



STATE OF NEW MEXICO

ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION



BRUCE KING
GOVERNOR

ANITA LOCKWOOD
CABINET SECRETARY

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

August 11, 1994

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

Attention: Jerry W. Hoover

Administrative Order NSP-1239-A(SD)

Dear Mr. Hoover:

Reference is made to your application June 9, 1994 for a 198.08-acre non-standard gas spacing and proration unit consisting of the following acreage in the Eumont Gas Pool:

LEA COUNTY, NEW MEXICO
TOWNSHIP 21 SOUTH, RANGE 36 EAST, NMPM
Irregular Section 4: Lots 1, 7, 8, 9, and 10

It is our understanding that this unit is to be simultaneously dedicated to your existing Meyer "B-4" Well No. 14 (API No. 30-025-04474), located at an unorthodox gas well location 1917 feet from the North line and 1980 feet from the East line (Lot 7 - Unit G) of said Section 4 and to your existing Meyer "B-4" Well No. 27 (API No. 30-025-21170), located at an unorthodox gas well location 1586 feet from the North and 660 feet from the East line (Lot 8 - Unit H) of said Section 4.

By authority granted me under the provisions of Rules 2(a)4 and 2(c) 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 proration unit and resulting unorthodox gas well locations are hereby approved. Also, you are hereby permitted to produce the allowable assigned the subject GPU from both wells in any proportion.

Administrative Order NSL-1239-A(SD)

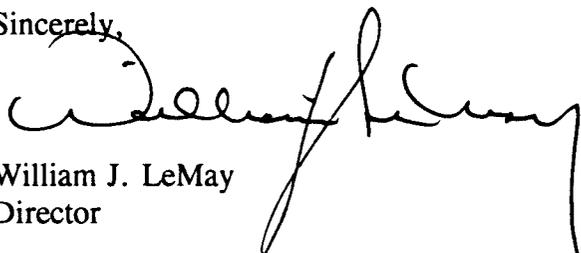
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The current 160-acre non-standard gas spacing and proration unit comprising Lots 7, 8, 9, and 10 of said Section 4 and, currently dedicated to the Meyer "B-4" Well No. 14, under authority of Division Administrative Order NSP-1239, dated February 14, 1981, shall be placed in abeyance until further notice.

Sincerely,



William J. LeMay
Director

WJL/MES/amg

cc: Oil Conservation Division - Hobbs
US Bureau of Land Management - Carlsbad
File: NSP-1293