



Chevron U.S.A. Inc.
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R. C. Anderson
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Hobbs Division

November 13, 1989

Proposed EMWU/EMSU Expansion
Lea County, New Mexico

Amoco Production Company
501 Westlake Park Boulevard
P. O. Box 3092
Houston, Texas 77253

Attention: J. C. Allen

Dear Mr. Allen:

In response to your October 31st letter, Chevron as operator of the Eunice Monument South Unit will solicit approval for expansion of the Eunice Monument South Unit to include the Eunice Monument West Unit. It is currently planned to ballot the EMSU Working Interest Owners at our first quarter 1990 EMSU Working Interest Owners meeting.

After obtaining expansion approval, as per section 4(b) of the EMSU Unit Agreement, formal notification will be sent to all parties involved. Prior to this meeting, EMWU activities will be focused on meeting preparatory work and pre-unitization support activities.

We look forward to continuing the EMWU unitization effort and hope to have a unitized project during 1990.

Yours very truly,

R. C. Anderson
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JDD/jb 11139/07

