STATE OF NEW MEXICO



ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION

2040 S. PACHECO SANTA FE, NEW MEXICO 87505 (505) 827-7131

September 25, 1996

Erwin Oil & Gas Ltd., Inc. c/o Oil Reports and Gas Services, Inc. P. O. Box 755 Hobbs, New Mexico 88241 Attention: Gaye Heard

Administrative Order NSP-1764(L)

Dear Ms. Heard:

Reference is made to your application dated August 2, 1996 on behalf of the operator Erwin Oil & Gas Ltd., Inc. for a 37.72-acre non-standard gas spacing and proration unit consisting of the following acreage in the Undesignated Byers-Yates Gas Pool:

LEA COUNTY, NEW MEXICO <u>TOWNSHIP 18 SOUTH, RANGE 38 EAST, NMPM</u> Section 19: Lot 3

It is our understanding that this unit is to be dedicated to the existing Quarry Well No. 1 (API No. 30-025-32297), located at an unorthodox gas well location for the aforementioned unit 1980 feet from the South line and 890 feet from the West line (Lot 3/Unit L) of said Section 19.

By the authority granted me under the provisions of Division General Rules 104.F(2) and 104.D(2), the above-described unorthodox gas well location and non-standard 37.72-acre gas spacing and proration unit are hereby approved.

Sincerely,

William J. Lel

Director

WJL/MES/kv

cc: New Mexico Oil Conservation Division - Hobbs