



# NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

**BILL RICHARDSON**

Governor

**Joanna Prukop**

Cabinet Secretary

February 17, 2004

**Lori Wrotenbery**

Director

**Oil Conservation Division**

**ConocoPhillips Company**  
4001 Penbrook Street  
Odessa, Texas 79762

**Attention: Celesta G. Dale**  
**Regulatory Analyst**

**RE: NMOCD Correspondence Reference No. SD-04-02: Eumont Gas Pool (76480) development within an existing non-standard 601.68-acre gas spacing unit comprising Lots 1, 2, 3, and 4, W/2 NE/4, SE/4 NE/4, E/2 NW/4, E/2 SW/4, and SE/4 of Section 19, Township 20 South, Range 38 East, NMPM, Lea County, New Mexico.**

Dear Ms. Dale:

Reference is made to your letter of January 2, 2004 (*administrative reference No. pMES0-400631823*) notifying the New Mexico Oil Conservation Division's ("Division") Santa Fe office of ConocoPhillips Company's plans for further Eumont gas development within its existing non-standard 601.68-acre gas spacing unit comprising Lots 1, 2, 3, and 4, W/2 NE/4, SE/4 NE/4, E/2 NW/4, E/2 SW/4, and SE/4 of Section 19, Township 20 South, Range 38 East, NMPM, Lea County, New Mexico, which unit was the subject of Division Administrative Order NSP-1666-B (L) (SD), dated March 2, 2001.

By Order No. R-8170-P, issued in Case No. 12563 on December 14, 2001, the Division caused the prorationing of gas production to cease within the Eumont Gas Pool and promulgated "*Special Pool Rules for the Eumont Gas Pool*," which provides for: (i) 640-acre standard gas spacing units; (ii) gas development on a well density based on one well per 160 acres; (iii) gas well locations to be no closer than 660 feet to any outer boundary of its assigned gas spacing unit or governmental quarter section line nor closer than 330 feet to any governmental quarter-quarter section line; and (iv) administrative exceptions, in most cases, to these rules.

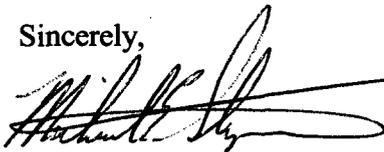
It is the Division's understanding from your letter and from the our records that gas production attributed to the Eumont Gas Pool within this 601.68-acre unit will to be simultaneously dedicated to ConocoPhillips Company's following four described wells:

- (i) the existing SEMU Burger Well No. 81 (API No. 30-025-20500), located in the SE/4 of Section 19 at a standard gas well location for this unit 660 feet from the South and East lines (Unit P) of Section 19;

- (ii) the existing SEMU Burger Well No. 141 (API No. 30-025-34921), located in the NW/4 equivalent of Section 19 at an unorthodox gas well location [approved by Division Administrative Order NSP-1666-B (L) (SD)] for this unit 1300 feet from the North line and 1150 feet from the West line (Lot 1/Unit D) of Section 19;
- (iii) the existing SEMU Burger Well No. 152 (API No. 30-025-35443), located at an unorthodox infill gas well location [also approved by Division Administrative Order NSP-1666-B (L) (SD)] for this unit 2630 feet from the North line and 1530 feet from the East line (Unit G) of Section 19, which was drilled in 2001 but has never produced from the Eumont Gas Pool; and
- (iv) the existing SEMU Burger Well No. 153 (API No. 30-025-35434), located at a standard infill gas well location for this unit 830 feet from the South line and 910 feet from the West line (Lot 4/Unit M) of Section 19, to be recompleted up-hole from the North Hardy-Strawn Pool (96893) to the Eumont gas bearing interval.

It is further understood by the Division that ConocoPhillips Company will abide by all existing rules, regulations, policies, and procedures applicable to this pool and that ConocoPhillips Company will operate the aforementioned SEMU Burger Wells No. 81, 141, 152, and 153 and the existing 601.68-acre non-standard gas spacing unit in accordance therein.

Sincerely,



Michael E. Stogner  
Chief Hearing Officer/Engineer

MS/mes

cc: New Mexico Oil Conservation Division – Hobbs  
U. S. Bureau of Land Management – Carlsbad  
File: NSP-1666-B (L) (SD)  
NSP-1666-A (L) (SD)  
NSP-1666 (L)  
NSL-3854  
NSP-1807