

NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

BILL RICHARDSON

Governor

Joanna Prukop

Cabinet Secretary

September 5, 2006

Mark E. Fesmire, P.E.
Director
Oil Conservation Division

ConocoPhillips Company Permian Basin 4001 Penbrook Street Odessa, Texas 79762

Attention:

Alva Franco

Regulatory Specialist

Administrative Order NSP-1797-A (L)

Dear Mr. Franco:

Reference is made to the following: (i) your initial application (administrative application reference No. pMES0-624457437) dated May 11, 2006, but was not submitted to the New Mexico Oil Conservation Division ("Division") in Santa Fe, New Mexico until June 2, 2006; (ii) your addendum to this application of June 21, 2006; and (iii) the Division's records in Hobbs and Santa Fe, including the files on Division Administrative Orders NSP-4, NSP-279, NSP-1797 (L), and NSP-1902: all concerning ConocoPhillips Company's request for a non-standard 80-acre gas spacing unit comprising the following acreage in the Eumont Gas Pool (76480):

LEA COUNTY, NEW MEXICO TOWNSHIP 21 SOUTH, RANGE 36 EAST, NMPM

Section 30: SE/4 NW/4 and NE/4 SW/4.

This application has been duly filed under the provisions of the "Special Pool Rules for the Jalmat Gas Pool," as promulgated by Division Order No. R-8170-P, issued in Case No. 12563 on December 14, 2001.

This unit is to be dedicated to ConocoPhillips Company's existing Lockhart "A-30" Well No. 5 (**API No. 30-025-04836**), located at an unorthodox Eumont gas well location 2310 feet from the South and West lines (Unit K) of Section 30.

By the authority granted me under the provisions of Rules 4 (A), 4 (C), and 4 (D) of the special rules governing the Eumont Gas Pool, the above-described unorthodox gas well location for the Lockhart "A-30" Well No. 5 and non-standard 80-acre gas spacing unit are hereby approved.

Jurisdiction of this cause is retained for the entry of such further orders as the Division deems necessary.

Sincerely,

Mark E. Fesmire, P. E.

Director

MEF/ms

cc: New Mexico Oil Conservation Division – Hobbs

File: NSP-4

NSP-279

NSP-1797 (L)

NSP-1902

REMARKS: The two previous Division administrative orders authorizing non-standard gas spacing units for Eumont gas production from this well, NSP-4, dated August 17, 1954, and NSP-279, dated July 11, 1956, shall remain in abeyance until further notice; furthermore, Division Administrative Order NSP-1797 (L), dated December 2, 1998, which order also involved this well, is hereby placed in abeyance until further notice.

NEW MEXICO ENERGY, MINERALS & NATURAL RESOURCES DEPARTMENT

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

December 2, 1998

Conoco, Inc.

10 Desta Drive - Suite 100 W Midland, Texas 79705-4500 Attention: Kay Maddox pN3PD-01797200Z

Administrative Order NSP-1797(L)

Dear Ms. Maddox:

Reference is made to the following: (i) your application submitted to the Division on November 12, 1998; and, (ii) the records of the Division in Santa Fe including well files, all orders related to the Eumont Gas Pool, and the files on Division Administrative Orders NSP-4 and NSP-279: all concerning Conoco, Inc.'s request for a 75.12-acre non-standard gas spacing and proration unit consisting of the following acreage in the Eumont Gas Pool:

LEA COUNTY, NEW MEXICO TOWNSHIP 21 SOUTH, RANGE 36 EAST, NMPM Section 30: Lot 3 and the NE/4 SW/4.

This unit is to be dedicated to the existing Lockhart "A-30" Well No. 5 (API No. 30-025-04836), located at an unorthodox gas well location 2310 feet from the South and West lines (Unit K) of Section 30.

The subject application has been duly filed under the provisions of Rule 104.F of the General Rules and Regulations of the New Mexico Oil Conservation Division.

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, and Division General Rule 104.F(2): (i) the unorthodox gas well location of the Lockhart "A-30" Well No. 5 is hereby approved; and, (ii) Conoco, Inc. is permitted to produce the allowable assigned the above-described 75.12-acre non-standard gas spacing and proration unit in accordance with Rule 5 of the Eumont special pool rules from this well.

Sincerely,

Lori Wrotenbery Director

cc:

New Mexico Oil Conservation Division - Hobbs

File: NSP-4

NSP-279

REMARKS:

The two previous administrative orders authorizing non-standard gas spacing and proration units for Eumont gas production from this well, NSP-4, dated August 17, 1954, and NSP-279, dated July 11, 1956, are hereby placed in abeyance until further notice.

OIL CONSERVATION COMMISSION

P. O. BOX 871

SANTA FE, NEW MEXICO

July 11, 1956

Continental Oil Company Fetroleum Building Roswell, New Mexico

Attention: Mr. R. L. Adams

Administrative Order NSP-279

Gentlemen:

Reference is made to your application for approval of a 150-acre non-standard gas proration unit in the Eumont Gas Pool consisting of the following acreage:

Township 21 South, Range 36 East, NMPM SW/4 of Section 30

It is understood that this unit is to be ascribed to your Lock-hart "A-30" Well No. 5, located 2310 feet from the South and West lines of Section 30, Township 21 South, Range 36 East, NMPM, Lea County, New Mexico.

By authority granted me under provisions of Rule 5, Section (b)-6 of the Special Rules and Regulations for the Eumont Gas Poul, as set forth in Order R-520, you are hereby authorized to operate the above described acreage as a non-standard gas provation unit, with allowable to be assigned thereto in accordance with pool rules, based upon the unit size of 150 acres.

Very truly yours,

A. L. Porter, Jr. Secretary-Director

ALP: ib

cc: Oil Conservation Commission, Hobbs

N. M. Oil and Gas Engineering Committee, Hobbs

El Paso Natural Gas Company, El Paso and Jal

OIL CONSERVATION COMMISSION

P. O. BOX 871

SANTA FE, NEW MEXICO

August 17, 1954

Continental Cil Company Fair Building FORT WORTH 2 - TEXAS

Attention: Mr. S. V. McCollum

Centlemen

RE: Administrative Order MSP-4

Reference is made to your application of May 28, 1954, with which you enclosed waivers from effect operators agreeing to the establishment of an 80-acre unorthodox gas proration unit consisting of M/2 SM/4 of Section 30, Township 21 South, Range 36 East, MMPM, Lea County, New Mexico; and further, for approval of an unorthodox location for your lockhart i-30 Well No. 5 located 2310' from the south and west lines of said Section 30.

Your application asked for exception to the Jako Gas Pool rules as then prescribed by Order No. R-368-A. As you know, these rules have been changed by Order No. R-520, issued on August 12, 1954, in Case 673, and your proposed unit now falls within the boundaries of what is termed the Jalmat Cas Pool. It is therefore preferable to issue the administrative approval under the new order.

By authority granted me under provisions of Rule 5(b) of the Special Pool Rules for the Jaluat Cas Pool, as delineated in Order R-520, you are hereby authorized to special the above-described acreage as a non-standard gas provision unit, with allowable to be granted thereto in accordance with pool rules. Further, as an exception to spacing regulations for the pool, and in accordance with provisions of Rule 2 of the pool rules, as unorthodox location is approved for your lockbart A-30 Well Mos 5, 2310 feet from the south and west lines of Section 30, Township 21 South, Range 36 East, NHPM.

Very truly yours,

WEMSER

W. B. Hacey, Secretary-Director

ce: OCC Offices, Robbs and Artesia

M. M. Oil and Gas Eng. Committee Hobbs