STATE OF NEW MEXICO



ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION

March 3, 1994

POST OFFICE BOX 2088

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

BRUCE KING GOVERNOR

ANITA LOCKWOOD CABINET SECRETARY

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

Attention: A.W. Bohling

Administrative Order NSL-3007-C(SD)

Dear Mr. Bohling:

Reference is made to your application dated February 7, 1994 for an unorthodox 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 21, Township 21 South, Range 36 East, NMPM, Lea County, New Mexico. Said GPU had originally been dedicated to the Arnott Ramsey (NCT-C) Well No. 13 (API No. 30-025-04746) located in Unit F of said Section 2.

By Division Order NSL-3007(SD), dated April 25, 1991, an additional well, the Arnott Ramsey (NCT-C) Well No. 5 (API No. 30-025-04738), 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 21 was approved for the subject GPU.

By Division Administrative Order NSL-3007-A(SD), dated August 20, 1992, a third well, the Arnott Ramsey (NCT-C) Well No. 15 (API No. 30-025-04748), located at an unorthodox gas well location 660 feet from the South and East lines (Unit P) of said Section 21 was approved for simultaneous dedication to the subject GPU.

Further, by Division Administrative Order NSL-3007-B(SD), dated August 2, 1993, a fourth well, the Arnott Ramsey (NCT-C) Well No. 16 (API No. 30-025-32161), located at an unorthodox gas well location 1780 feet from the North line and 680 feet from the East line (Unit H) of said Section 21 was also approved for the GPU.

By the 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 to be drilled at an unorthodox gas well location is hereby approved:

Arnott Ramsey (NCT-C) Well No. 17 1830' FSL - 600' FWL (Unit L) Administrative Order NSL-3007-C(SD) Chevron U.S.A., Inc. March 3, 1994 Page 2

Also, you are hereby authorized to simultaneously dedicate Eumont Gas production from the Arnott Ramsey (NCT-C) Well No. 17 with the Arnott Ramsey (NCT-C) Well Nos. 5, 13, 15 and 16. Furthermore, you are hereby permitted to produce the allowable assigned the subject GPU from all five wells in any proportion.

Sincerely, William J. LeMay Director

WJL/MES/amg

cc: Oil Conservation Division - Hobbs NM State Land Office - Santa Fe Doyle Hartman, Oil Operator - Midland, TX File: NSL-3007(SD) NSL-3007-A(SD) NSL-3007-B(SD)