



NEW MEXICO ENERGY, MINERALS
& NATURAL RESOURCES DEPARTMENT

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

January 23, 1998

CW
Donna

Chevron U.S.A. Inc.
P.O. Box 1150
Midland, TX 79702
Attention: J. H. Saenz

Administrative Order NSL-3154-A(SD)

Dear Mr. Saenz:

Reference is made to the following: (i) Chevron U.S.A., Inc.'s ("Chevron") original application to the Division, dated December 14, 1997; (ii) the Division's initial response to said application by letter from Mr. Michael E. Stogner dated January 8, 1998; (iii) Mr. John H. Saenz's response dated January 15, 1998; and, (vi) the records of the Division in Santa Fe: all concerning Chevron's request for an unorthodox Eumont Gas well location in an existing non-standard 440-acre gas spacing and proration unit ("GPU") for said 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, both in Township 22 South, Range 36 East, NMPM, Lea County, New Mexico. Said GPU was authorized by Division Order No. R-1084-D, issued in Case 11849 and dated November 20, 1997.

Eumont gas production from said 440-acre GPU is currently simultaneously dedicated to the following three wells:

- (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 1; and,
- (c) H. T. Mattern (NCT-E) Well No. 13 (API No. 30-025-08889), located at an unorthodox gas well location 2310 feet from the North line and 330 feet from the East line (Unit H) of said Section 12 [previously approved by Division Administrative Order NSL-3154(SD), dated September 11, 1992].

By the authority granted me under the provisions of Rule 2(d) of the "General Rules for the Prorated Gas Pools of New Mexico/Special Rules and Regulations for the Eumont Gas Pool," as promulgated by Division Order No. R-8170, as amended, the following described well to be drilled