STATE OF NEW MEXICO

ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION

The Contraction of the Contracti

BRUCE KING GOVERNOR

July 24, 1991

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

Chevron U.S.A. Inc. P.O. Box 1150 Midland, TX 79702

Attention: A.W. Bohling

Administrative Order NSL-3000-A(SD)

Dear Mr. Bohling:

Reference is made to your application dated June 21, 1991, for an unorthodoxt Eumont gas well location in an existing standard 640-acre gas spacing and proration unit (GPU) for said Eumont Gas Pool comprising all of Section 27, Township 21 South, Range 36 East, NMPM, Lea County, New Mexico.

By Division Order No. R-4496, dated March 21, 1973, authorization was given to simultaneously dedicate Eumont Gas production to the subject GPU from the W.A. Ramsey (NCT-A) Well No. 17 located at a standard gas well location 1980 feet from the South and East lines (Unit J) of said Section 27 and the W.A. Ramsey (NCT-A) Well No. 46 located at an unorthodox gas well location 1980 feet from the North line and 660 feet from the West line (Unit E) of said Section 27.

By Division Administrative Order NSL-3000(SD), dated April 1, 1991, an additional well, the W.A. Ramsay (NCT-A) Well No. 35, located at an unorthodox gas well location 660 feet from the South line and 1980 feet from the West line (Unit N) of said Section 27 was approved for the subject GPU.

It is our understanding that the subject well in this application was recently recompleted to the Eumont Gas Pool from the Lower Queen interval of the Eumont Oil 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 at an unorthodox gas well location is hereby approved:

W.A. Ramsay (NCT-A) Well No. 42 660'FNL-1980'FEL (Unit B) 30-025-04804 Administrative Order NSL-3000(SD) Chevron USA, Inc. July 23, 1991 Page 2

Also, you are hereby authorized to simultaneously dedicate Eumont Gas production from the W.A. Ramsay (NCT-A) Well No. 42 with the W.A. Ramsay (NCT-A) Well Nos. 17, 35, and 46. Furthermore, you are hereby permitted to produce the allowable assigned the subject GPU from all of said wells in any proportion.

Sincerely,

William J. LeMay Director

WJL/MES/jc

cc: Oil Conservation Division - Hobbs NM State Land Office - Santa Fe File: NSL-3000(SD)