



STATE OF NEW MEXICO
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

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

February 28, 1995

Chevron U.S.A. Production Company
P.O. Box 1150
Midland, TX 79702-1150

Attention: Lloyd Trautman

Administrative Order NSP-1719

Dear Mr. Trautman:

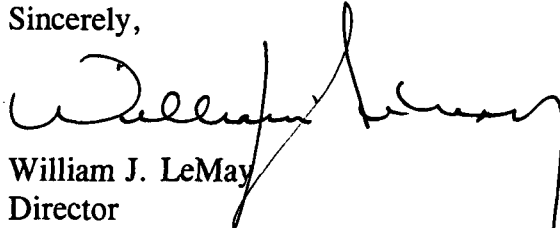
Reference is made to your application dated October 25, 1994 for a 40-acre non-standard gas spacing and proration unit ("GPU") consisting of the following acreage in the Blinebry Oil and Gas Pool:

LEA COUNTY, NEW MEXICO
TOWNSHIP 22 SOUTH, RANGE 38 EAST, NMPM
Section 31: SE/4 NE/4

It is my understanding that this unit is to be dedicated to your existing Scarborough Estate Well No. 2 (API No. 30-025-12170), located at a standard gas well location 1880 feet from the North line and 660 feet from the East line (Unit H) of said Section 31.

By authority granted me under the provisions of Rule 4(b)2 of the "*Special Rules and Regulations for the Blinebry Oil and Gas Pool*" as promulgated by Division Order No. R-8170, as amended, the above-described 40-acre non-standard gas spacing and proration unit is hereby approved. Also, you are hereby permitted to produce the allowable assigned the subject GPU, in accordance with Rule 5 of said pool rules based upon a unit size of 40 acres.

Sincerely,



William J. LeMay
Director

WJL/MES/kv

cc: Oil Conservation Division - Hobbs