



NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

GARY E. JOHNSON
Governor
Jennifer A. Salisbury
Cabinet Secretary

Lori Wrotenbery
Director
Oil Conservation Division

July 16, 2001

Chevron U.S.A. Production Company
P. O. 1150
Midland, Texas 79702
Attention: A. M. Howell

Administrative Order NSP-1843

Dear Mr. Howell:

Reference is made to the following: (i) your application that was submitted to the New Mexico Oil Conservation Division ("Division") on June 22, 2001 (*NMOCD Reference No. pKRV0117755618*); and (ii) the Division's records in Santa Fe including the file in Division Case No. 12686: all concerning Chevron U.S.A. Production Company's ("Chevron") request for a 120-acre non-standard gas spacing and proration unit ("GPU") consisting of the following acreage in the Tubb Oil and Gas Pool (86440):

LEA COUNTY, NEW MEXICO
TOWNSHIP 22 SOUTH, RANGE 38 EAST, NMPM
Section 30: N/2 NE/4 and SE/4 NE/4.

This unit is to be dedicated to Chevron's existing Vivian Well No. 11 (API No. 30-025-25291), located at a standard gas well location for the subject 120-acre GPU 660 feet from the North line and 990 feet from the East line (Unit A) of Section 30.

This application has been duly filed under the provisions of: (i) Division Rule 104.D (2), revised by Division Order No. R-11231, issued by the New Mexico Oil Conservation Commission in Case No. 12119 on August 12, 1999; (ii) Division Rule 605; and (iii) the "*Special Rules and Regulations for the Tubb Oil and Gas Pool*", as promulgated by Division Order No. R-8170, as amended.

By authority granted me under the provisions of Division Rules 605.B (2) (b) and 104.D (2) and the applicable provisions of the special pool rules governing the Tubb Oil and Gas Pool, the above-described 120-acre non-standard GPU is hereby approved.

Further, Chevron is permitted to produce the allowable assigned this 120-acre unit from the Vivian Well No. 11 in accordance with Rule 8 of the special rules governing the Tubb Oil and Gas Pool and Division Rule 605.D (4) (a).

Sincerely,


Lori Wrotenbery
Director

cc: New Mexico Oil Conservation Division – Hobbs
William F. Carr, Legal Counsel for Chevron U.S.A. Production Company - Santa Fe
File: Case No. 12686