



NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

GARY E. JOHNSON

Governor

Jennifer A. Salisbury

Cabinet Secretary

October 25, 2000

Lori Wrotenbery

Director

Oil Conservation Division

Chevron U.S.A. Inc.
P. O. Box 1150
Midland, Texas 79702-1150
Attention: A. M. Howell

Administrative Order NSL-4519

Dear Mr. Howell:

Reference is made to your application dated September 26, 2000 for a non-standard gas well location in the Tubb Oil and Gas Pool for Chevron U.S.A. Inc.'s ("Chevron") existing T. R. Andrews Well No. 5 (API No. 30-025-12186), which was originally drilled by Gulf Oil Corporation ("Gulf") in 1961 to a total depth of 7,150 feet and completed as a dual oil producer in the Blinebry Oil and Gas and Drinkard Pools at a standard oil well location 560 feet from the North line and 660 feet from the East line (Unit A) of Section 32, Township 22 South, Range 38 East, NMPM, Lea County, New Mexico.

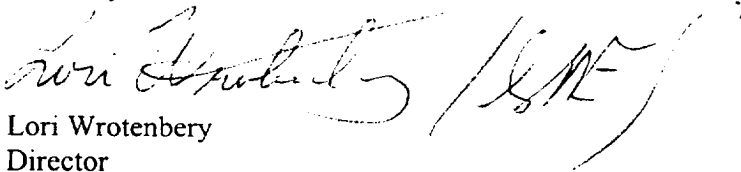
It is our understanding that this well's current completion in the South Paddock Pool is to be abandoned and that Chevron will recomplete this well up-hole into the Tubb Oil and Gas Pool upon issuance of this order.

Further, the NE/4 of Section 32 is to be dedicated to this well in order to form a standard 160-acre gas spacing and proration unit; however, pursuant to Rule 2 (b) 1 of the "*Special Rules and Regulations for the Tubb Oil and Gas Pool*," as promulgated by Division Order No. R-8170, as amended, this location is considered to be unorthodox.

This application has been duly filed under the provisions of: (i) Division Rule 104.F, revised by Division Order No. R-11231, issued by the New Mexico Oil Conservation Commission in Case No. 12119 on August 12, 1999; (ii) Division Rule 605; and (iii) the special rules governing the Tubb Oil and Gas Pool.

By the authority granted me under the provisions of Division Rule 104.F (2), as revised, Division Rule 605.B (2) (b), and the applicable provisions of the special pool rules governing the Tubb Oil and Gas Pool, the above-described unorthodox gas well location is hereby approved.

Sincerely,



Lori Wrotenbery
Director

LW/MES/kv

cc: New Mexico Oil Conservation Division - Hobbs
New Mexico State Land Office - Santa Fe