

NSL-BRIT

Rec: 2/8/96
Susp: 2/28/96
Released: 4/29/96

April 29, 1996

Doyle Hartman, Oil Operator
3811 Turtle Creek Blvd.
Dallas, Texas 75219-4421

Attention: Doyle Hartman

Administrative Order NSL-3016-A(SD)

Dear Mr. Hartman:

Reference is made to your application dated February 7, 1996, supplemented by your letters dated February 23, March 29, and April 8, 1996, for an unorthodox Eumont gas well location in an existing non-standard 280-acre gas spacing and proration unit ("GPU") for said Eumont Gas Pool comprising the SE/4 SW/4 and SE/4 of Section 5 and the NE/4 NE/4 and NE/4 NW/4 of Section 8, both in Township 20 South, Range 37 East, NMPM, Lea County, New Mexico. Said GPU was authorized by Division Order No. R-9199, dated June 15, 1990, which order also approved the simultaneous dedication of said GPU to the Britt-Laughlin Com. Well No. 1 (API No. 30-025-06006), located 660 feet from the North line and 1980 feet from the West line (Unit C) of said Section 8, the Britt-Laughlin Com. Well No. 5 (API No. 30-025-05907), located 330 feet from the South line and 2310 feet from the East line (Unit O) of said Section 5, and to the Britt-Laughlin Com. Well No. 6 (API No. 30-025-31105), drilled at a standard gas well location 1860 feet from the South line and 760 feet from the East line (Unit I) of said Section 5.

By Division Administrative Order NSL-3016(SD), dated May 28, 1991, an additional well, the Britt-Laughlin Com. Well No. 4 (API No. 30-025-06005), located at an unorthodox gas well location 660 feet from the North and East lines (Unit A) of said Section 8 was approved for the subject GPU.

The subject well for this application, the **Britt-Laughlin Com. Well No. 8**, formerly the Cities Service Oil Company Laughlin Battery "2" Well No. 1 (API No. 30-025-05904), located 1980 feet from the South and East lines (Unit J) of said Section 5, was drilled in 1936 to a total depth of 3,861 feet and completed as an "oil" well in the Monument-Grayburg San Andres Pool. Production ceased in 1971 and the well was subsequently plugged and abandoned. It is our understanding this well has recently been reentered and recompleted to the Eumont Gas Pool.

By authority granted me under the provisions of Rule 2(d) of the "*General Rules for the Prorated Gas Pools of New Mexico/Special Rules and Regulations for the Eumont Gas Pool*", as promulgated by Division Order No. R-8170, as amended, the unorthodox gas well location for the **Britt-Laughlin Com. Well No. 8** is hereby approved. Also, you are authorized to simultaneously dedicate Eumont Gas production from the Britt-Laughlin Com. Well Nos. 1, 4, 5, and 6 with the Britt-Laughlin Com. Well No. 8. Furthermore, you are hereby permitted to produce the allowable assigned the subject GPU from all five wells in any proportion.

All provisions of said Division Administrative Order NSL-3016(SD) and Order No. R-9199 shall remain in full force and effect until further notice.

The Division Director retains authority to enter any further orders or proclamations deemed necessary to assure the protection of correlative rights and the prevention of waste.

IT SHALL FURTHERMORE BE NOTED THAT, the applicant's Britt-Laughlin Com. Well No. 5 (**API No. 30-025-05907**), located 330 feet from the South line and 1650 feet from the West line (Unit O) of said Section 5 is not to be included within the subject 280-acre non-standard GPU until such time as the operator files for and receives approval of an unorthodox Eumont gas well location for this particular unit. Administrative notice of the former 40-acre non-standard gas spacing and peroration unit comprising the SE/4 SW/4 of said Section 5 (approved by Division Administrative Order NSP-1050) in which this location was authorized will be taken at that time, otherwise this order will have no bearing on the existing 280-acre GPU. Further, that portion of the special pool rules for the Eumont Gas Pool that allows for a tolerance of 330 feet with respect to the required distance from the boundary lines does not "grandfather" this location for the now current 280-acre non-standard GPU.

Sincerely,

William J. LeMay
Director

WJL/MES/kv

cc: Jerry Sexton, Supervisor - Oil Conservation Division, Hobbs
U. S. Bureau of Land Management - Carlsbad
Michael J. Condon - Gallegos Law Firm, Santa Fe
Rand Carroll, Legal Counsel - Oil Conservation Division, Santa Fe
Michael E. Stogner, Chief Hearing Officer/Engineer - OCD, Santa Fe
Daniel S. Nutter - Santa Fe
File: NSL-3016(SD)