



NSP-1621-A(L)

# NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

**Bill Richardson**  
Governor  
**Joanna Prukop**  
Cabinet Secretary

July 10, 2003

**Lori Wrotenbery**  
Director  
Oil Conservation Division

**Chevron U.S.A. Inc.**  
15 Smith Road  
Midland, Texas 79705

Attention: **J. Denise Pinkerton**  
[leakejd@chevrontexaco.com](mailto:leakejd@chevrontexaco.com)

*Administrative Order NSP-1621-B (SD)*

Dear Ms. Pinkerton:

Reference is made to the following: (i) your application that was submitted to the New Mexico Oil Conservation Division ("Division") on June 30, 2003 (*administrative application reference No. pLR0-318227460*); and (ii) the Division's records in Santa Fe, including the files on Division Administrative Orders SD-00-05, NSL-4234 (SD), NSP-1621-A (L), and NSP-1621 (NSL): all concerning Chevron U.S.A., Inc.'s ("Chevron") request to delete the 40 acres comprising the SE/4 NE/4 (Unit H) of Section 28, Township 21 South, Range 37 East, NMPM, Lea County, New Mexico, from an existing standard 160-acre gas spacing and proration unit ("GPU") comprising the NE/4 of Section 28, in order to create a 120-acre non-standard GPU consisting of the following acreage in the Tubb Oil and Gas Pool (86440):

LEA COUNTY, NEW MEXICO  
TOWNSHIP 21 SOUTH, RANGE 37 EAST, NMPM  
Section 28: N/2 NE/4 and SW/4 NE/4.

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.

It is our understanding from this application and the Division's records that the aforementioned standard 160-acre GPU had, until recently, the following three wells simultaneously dedicated to it (see NMOCD Correspondence Reference No. SD-00-05 dated December 12, 2000):

- (i) Eunice King Well No. 13 (API No. 30-025-06849), located at an unorthodox gas well location 554 feet from the North and East lines (Unit A) of Section 28 [this location was "grandfathered" in as a standard Tubb gas well location for the subject 160-acre GPU pursuant to Rule 2 of the "*Special Rules and Regulations for the Tubb Gas Pool*", as promulgated by Division Order No. R-586, issued in Case No. 728 and dated April 11, 1955];
- (ii) Eunice King Well No. 14 (API No. 30-025-06851), located at an unorthodox gas well location [approved by Division Administrative Order NSL-4234 (SD)] 1874 feet from the North line and 2086 feet from the East line (Unit G) of Section 28; and