



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

GARREY CARRUTHERS
GOVERNOR

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

August 6, 1990

Chevron USA, Inc.
P.O. Box 670
Hobbs, NM 88240

Attention: R.C. Anderson, District Manager

Administrative Order NSL-2840(SD)

Dear Mr. Anderson:

Reference is made to your application dated July 6, 1990 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 N/2 of Section 36, Township 21 South, Range 36 East, NMPM, Lea County, New Mexico. Said GPU was authorized by Division Administrative Order NSP-310, dated August 31, 1956 and presently has dedicated thereon the Harry Leonard (NCT-C) Well Nos. 7, 8 and 9 located respectively in Units G, H and B of said Section 36.

It is our understanding that the subject well in this application is currently completed in the Arrowhead Grayburg Pool, however, said well will be plugged back to the Eumont Gas Pool upon issuance of this order.

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 located at an unorthodox gas well location is hereby approved:

*Harry Leonard (NCT-C) Well No. 4
660' FN & WL (Unit D)*

Administrative Order NSL-2840(SD)

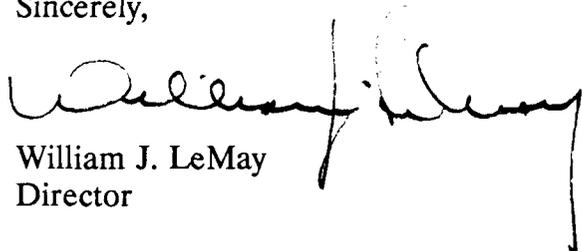
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Also, you are hereby authorized to simultaneously dedicate Eumont Gas production from the Harry Leonard (NCT-C) Well No. 4 with the Harry Leonard (NCT-C) Well Nos. 7, 8 and 9. Furthermore, you are hereby permitted to produce the allowable assigned the subject GPU from all of said wells in any proportion.

Sincerely,

A handwritten signature in black ink, appearing to read "William J. LeMay". The signature is fluid and cursive, with a long vertical stroke at the end.

William J. LeMay
Director

WJL/MES/ag

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