



STATE OF NEW MEXICO

ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION



BRUCE KING
GOVERNOR

ANITA LOCKWOOD
CABINET SECRETARY

May 27, 1993

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STATE LAND OFFICE BUILDING
SANTA FE, NEW MEXICO 87504
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ARCO Oil and Gas Corporation
P.O. Box 1610
Midland, TX 79702

Attention: David K. Newell

Administrative Order NSL-3192-A(SD)

Dear Mr. Newell:

Reference is made to your application dated March 18, 1993 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 Order NSP-526, dated September 23, 1960 and had dedicated thereon the State 157-D Well No. 7 located in Unit N of said Section 12.

On October 9, 1975, Division Order NSP-526 was amended to include the State 157-D Well No. 4 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 Order NSL-3192(SD), dated November 16, 1992 and corrected November 30, 1992, an additional well, the State 157-D Well No. 15 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.

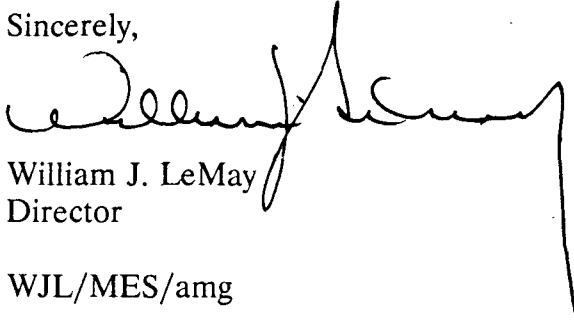
By authority granted me under the provisions of Rule 2(c) of the Special Rules and Regulations for the Eumont Gas Pool, as promulgated by Division Order No. R-8170, as amended, the following described well, to be recompleted from the Drinkard Pool and located at an unorthodox gas well location, is hereby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

*State 157-D Well No. 9
660' FSL & 330' FEL (Unit P).*

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Also, you are hereby authorized to simultaneously dedicate Eumont Gas production from the No. 9 with the Well Nos. 4, 7 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/amg

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