



**NEW MEXICO ENERGY, MINERALS  
& NATURAL RESOURCES DEPARTMENT**

**OIL CONSERVATION DIVISION**  
2040 South Pacheco Street  
Santa Fe, New Mexico 87505  
(505) 827-7131

November 15, 1999

**Xeric Oil & Gas Corporation**  
P. O. Box 352  
Midland, Texas 79702  
Attention: R. C. Barnett

**Telefax No. (915) 683-3152**

*Administrative Order NSP-215-A*

Dear Mr. Barnett:

Reference is made to your application dated October 15, 1999 to essentially reinstate a previously approved non-standard 160-acre gas spacing and proration unit ("GPU") in the Eumont Gas Pool comprising the SW/4 of Section 20, Township 20 South, Range 36 East, NMPM, Lea County, New Mexico.

By Division Administrative Order NSP-215, dated December 18, 1955 this 160-acre GPU was initially established by the Division for Aztec Oil and Gas Company and was dedicated to its State E-20 Well No. 1, located at a standard gas well location 660 feet from the South line and 1980 feet from the West line (Unit N) of Section 20. This well tested uneconomical and was plugged and abandoned. By letter dated April 22, 1957 the Division issued a cancellation order for Division Administrative Order NSP-215.

It is our understanding at this time that Xeric Oil & Gas Corporation ("Xeric") intends to re-establish Eumont gas production from the SW/4 of Section 20 with the recently drilled Arco Hall State Well No. 3 (API No. 30-025-34622), located at a standard gas well location 1980 feet from the South and West lines (Unit K) of Section 20.

The subject application has been duly filed under the provisions of Rule 104.F of the Rules and Regulations of the New Mexico Oil Conservation Division.

By the 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, and Division Rule 104.D(2) the above-described non-standard 160-acre non-standard gas spacing and proration unit is hereby approved. Further, Xeric is permitted to produce the allowable assigned this 160-acre non-standard gas spacing and proration unit in accordance with Rule 5 of the Eumont special pool rules from the Arco State Well No. 3.

Sincerely,

A handwritten signature in black ink, appearing to read "Lori Wrotenbery". To the right of the signature, there is a handwritten note "SME per DRC".

Lori Wrotenbery  
Director

cc: New Mexico Oil Conservation Division - Hobbs  
New Mexico State Land Office - Santa Fe  
File: NSP-215 /

UNIT DIVISION 000

UNIT DIVISION 000

May 6, 1957

In reply refer to:  
Unit Division

Aztec Oil and Gas Company  
920 Mercantile Securities Building  
Dallas 1, Texas

Mr. Claude E. Aikman  
702 Petroleum Life Building  
Midland, Texas

Texas Gulf Producing  
P. O. Box 2199  
Houston 1, Texas

Re: Termination of Aztec Oil and Gas Co.  
Well No. E-20 Communitization

Gentlemen:

This is to advise you that the above designated  
Communitization was terminated as of April 22, 1957, as  
of the same date your NSP-215 was cancelled by the  
New Mexico Oil Conservation Commission.

Very truly yours,

MURRAY E. MORGAN  
Commissioner of Public Lands

By: Ted Bilberry, Supervisor  
Oil and Gas Department

MEM:MMR/m  
cc: OCC-Santa Fe  
OCC-Hobbs