



NEW MEXICO ENERGY, MINERALS
& NATURAL RESOURCES DEPARTMENT

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

March 1, 1999

Chevron U.S.A. Inc.
P. O. Box 1150
Midland, Texas 79702-1150
Attention: Alan W. Bohling

Administrative Order NSL-4221(SD)

Dear Mr. Bohling:

Reference is made to your application dated February 2, 1999, which was received by the Division in Santa Fe on February 8, 1999, for an unorthodox Tubb gas well location within an existing non-standard 119.76-acre gas spacing and proration unit ("GPU") for the Tubb Oil and Gas Pool comprising Lot 2 and the S/2 NE/4 of Section 3, Township 22 South, Range 37 East, NMPM, Lea County, New Mexico. This GPU was authorized by Division Administrative Order NSP-1409, dated January 16, 1984 and had dedicated thereon Chevron U.S.A. Inc.'s Mark Well No. 4 (API No. 30-025-09996) located at a standard gas well location 1980 feet from the North line and 660 feet from the East line (Unit H) of Section 3.

It is our understanding that the subject well in this application, the Mark Well No. 2 (API No. 30-025-09991), was drilled in 1946 to a total depth of 6,554 feet and completed in the Drinkard Pool at a standard oil well location 454 feet from the North line and 2086 feet from the East line (Lot 2/Unit B) of Section 3. Further, it is our understanding that the Drinkard interval will be properly plugged back and that this well will be recompleted up-hole into the Tubb Oil and Gas Pool upon issuance of this order.

Pursuant to Rule 2(b)1 of the "*General Rules for the Prorated Gas Pools of New Mexico/Special Rules and Regulations for the Tubb Oil and Gas Pool*," as promulgated by Division Order No. R-8170, as amended, this location is considered to be an unorthodox gas well location for this 119.76-acre GPU.

By authority granted me under the provisions of Rule 2(d) of the special rules for the Tubb Oil and Gas Pool, the aforementioned Mark Well No. 2 located at an unorthodox Tubb gas well location is hereby approved.

Also, you are hereby authorized to simultaneously dedicate Tubb gas production from the Mark Well No. 4 with the Mark Well No. 2. Furthermore, you are hereby permitted to produce the allowable assigned the subject 119.76-acre GPU from both wells in any proportion.

Sincerely,

Lori Wrotenbery
Director

LW/MES/kv

cc: New Mexico Oil Conservation Division - Hobbs
File: NSP-1409