

State of New Mexico
ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT
Santa Fe, New Mexico 87505



OIL CONSERVATION DIVISION



January 12, 1995

ARCO Oil and Gas Corporation
P.O. Box 1610
Midland, TX 79702

Attention: David K. Newell

Administrative Order NSL-3192-B(SD)

Dear Mr. Newell:

Reference is made to your application dated December 13, 1994 for an unorthodox Eumont gas well location in an existing non-standard 320-acre gas spacing and proration unit (GPU) for said Eumont Gas Pool comprising the S/2 of Section 12, Township 22 South, Range 36 East, NMPM, Lea County, New Mexico. Said GPU was authorized by Division Administrative Order NSP-526, dated September 23, 1960 and had dedicated thereon the State 157-D Well No. 7 (API No. 30-025-08895) located in Unit N of said Section 12.

On October 9, 1975, Division Administrative Order NSP-526 was amended to include the State 157-D Well No. 4 (API No. 30-025-08885) which was recompleted to the GPU from the Arrowhead Grayburg Pool and located at a previously approved unorthodox gas well location (Division Administrative Order NSL-723, as amended and dated October 6, 1975) 2310 feet from the South line and 990 feet from the East line (Unit I) of said Section 12.

By Division Administrative Order NSL-3192(SD), dated November 16, 1992 and corrected November 30, 1992, an additional well, the State 157-D Well No. 15 (API No. 30-025-26628) located in Unit M at an unorthodox gas well location 660 feet from the South line and 940 feet from the West line of said Section 12, was included in the 320-acre Eumont spacing unit.

By Division Administrative Order NSL-3192-A(SD), dated May 27, 1993, a fourth well, the State 157-D Well No. 9 (API No. 30-025-26146) located at an unorthodox gas well location 660 feet from the South line and 330 feet from the East line (Unit P) of said Section 12, was included in the subject GPU.

VILLAGRA BUILDING - 408 Galisteo

Forestry and Resources Conservation Division
P.O. Box 1948 87504-1948
827-5830

Park and Recreation Division
P.O. Box 1147 87504-1147
827-7465

2040 South Pacheco

Office of the Secretary
827-5950

Administrative Services
827-5925

Energy Conservation & Management
827-5900

Mining and Minerals
827-5970

Oil Conservation
827-7131

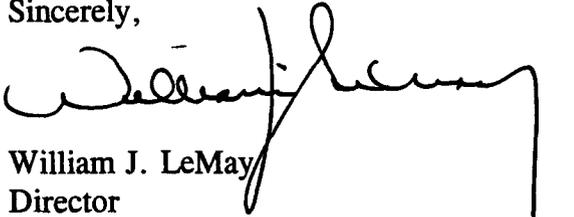
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By authority granted me under the provisions of Rule 2(c) of the Special Rules and Regulations for the Eumont Gas Pool, as promulgated by Division Order No. R-8170, as amended, the following described well, to be recompleted from the Drinkard Pool and located at an unorthodox gas well location, is hereby approved:

*State 157-D Well No. 13
1980' FSL & 330' FEL (Unit I)
API No. 30-025-26624*

Also, you are hereby authorized to simultaneously dedicate Eumont Gas production from the State 157-D Well No. 13 with the Nos. 4, 7, 9, and 15. Furthermore, you are hereby permitted to produce the allowable assigned the subject GPU from all of the above-mentioned wells in any proportion.

Sincerely,



William J. LeMay
Director

WJL/MES/kv

cc: Oil Conservation Division - Hobbs
NM State Land Office - Santa Fe
File: NSL-723
NSL-3192(SD)
NSP-526
NSL-3192-A(SD)