STATE OF NEW MEXICO

ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION



BRUCE KING GOVERNOR

ANITA LOCKWOOD CABINET SECRETARY October 15, 1993

POST OFFICE BOX 2088 STATE LAND OFFICE BUILDING SANTA FE, NEW MEXICO 87504 (505) 827-5800

ARCO Oil and Gas Company Attention: David K. Newell P.O. Box 1610 Midland, TX 79702

Administrative Order NSP-1679

Dear Mr. Newell:

Reference is made to your application dated September 20, 1993 for an 80-acre non-standard gas spacing and proration unit consisting of the following acreage in the Eumont Pool:

LEA COUNTY, NEW MEXICO <u>TOWNSHIP 20 SOUTH, RANGE 37 EAST, NMPM</u> Section 32: W/2 NW/4

It is my understanding that this unit is to be dedicated to your State "O" Well No. 4 to be drilled at a standard gas well location 1770 feet from the North line and 660 feet from the West line (Unit E) of said Section 32.

By authority granted me under the provisions of Rule 2(a)4 of the Special Rules and Regulations for the Eumont Gas Pool as promulgated by Division Order No. R-8170, as amended, you are hereby authorized to operate the above-described non-standard gas spacing and proration unit with allowable assigned thereto in accordance with Rule 5 of said pool rules based upon a unit size of 80 acres.

Sincerely, William J. LeN Director

WJL/MES/amg

cc: Oil Conservation Division - Hobbs NM State Land Office - Santa Fe ARCO Oil and Gas Company - Hobbs, NM (James Cogburn)