

State of New Mexico Energy, Minerals and Natural Resources Dept. Oil Conservation Division P. O. Box 2088 Santa Fe, New Mexico 87504

Chevron U.S.A. Production Company P.O. Box 1150 Midland, TX 79702

Attention: M. E. Stogner

Pursuant to our telephone conversation on Monday, November 6, 1995, the following well locations are offered as revised locations for previously approved unorthodox wells under administrative order NSL-3579.

Eunice Monument South Unit, Eunice Monument Grayburg-San Andres Pool, Township 21 South, Range 36 East, Lea County New Mexico

Wellno.	Staked Location	Comment
621	2800' FSL & 185' FEL Section 6	(revised from original)
641	1505' FSL & 1155' FWL Section 5	(no change)
649	210' FSL & 40' FEL Section 6	(revised from original)

At the time of staking, existing power lines, gas transmission lines, roads, and other obstructions prevented the wells from being staked as originally proposed. The proposed 20 acre infill wells are located within the interior of an existing 14,190 acre waterflood unit and are surrounded on all sides by unit wells. The staked locations noted above, remain in the previously approved unit letter and were moved only a few hundred feet to miss surface / near surface obstructions.

By your previous verbal approval, we are proceeding ahead with plans to drill the wells as stated at the above noted locations.

Sincerely,

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Jimmy D. Dolan Sr. Petroleum Engineer Chevron U.S.A., Inc.

cc: Oil Conservation Division - Hobbs, New Mexico

