



STATE OF NEW MEXICO  
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION

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

July 10, 1997

Chevron U.S.A. Inc.  
P. O. Box 1150  
Midland, Texas 79702  
Attention: J. H. Saenz

*Administrative Order SD-97-3*

Dear Mr. Saenz:

Reference is made to your application dated May 5, 1997. Chevron U.S.A. Inc. ("Chevron") is hereby authorized to simultaneously dedicate Eumont Gas Pool production to the previously approved non-standard 160-acre gas spacing and proration unit ("GPU") comprising the SE/4 of Section 28, Township 21 South, Range 36 East, NMPM, Lea County, New Mexico (approved by Division Administrative Order NSP-272, dated June 27, 1956) from the following three wells:

- the existing S. E. Felton Well No. 1 (API No. 30-025-04815) located at a standard gas well location 660 feet from the South and East lines (Unit P) of said Section 28;
- the existing S. E. Felton Well No. 2 (API No. 30-025-25352) located at a standard gas well location 800 feet from the South line and 1980 feet from the East line (Unit O) of said Section 28; and,
- the newly drilled S. E. Felton Well No. 5 (API No. 30-025-33796) located at a standard Eumont gas well location 1980 feet from the South and East lines (Unit J) of said Section 28.

Further, Chevron is permitted to produce the allowable assigned said non-standard 310.01-acre GPU from all three wells in any proportion. 160

Sincerely,

William J. LeMay  
Director

WJL/MES/kv

cc: Oil Conservation Division - Hobbs  
New Mexico State Land Office - Santa Fe  
File: NSP-272