



Midland Division
Exploration Production

OIL CONSERVATION DIVISION
RECEIVED

Conoco Inc.
10 Desta Drive, Suite 100W
Midland, TX 79705-4500
(915) 686-5400

1994 APR 8 AM 8 49

April 5, 1994

Michael E. Stogner
Chief Hearing Officer/Engineer
Oil Conservation Division
P. O. Box 2088
Santa Fe, NM 87504

RE: Request to amend Division Order No. R-6141, as amended, to form a non-standard 480-acre Eumont gas spacing and proration unit in portions of Sections 17 and 18, Township 21 South, Range 36 East, NMPM, Lea County, New Mexico

Case
10966

Dear Mr. Stogner:

The requested 40-acre addition to the currently approved 440-acre nonstandard proration unit is not of sufficient importance to warrant the manpower and costs of a hearing. Therefore, it is requested that this case, which you scheduled for the April 28, 1994 docket, be dismissed.

This NSPU was extended across section lines to combine only acreage from the same lease (Conoco's Meyer A-1 lease). The requested addition of 40 acres is the only Meyer A-1 acreage not currently included in this NSPU. This 40 acres was previously separately dedicated to a Eumont oil well which has now been plugged. Since this can not be handled administratively, that 40 acres will remain undedicated to any Eumont production.

Very truly yours,

Jerry W. Hoover
Jerry W. Hoover
Sr. Conservation Coordinator



STATE OF NEW MEXICO
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION



BRUCE KING
GOVERNOR

ANITA LOCKWOOD
CABINET SECRETARY

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

March 24, 1994

Conoco, Inc.
10 Desta Drive, Suite 100W
Midland, TX 79705-4500

Attention: Jerry Hoover

RE: Request to amend Division Order No. R-6141, as amended, to form a non-standard 480-acre Eumont gas spacing and proration unit in portions of Sections 17 and 18, Township 21 South, Range 36 East, NMPM, Lea County, New Mexico.

Dear Mr. Hoover:

I have reviewed the subject application, which was received on March 17, 1994. As you are probably aware, there have been quite a few administrative orders issued concerning acreage dedication and re-dedication in the Eumont Gas Pool over the years.

During this time the administrative procedures for authorizing non-standard units in the Eumont Gas Pool have been established; Rule 5(c)3 of Order No. R-1670, as amended, did not allowed for the formation of non-standard gas units in pools with 640 acre spacing to cross governmental section lines without notice and hearing; Order No. R-8170 echoed this practice as Rule 2(a)4(2) took effect. However, this portion of Order R-8170 has been omitted by R-8170-H, technically this procedure now falls under the Division's General Rules and Regulations [Rule 104.D(2)], which has no procedures for pools spaced on 640 acres. This omission I'm sure was merely an oversight.

Your particular application in effect is for a non-standard gas spacing and proration unit that crosses a section line and can also be classified as an amendment to an "R" Order, both reasons that alone do not qualify this application to be approved administratively.

This application will therefore require a hearing before such an order can be issued. I will set this matter on the next available docket scheduled for April 28, 1994.

Should you have any questions or comments concerning this matter, please contact me.

Conoco, Inc.
Attention: Jerry Hoover
March 24, 1994
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Sincerely,

A handwritten signature in black ink, appearing to read "Michael E. Stogner", written over a horizontal line.

Michael E. Stogner
Chief Hearing Officer/Engineer

MES/amg

cc: Oil Conservation Division - William J. LeMay, Director
Oil Conservation Division - Jim Morrow, Chief Engineer
Oil Conservation Division - Hobbs



STATE OF NEW MEXICO
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION



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

May 2, 1994

Jerry W. Hoover
Conoco Inc.
10 Desta Drive
Suite 100W
Midland, Texas 79705

RE: CASE NO. 10966
ORDER NO. R-10112

Dear Madam:

Enclosed herewith are two copies of the above-referenced Division order recently entered in the subject case.

Sincerely,

Sally E. Martinez
Sally E. Martinez
Administrative Secretary

cc: BLM - Carlsbad