

STATE OF NEW MEXICO
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION



BRUCE KING
GOVERNOR

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

July 29, 1991

Meridian Oil, Inc.
P.O. Box 51810
Midland, Texas 79710-1810

Attention: Connie L. Malik

Administrative Order NSL-3033(SD)

Dear Ms. Malik:

Reference is made to your application dated July 5, 1991 for an unorthodox Eumont gas well location in an existing non-standard 160-acre gas spacing and proration unit (GPU) for said Eumont Gas Pool comprising the SE/4 of Section 8, Township 19 South, Range 37 East, NMPM, Lea County, New Mexico. Said GPU was authorized by Division Order No. R-5642, dated February 14, 1978 and presently has dedicated thereon the R.H. Huston, Jr. Well No. 1 located at a standard gas well location 660 feet from the South line and 1980 feet from the East line (Unit O) of said Section 8.

It is our understanding that the subject well to be considered at this time is completed in the Eunice Monument Grayburg San Andres Pool; however, said well will be plugged back and re-completed up-hole in the Eumont Gas Pool upon issuance of this order.

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 located at an unorthodox gas well location is hereby approved:

R.H. Huston, Jr. Well No. 2
1650' FSL - 2310' FEL (Unit J)

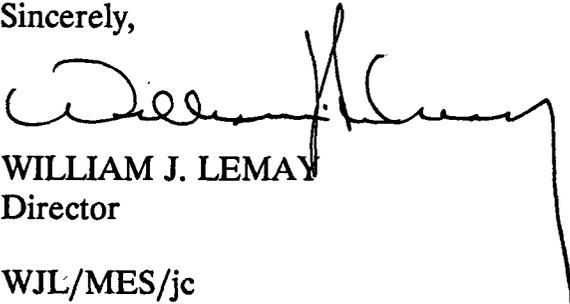
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Also, you are hereby authorized to simultaneously dedicate Eumont Gas production from the R.H. Huston Jr. Well No. 1 with the R.H. Huston, Jr. Well No. 2. Furthermore, you are hereby permitted to produce the allowable assigned the GPU from both wells in any proportion.

Sincerely,



WILLIAM J. LEMAY

Director

WJL/MES/jc

cc: Oil Conservation Division - Hobbs