



NEW MEXICO ENERGY, MINERALS
& NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION
2040 South Pacheco Street
Santa Fe, New Mexico 87505
(505) 827-7131

September 17, 1997

Chevron U.S.A. Inc.
P. O. Box 1150
Midland, Texas 79702
Attention: Craig A. Wright

Administrative Order SD-97-6

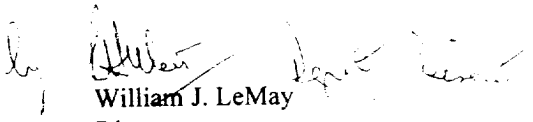
Dear Mr. Wright:

Reference is made to your application dated August 18, 1997. Chevron U.S.A. Inc. ("Chevron") is hereby authorized to simultaneously dedicate Blinbry Gas Pool production to a standard 160-acre gas spacing and proration unit comprising the SE/4 of Section 34, Township 21 South, Range 37 East, NMPM, Lea County, New Mexico, from the following four wells:

- the Mark Owen Well No. 3 (API No. 30-025-07022), located at a standard gas well location 1980 feet from the South line and 960 feet from the East line (Unit I) of said Section 34;
- the Mark Owen Well No. 4 (API No. 30-025-07003), located at a previously approved unorthodox gas well location [Division Administrative Order NSL-2838(SD), dated July 31, 1990] 2068 feet from the South and East lines (Unit J) of said Section 34;
- the Mark Owen Well No. 5 (API No. 30-025-07004), located at a standard gas well location 660 feet from the South and East lines (Unit P) of said Section 34; and,
- the Mark Owen Well No. 6 (API No. 30-025-07005), located at a previously approved unorthodox gas well location [Division Administrative Order NSL-2997-A(SD), dated January 9, 1995] 554 feet from the South line and 2086 feet from the East line (Unit O) of said Section 34.

Chevron is hereby permitted to produce the allowable assigned said standard 160-acre gas spacing and proration unit from all four wells in any proportion. Further, all provisions of said Administrative Orders NSL-2838(SD) and NSL-2997-A(SD) shall remain in full force and affect until further notice.

Sincerely,


William J. LeMay
Director

WJL/MES/kv

cc: Oil Conservation Division - Hobbs
File: NSL-2997-A(SD)
NSL-2838(SD)