State of New Mexico ENERGY, .INERALS and NATURAL RESOURCES. EPARTMENT

Santa Fe, New Mexico 87505



OIL CONSERVATION DIVISION



February 10, 1995

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

Attention: Lloyd Trautman

Administrative Order NSP-1718

Dear Mr. Trautman:

Reference is made to your application dated October 25, 1994 for a 40-acre non-standard gas spacing and proration unit ("GPU") consisting of the following acreage in the Blinebry Oil and Gas Pool:

LEA COUNTY, NEW MEXICO <u>TOWNSHIP 22 SOUTH, RANGE 38 EAST, NMPM</u> Section 31: NW/4 SE/4

It is my understanding that this unit is to be dedicated to your existing Scarborough Estate Well No. 5 (API No. 30-025-12173), located at a standard gas well location 1980 feet from the South and East lines (Unit J) of said Section 31.

VILLAGRA BUILDING - 408 Galisteo Forestry and Resources Conservation Division P.O. Box 1948 87504-1948 827-5830 Park and Recreation Division P.O. Box 1147 87504-1147 827-7465

2040 South Pacheco Office of the Secretary 827-5950 Administrative Services 827-5925 Energy Conservation & Management 827-5900 Mining and Minerais 827-5970 Oil Conservation Administrative Order NSP-1718 Chevron U.S.A. Production Company February 10, 1995 Page 2

By authority granted me under the provisions of Rule 4(b)2 of the "Special Rules and Regulations for the Blinebry Oil and Gas Pool" as promulgated by Division Order No. R-8170, as amended, the above-described 40-acre non-standard gas spacing and proration unit is hereby approved. Also, you are hereby permitted to produce the allowable assigned the subject GPU, in accordance with Rule 5 of said pool rules based upon a unit size of 40 acres.

Sincerely. William J. LeM Director WJL/MES/kv

cc: Oil Conservation Division - Hobbs