

## NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

GARY E. JOHNSON
Governor
Jennifer A. Salisbury
Cabinet Secretary

August 29, 2001

Lori Wrotenbery
Director
Oil Conservation Division

Chevron U.S.A. Production Company

c/o Holland & Hart LLP and Campbell & Carr

Attention: William F. Carr

P. O. Box 2208

Santa Fe, New Mexico 87504-2208

Reinstatement of Division Administrative Order NSL-3752-A

Dear Mr. Carr:

Reference is made to the following: (i) your letter of request on behalf of Chevron U.S.A. Production Company ("Chevron") dated April 26, 2001; and (ii) the record of Division Cases No. 12587 and 12605: all concerning Chevron's request to reinstate the provisions of Division Administrative Order NSL-3752-A, which order granted Chevron the authority to deepen and recomplete its G. C. Matthews Well No. 12 (API No. 30-025-05953), located 330 feet from the South line and 990 feet from the East line (Unit P) of Section 6, Township 20 South, Range 37 East, NMPM, Lea County, New Mexico, into the Undesignated West Monument-Tubb Gas Pool at an unorthodox gas well location within a standard 160-acre gas spacing and proration unit for the Undesignated West Monument-Tubb Gas Pool comprising the SE/4 of Section 6.

Proper notice pursuant to Division Rule 1207.A (2) having now been given and no objections filed, the Division Examiner's verbal directive of March 1, 2001 staying Administrative Order NSL-3752-A, is hereby lifted and the provisions of Administrative Order NSL-3752-A shall be reinstated to its initial extent and is to remain in full force and affect until further notice.

Jurisdiction of this matter shall be further retained for the entry of any such subsequent orders, as the Division may deem necessary.

Sincerely,

LORI WROTENBERY

Director

LW/MES/kv

cc: New Mexico Oil Conservation Division - Hobbs

W. Thomas Kellahin, Legal Counsel for Sapient Energy Corporation - Santa Fe

File:

NSL-3752

Case 12586

Case 12587