



STATE OF NEW MEXICO
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION

2040 S. PACHECO
SANTA FE, NEW MEXICO 87505
(505) 827-7131

May 5, 1997

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

Administrative Order SD-97-1

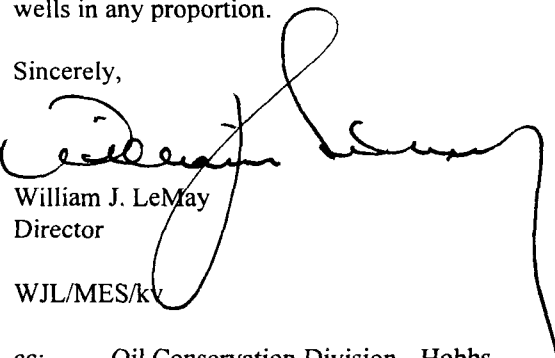
Dear Mr. Saenz:

Reference is made to your application dated April 1, 1997. Chevron U.S.A., Inc. ("Chevron") is hereby authorized to simultaneously dedicate Eumont Gas Pool production to the previously approved non-standard 240-acre gas spacing and proration unit ("GPU") comprising the NE/4 and E/2 NW/4 of Section 17, Township 20 South, Range 37 East, NMPM, Lea County, New Mexico (Division Administrative Order NSP-129, dated April 23, 1955), from the following three wells:

- the existing Theodore Anderson Well No. 4 (API No. 30-025-06140) located at a standard gas well location 660 feet from the North line and 1980 feet from the East line (Unit B) of said Section 17;
- the existing Theodore Anderson Well No. 7 (API No. 30-025-06143) located 1980 feet from the North line and 660 feet from the East line (Unit H) of said Section 17; and,
- from the proposed Theodore Anderson Well No. 11 (API No. 30-025-33891) to be drilled at a standard Eumont gas well location 1980 feet from the North line and 2310 feet from and West line (Unit F) of said Section 17.

Further, Chevron is permitted to produce the allowable assigned said non-standard 240-acre GPU from all three wells in any proportion.

Sincerely,


William J. LeMay
Director

WJL/MES/kv

cc: Oil Conservation Division - Hobbs
File: NSP-129