STATE OF NEW MEXICO



ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION



BRUCE KING GOVERNOR

ANITA LOCKWOOD CABINET SECRETARY

- January 5, 1993

POST OFFICE BOX 2088 STATE LAND OFFICE BUILDING SANTA FE, NEW MEXICO 87504 (505) 827-5800

Chevron USA, Inc. P.O. Box 1150 Midland, Texas 79702

Attention: Richard E. Black

Administrative Order NSL-2721-C(SD)

Dear Mr. Black:

Reference is made to your application dated November 19, 1992 for an unorthodox Eumont gas well location in an existing non-standard 480-acre gas spacing and proration unit (GPU) for said Eumont Gas Pool comprising the N/2 and SE/4 of Section 34, Township 21 South, Range 36 East, NMPM, Lea County, New Mexico. Said GPU was authorized by Division Order No. R-596, dated February 28, 1955, and had dedicated thereon the W.A. Ramsey (NCT-A) Well No. 14 located 1980 feet from the North and West lines (Unit F) of said Section 36.

By Division Administrative Order NSL-2721(SD), dated December 4, 1989, an additional well, the W.A. Ramsey (NCT-A) Well No. 24, located at an unorthodox gas well location 1920 feet from the North line and 660 feet from the East line (Unit H) of said Section 34 was approved.

By Division Administrative Order NSL-2721-A, dated August 17, 1990, a third well to be recompleted to the Eumont Gas Pool, the W.A. Ramsey (NCT-A) Well No. 27, located at an unorthodox gas well location 660 feet from the North line and 1980 feet from the East line (Unit B) of said Section 34 was approved. Authorization was also given in said NSL-2721-A to simultaneously dedicate Eumont Gas production from the W.A. Ramsey (NCT-A) Well Nos. 14, 24, and 27 to the subject GPU.

By Division Administrative Order NSL-2721-B(SD), dated April 1, 1991, a forth well to be recompleted to the Eumont Gas Pool, the W.A. Ramsey (NCT-A) Well No. 28, located at an unorthodox gas well location 660 feet from the South line and 1980 feet from the East line (Unit O) of said Section 34 was approved. Authorization was also granted by said Order NSL-2721-B to simultaneously dedicate Eumont Gas production from the W.A. Ramsey (NCT-A) Well Nos. 14, 24, 27 and 28.

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It is our understanding that the subject well in this application is temporarily abandoned in the Lower Queen interval of the Gulf Ramsey Queen Waterflood Project however said well will be plugged back to the gas producing Upper Queen interval of the Eumont Gas Pool upon issuance of this order.

By authority granted me under the provisions of Rule 2(c) of the Special Rules and Regulations for the Eumont Gas Pool, as promulgated by Division Order No. R-8170, as amended, the following described well located at an unorthodox gas well location is hereby approved:

W.A. Ramsey (NCT-A) Well No. 48 660' FN & WL (Unit D)

Also, you are hereby authorized to simultaneously dedicate Eumont Gas production from the W.A. Ramsey (NCT-A) Well No. 48 with the W.A. Ramsey (NCT-A) Well Nos. 14, 24, 27 and 28. Furthermore, you are hereby permitted to produce the allowable assigned the GPU from all of the said wells in any proportion.

All provisions of Division Administrative Orders NSL-2721(SD), NSL-2721-A, and NSL-2721-B(SD) Division Order No. R-596 shall remain in full force and effect until further notice.

Sincerely,

WILLIAM J. LEMAY

Director

WJL/MES/jc

cc: Oil Conservation Division - Hobbs

NM State Land Office - Santa Fe

File: NSL-2721(SD)

NSL-2721-A NSL-2721-B(SD)