



STATE OF NEW MEXICO
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION

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

April 18, 1996

Chevron U.S.A. Production Company
P.O. Box 1150
Midland, Texas 79702
Attention: Michelle L. LeVan

Administrative Order SD-96-6

Dear Ms. LeVan:

Reference is made to your application dated March 7, 1996. Chevron U.S.A. Inc. is hereby authorized to simultaneously dedicate Indian Basin-Upper Pennsylvanian Gas Pool production to the established 640-acre standard gas spacing and proration unit ("GPU") comprising all of Section 16, Township 22 South, Range 23 East, NMPM, Eddy County, New Mexico, from the existing Bogle Flats Unit Well No. 5 (API No. 30-015-10577) located at a standard gas well location 1650 feet from the North line and 1980 feet from the West line (Unit F) of said Section 16 and from the proposed Bogle Flats Unit Well No. 18 (API No. 30-015-28884) to be drilled at a standard gas well location 1650 feet from the North and East lines (Unit G) of said Section 16.

Further, Chevron U.S.A. Inc. is permitted to produce the allowable assigned said 640-acre GPU from both wells in any proportion.

Sincerely,

A handwritten signature in black ink, appearing to read "William J. LeMay", written over a horizontal line.

William J. LeMay
Director

WJL/MES/kv

cc: Oil Conservation Division - Artesia
New Mexico State Land Office - Santa Fe