



STATE OF NEW MEXICO
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION

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

July 10, 1997

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

Administrative Order SD-97-2

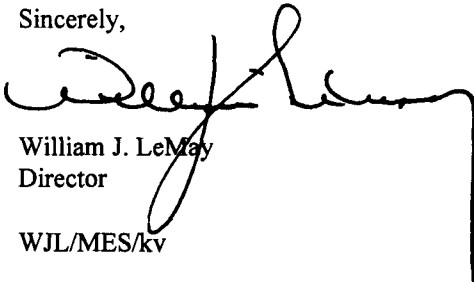
Dear Mr. Saenz:

Reference is made to your application dated May 5, 1997. Chevron U.S.A. Inc. ("Chevron") is hereby authorized to simultaneously dedicate Eumont Gas Pool production to the previously approved non-standard 160-acre gas spacing and proration unit ("GPU") comprising the E/2 E/2 of Section 19, Township 21 South, Range 36 East, NMPM, Lea County, New Mexico (approved by Division Administrative Order NSP-1117, dated November 22, 1978) from the following three wells:

- the existing Meredith Com Well No. 2 (API No. 30-025-04715) located at a standard gas well location 660 feet from the South and East lines (Unit P) of said Section 19;
- the existing Meredith Com Well No. 3 (API No. 30-025-04716) located at a standard gas well location 1980 feet from the South line and 660 feet from the East line (Unit I) of said Section 19; and,
- the newly drilled Meredith Com Well No. 4 (API No. 30-025-33694) located at a standard Eumont gas well location 785 feet from the North line and 660 feet from the East line (Unit A) of said Section 19.

Further, Chevron is permitted to produce the allowable assigned said non-standard 310.01-acre GPU from all three wells in any proportion.

Sincerely,



William J. LeMay
Director

WJL/MES/kv

cc: Oil Conservation Division - Hobbs
New Mexico State Land Office - Santa Fe
File: NSP-1117