

(10) At the time Chevron's application was placed on the docket for a Division hearing of this matter, the case was styled such that in the absence of objection this case would be taken under advisement.

(11) No appearances were made in this matter at the time of the hearing.

(12) The applicant has provided sufficient notice to all offset operators pursuant to Division General Rule 1207.

(13) No offset operators or interested parties appeared at the hearing in opposition to this application.

(14) Approval of the proposed application to reestablish a 440-acre GPU in the Eumont Gas Pool comprising the SW/4 of Section 1 and the NE/4, N/2 NW/4 and SE/4 NW/4 of Section 12, all in Township 22 South, Range 36 East, NMPM, Lea County, New Mexico, which is to be simultaneously dedicated to Chevron's H.T. Mattern (NCT-E) Well Nos. 3, 10 and 13 will afford the applicant the right to produce its just and equitable share of gas in the subject pool, is in the best interests of conservation, and will otherwise prevent waste and protect correlative rights.

(15) The provisions of said Division Order No. R-1084-C should be superseded by this order.

**IT IS THEREFORE ORDERED THAT:**

(1) Pursuant to the application of Chevron U.S.A., Inc. a 440-acre non-standard gas proration unit in the Eumont Gas Pool comprising the following described area in Lea County, New Mexico, is hereby established:

**TOWNSHIP 22 SOUTH, RANGE 36 EAST, NMPM**

Section 1: SW/4

Section 12: NE/4, N/2 NW/4, and SE/4 NW/4.

(2) The allowable assigned to the above-described non-standard gas spacing and proration unit shall be based on the unit size of 440 acres and the operator may produce the allowable assigned to the unit from the following described wells in any proportion:

✓(a) H.T. Mattern (NCT-E) Well No. 3 (API No. 30-025-08880), located at an unorthodox gas well location herein approved, 660 feet from the North and West lines (Unit D) of said Section 12.

(b) H.T. Mattern (NCT-E) Well No. 10 (API No. 30-025-08730), located 660 feet from the South line and 1980 feet from the West line (Unit N) of said Section;