of said Section 25 was approved.

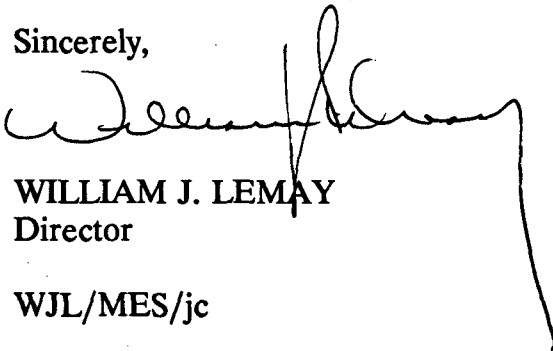
By authority granted me under the provisions of Rule 2(c) of the Special Rules and Regulations for the Eumont Gas Pool, as promulgated by Division Order No. R-8170, as amended, the following described well to be drilled at an unorthodox gas well location is hereby approved:

Graham State (NCT-C) Com Well No. 11
1055' FSL - 660' FEL (Unit P)

Chevron USA, Inc.
Administrative Order NSL-3044
August 29, 1991
Page 2

Also, you are hereby authorized to simultaneously dedicate Eumont Gas production from the Graham State Com Well No. 11 with the Graham State (NCT-T) Com Well Nos. 8 and 9. Furthermore, you are hereby permitted to produce the allowable assigned the GPU from all of said wells in any proportion.

Sincerely,

A handwritten signature in dark ink, appearing to read 'William J. Lemay', with a long, sweeping vertical line extending downwards from the end of the signature.

WILLIAM J. LEMAY
Director

WJL/MES/jc

cc: Oil Conservation Division - Hobbs
NM State Land Office - Santa Fe