



NEW MEXICO ENERGY, MINERALS
& NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION
2040 South Pacheco Street
Santa Fe, New Mexico 87505
(505) 827-7131

June 2, 1998

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

Administrative Order SD-98-2

Dear Mr. Saenz:

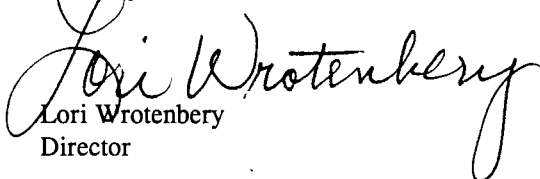
Reference is made to your application dated April 28, 1998. Chevron U.S.A. Production Company ("Chevron") is hereby authorized to simultaneously dedicate Eumont Gas Pool production to the previously approved non-standard 320-acre gas spacing and proration unit ("GPU") comprising the N/2 of Section 33, Township 21 South, Range 36 East, NMPM, Lea County, New Mexico (approved by Division Administrative Order NSP-607, dated July 3, 1962) from the following three wells:

- the existing Arnott-Ramsay (NCT-D) Well No. 3 (API No. 30-025-04884) located at a standard gas well location 1980 feet from the North and West lines (Unit F) of Section 33;
- the recently recompleted Arnott-Ramsay (NCT-D) Well No. 5 (API No. 30-025-04886) located at a standard gas well location 1980 feet from the North and East lines (Unit G) of Section 33; and,
- the existing Arnott-Ramsay (NCT-D) Well No. 15 (API No. 30-025-26167) located at a standard gas well location 810 feet from the North line and 1980 feet from the East line (Unit B) of Section 33.

Also, Chevron is permitted to produce the allowable assigned said non-standard 320-acre GPU from all three wells in any proportion.

Further, the previously approved Division Administrative Order NSL-3193(SD), dated November 17, 1992, which approved Chevron's Arnott-Ramsay (NCT-D) Well No. 14 (API No. 30-025-04895), located 1980 feet from the North line and 660 feet from the East line (Unit H) of Section 33 as an unorthodox gas well location in the Eumont Gas Pool within the subject 320-acre GPU, and the simultaneous dedication of Eumont gas production from the Arnott-Ramsay (NCT-D) Well Nos. 3, 14, and 15 to the subject 320-acre GPU, shall be placed in abeyance until further notice.

Sincerely,


Lori Wrotenberg
Director

LW/MES/kv

cc: New Mexico Oil Conservation Division - Hobbs
New Mexico State Land Office - Santa Fe
File: NSP-607
NSL-3193(SD) /