



NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

BILL RICHARDSON
Governor
Joanna Prukop
Cabinet Secretary

November 24, 2004

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

Pure Resources, L.P.
500 West Illinois
Midland, Texas 79701

Attention: Alan W. Bohling
Regulatory Agent
abohling@pureresources.com

Administrative Order NSL-5136

Dear Mr. Bohling:

Reference is made to the following: (i) your application (*administrative application reference No. pSEM0-428752143*) filed with the New Mexico Oil Conservation Division ("Division") in Santa Fe on October 12, 2004; (ii) supplemental data that you furnished the Division via e-mail on November 12, 2004 to support this application; and (iii) the Division's records in Santa Fe and Hobbs: all concerning Pure Resources, L. P.'s ("Pure") request for an unorthodox oil well location in the Undesignated Southwest Eunice-San Andres Pool (24180), Paddock Pool (49210), Tubb Oil and Gas Pool (60240), Drinkard Pool (19190), Wantz-Abo Pool (62700), and Brunson-Ellenburger Pool (7980) for its proposed Brunson Argo Well 29 to be drilled 2480 feet from the North line and 1605 feet from the East line (Unit G) of Section 9, Township 22 South, Range 37 East, NMPM, Lea County, New Mexico.

The SW/4 NE/4 of Section 9, being a standard 40-acre oil spacing and proration unit for all six producing intervals, is to be dedicated to this well.

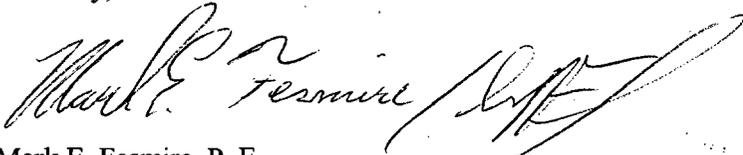
This application has been duly filed under the provisions of: (i) Division Rules 104.F, revised by Division Order No. R-11231, issued by the New Mexico Oil Conservation Commission in Case No. 12119 on August 12, 1999; (ii) Rule 1207.A (2), revised by Division Order No. R-11205, issued by the Commission in Case No. 12177 on June 17, 1999; and (iii) the "*Special Rules and Regulations for the Tubb Oil and Gas Pool*", as promulgated by Division Order No. R-8170, as amended.

The Division's records indicate the proposed Brunson Argo Well 29 is to be a replacement oil well within a former standard 40-acre oil spacing and proration unit in both the Brunson-Ellenburger and Drinkard Pools also comprising the SW/4 NE/4 of Section 9. Pure's Brunson Argo Well No. 10 (API No. 30-025-10142), located at a standard oil well location 1880 feet from the North line and 1971 feet from the East line of Section 9, which was initially drilled by Magnolia Petroleum Company in 1945 to a total depth of 7,901 feet, produced 249,850 barrels of oil from 1946 to 1960. From June, 1965 to late-1994 this well produced approximately 1,778,557 barrels of oil. The Brunson Argo Well No. 10 is currently completed in and producing from the Blinebry Oil and Gas Pool (6660).

By the authority granted me under the provisions of Division Rules 104.F (2), as revised, and the applicable provisions of the special pool rules governing the Tubb Oil and Gas Pool, the above-described unorthodox oil well location of Pure's proposed Brunson Argo Well No. 29 is hereby approved for the Brunson-Ellenburger, Wantz-Abo, Drinkard, Tubb Oil and Gas, Paddock, and Undesignated Southwest Eunice-San Andres.

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

Sincerely,

A handwritten signature in black ink, appearing to read "Mark E. Fesmire" followed by a stylized flourish.

Mark E. Fesmire, P. E.
Director

MEF/ms

cc: New Mexico Oil Conservation Division – Hobbs