

STATE OF NEW MEXICO

ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION



BRUCE KING
GOVERNOR

ANITA LOCKWOOD
CABINET SECRETARY

2040 S. PACHECO
SANTA FE, NEW MEXICO 87505
(505) 827-7131

November 21, 1994

OXY USA, Inc.
Box 50250
Midland, Texas 79710

Attention: Richard E. Foppiano

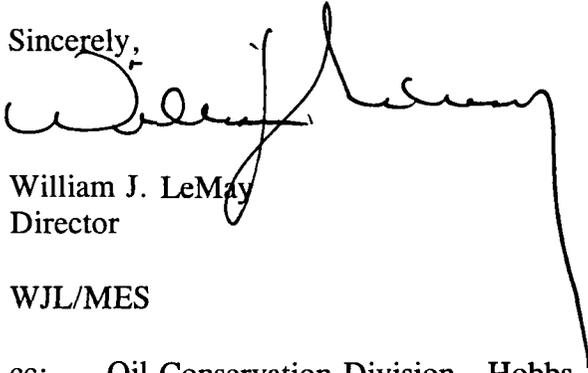
Administrative Order SD-94-7

Dear Mr. Foppiano:

Per your application dated November 10, 1994, you are hereby authorized to simultaneously dedicate Eumont Gas Pool production to the previously approved non-standard 160-acre gas spacing and proration unit comprising the SW/4 of Section 16, Township 21 South, Range 36 East, NMPM, Lea County, New Mexico (Division Order No. R-520, dated August 12, 1954), from the existing State "C" Well No. 3 located at a standard gas well location 1980 feet from the South and West lines (Unit K) of said Section 16 (API No. 30-025-08714) and to the proposed State "N" Well No. 5 to be drilled at a standard gas well location 800 feet from the South line and 810 feet from the West line (Unit M) of said Section 16.

Further, you are permitted to produce the allowable assigned said non-standard 160-acre unit from both wells in any proportion.

Sincerely,


William J. LeMay
Director

WJL/MES

cc: Oil Conservation Division - Hobbs
New Mexico State Land Office - Santa Fe