



STATE OF NEW MEXICO
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION

2040 S. PACHECO
SANTA FE, NEW MEXICO 87505
(505) 827-7131

August 16, 1996

Chevron U.S.A., Inc.
P. O. Box 1150
Midland, Texas 79702
Attention: A. W. Bohling

*Reinstatement of Division
Administrative Order NSP-152(SD)*

Dear Mr. Bohling:

Reference is made to your application dated July 1, 1996 to reinstate a previously approved non-standard 320-acre gas spacing and proration unit ("GPU") in the Eumont Gas Pool comprising the S/2 of Section 24, Township 21 South, Range 36 East, NMPM, Lea County, New Mexico.

By Division Administrative Order NSP-152, dated June 15, 1955, said 320-acre GPU, comprising the S/2 of said Section 24, was initially established and had dedicated thereon the H. T. Mattern (NCT-A) Well No. 1 (API No. 30-025-12738), located 330 feet from the South line and 2310 feet from the East line (Unit O) of said Section 24, which was "grandfathered" in as a standard Eumont gas well location for the subject 320-acre GPU pursuant to **Rule 2(b)** of the "General Rules for the Prorated Gas Pools of New Mexico/Special Rules and Regulations for the Eumont Gas Pool", as promulgated by Division Order No. R-8170, dated March 28, 1986.

By Division Administrative Order NSP-152-A(SD), dated May 31, 1991, the aforementioned 320-acre GPU was reduced to a 280-acre non-standard gas spacing and proration unit, comprising the N/2 SW/4, SE/4 SW/4, and SE/4 of said Section 24. Said 280-acre GPU is currently simultaneously dedicated [as referenced in said Order NSP-152-A(SD)] to both the aforementioned H. T. Mattern (NCT-A) Well No. 1 and to the H. T. Mattern (NCT-A) Well No. 2 (API No. 30-025-04769), located at a standard gas well location 1650 feet from the South and East lines (Unit J) of said Section 24. Said 280-acre GPU was created by deleting therefrom the 40 acres comprising the SW/4 SW/4 (Unit M) of said Section 24 in order to establish a standard 40-acre Eumont oil spacing and proration unit for the H. T. Mattern (NCT-A) Well No. 5 (API No. 30-025-31013), located at a standard Eumont oil well location 660 feet from the South line and 990 feet from the West line (Unit M) of said Section 24 [also referenced in said Order NSP-152-A(SD)].

It is our understanding at this time that Eumont production from the H. T. Mattern (NCT-A) Well No. 5 has recently been reclassified from "oil" to "gas".

Reinstatement of Division Administrative Order NSP-152(SD)

Chevron USA, Inc.

August 16, 1996

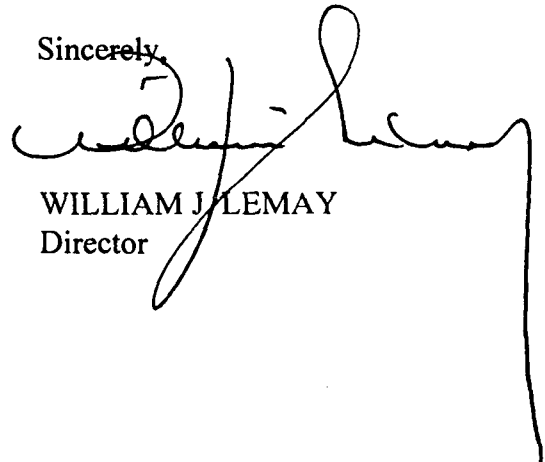
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By the authority granted me under the provisions of **Rule 2(d)** of said special Eumont Pool rules, the above-described 320-acre non-standard gas spacing and proration unit should be restored and that said Division Administrative Order NSP-152 shall be reinstated to its initial extent and is to remain in full force and affect until further notice. Also, Chevron U.S.A., Inc. is hereby permitted to produce the allowable assigned the subject GPU, in accordance with Rule 5 of said pool rules based upon a unit size of 320 acres, from the H. T. Mattern (NCT-A) Well Nos. 1, 2, and 5 in any proportion.

Further, said Division Administrative Order No. NSP-152-A(SD) is hereby placed in abeyance until further notice.

Jurisdiction of this matter shall be further retained for the entry of any such subsequent orders as the Division may deem necessary.

Sincerely,

A handwritten signature in black ink, appearing to read 'William J. Lemay', is written over the typed name and title. The signature is fluid and cursive, with a long vertical line extending downwards from the end of the signature.

WILLIAM J. LEMAY
Director

WJL/MES/kv

cc: Oil Conservation Division - Hobbs
New Mexico State Land Office - Santa Fe
File: NSP-152
File: NSP-152-A(SD)