STATE OF NEW MEXICO

ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION

GARREY CARRUTHERS

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

October 29, 1990

Chevron USA, Inc. P.O. Box 1150 Midland, TX 79702

Attention: A. W. Boling

Administrative Order NSL-2915(SD)

Dear Mr. Boling:

Reference is made to your application dated September 10, 1990 for an unorthodox Eumont gas well location in an existing non-standard 480-acre gas spacing and proration unit (GPU) for said Eumont Gas Pool comprising the W/2 and SE/4 of Section 34, Township 20 South, Range 37 East, NMPM, Lea County, New Mexico. Said GPU was authorized by Division Order No. R-689, dated October 13, 1955 and presently has dedicated thereon the Bell Ramsey (NCT-C) Com Well No. 1 located 1650 feet from the South line and 2310 feet from the East line of said Section 34.

It is our understanding that the subject well in this application was drilled in June, 1969 to a depth of 8901 feet to test the Abo formation; however said well tested dry and was subsequently plugged and abandoned in August 1969. Further, it is our understanding that the well will be re-entered and recompleted in the Eumont Gas Pool.

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 an unorthodox gas well location is hereby approved:

Bell Ramsey (NCT-C) Well No. 2 1980' FN & WL (Unit D) Administrative Order NSL-2915(SD) Chevron USA, Inc. October 29, 1990 Page 2

Also, you are hereby authorized to simultaneously dedicate Eumont Gas production from the Bell Ramsey (NCT-C) Well No. 2 with the Bell Ramsey (NCT-C) Well No. 1. Furthermore, you are hereby permitted to produce the allowable assigned the subject GPU from both wells in any proportion.

Sincerely,

William J. LeMay

Director

WJL/MES/ag

cc: Oil Conservation Division - Artesia

NM State Land Office - Santa Fe