

1592



STATE OF NEW MEXICO  
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT  
OIL CONSERVATION DIVISION



POST OFFICE BOX 2088  
STATE LAND OFFICE BUILDING  
SANTA FE, NEW MEXICO 87504  
(505) 827-5800

BRUCE KING  
GOVERNOR

ANITA LOCKWOOD  
CABINET SECRETARY

July 26, 1994

Exxon Company, USA  
P.O. Box 1600  
Midland, TX 79702-1600

Attention: Alex M. Correa

*Administrative Order NSP-1701(SD)(L)*

Dear Mr. Correa:

Reference is made to your application dated June 20, 1994 to redesignate acreage by consolidating three existing non-standard Eumont gas spacing and proration units (GPU) in order to form a single 600-acre GPU to comprise the N/2, SW/4, W/2 SE/4 AND SE/4 SE/4 of Section 26, Township 21 south, Range 36 East, NMPM, Lea County, New Mexico.

By Division Administrative Order NSP-1592, dated January 30, 1990, an 80-acre GPU, comprising the S/2 SE/4 of said Section 26, was authorized for the New Mexico "G" State Well No. 2 located 660 feet from the South and East lines (Unit P) of said Section 26.

By Division Administrative Order NSP-1593-A(SD), dated May 11, 1994, a 160-acre GPU, comprising the SW/4 of said Section 26 was formed and is currently simultaneously dedicated to the New Mexico "G" State Well No. 6, located 660 feet from the South and West lines (Unit M) of said Section 26 and to the New Mexico "G" State Well No. 10 located 1980 feet from the South line and 660 feet from the West line (Unit L) of said Section 26.

Similarly, Division Administrative Order NSP-1691(SD)(L), dated May 11, 1994, authorized a 320-acre GPU, comprising the N/2 of said Section 26, for the following three New Mexico "G" State Lease wells in said Section 26:

<i>Well No.</i>	<i>Description</i>	<i>Unit</i>	<i>Location</i>
4	1980' FN & EL	G	Standard
11	1980' FNL & 785' FWL	E	Non-standard
16	660' FNL & 1980' FWL	C	Standard

*Administrative Order NSP-1701(SD)(L)*

*Exxon Corporation*

*July 26, 1994*

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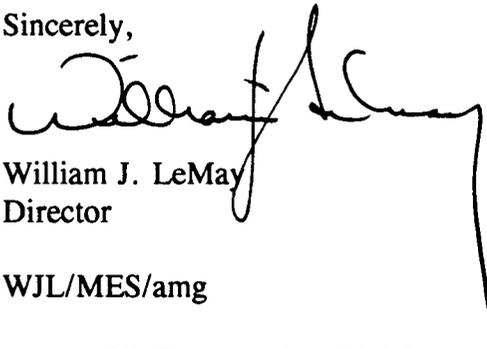
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It is our understanding at this time that all six of the aforementioned wells are to be simultaneously dedicated to the proposed 600-acre non-standard gas spacing and proration unit. Said application has been reviewed and the required twenty-day suspense period has lapsed with no objection from any offset operator.

By authority granted me under the provisions of Rule 2(a)4 and 2(c) of the Special Rules and Regulations for the Eumont Gas Pool as promulgated by Division Order No. R-8170, as amended, the above-described 600-acre non-standard gas spacing and proration unit and resulting unorthodox gas well locations for the New Mexico "G State Well Nos. 2, 6, 10, 11, and 16 are hereby approved. Also, you are hereby permitted to produce the allowable assigned the subject GPU, in accordance with Rule 5 of said pool rules based upon a unit size of 600 acres, from all wells in any proportion.

Further, Division Administrative Orders NSP-1592, NSP-1593-A(SD) and NSP-1691(SD) shall be placed in abeyance until further notice.

Sincerely,



William J. LeMay  
Director

WJL/MES/amg

cc: Oil Conservation Division - Hobbs  
NM State Land Office - Santa Fe  
File: NSP-1592  
NSP-1593  
NSP-1593-A(SD)  
NSP-1691(SD)(L)



STATE OF NEW MEXICO  
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

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

November 25, 1996

**Hinkle, Cox, Eaton, Coffield & Hensley P.L.L.C.**  
**Attn: James Bruce**  
**P. O. Box 2068**  
**Santa Fe, New Mexico 87504-2068**

**Exxon Corporation**  
**Attn: Alex Correa**  
**P. O. Box 1600**  
**Midland, Texas 79702-1600**

***Administrative Order NSP-1701-A(L)(SD)***

Gentlemen:

Reference is made to Exxon Corporation's application by letter from Mr. Alex Correa dated October 11, 1996 and by letter from Mr. James Bruce dated November 15, 1996 to reduce the acreage of the existing 600-acre non-standard gas spacing and proration unit ("GPU") in the Eumont Gas Pool comprising the N/2, SW/4, W/2 SE/4, and SE/4 SE/4 of Section 26, Township 21 South, Range 36 East, NMPM, Lea County, New Mexico, which was approved by Division Administrative Order NSP-1701(SD)(L), dated July 26, 1994, by omitting the 40 acres comprising the NE/4 NW/4 (Unit C) of said Section 26 from said GPU. Said Order NSP-1701(SD)(L) further authorized the simultaneous dedication of the 600-acre unit to the following New Mexico "G" State lease wells:

<i>Well No.</i>	<i>API Number</i>	<i>Description</i>	<i>Unit</i>	<i>Location</i>
2	30-025-04779	660' FS & EL	P	Non-Standard
4	30-025-04781	1980' FN & EL	G	Standard
6	30-025-04782	660' FS & WL	M	Non-Standard
10	30-025-04785	1980' FSL & 660' FWL	L	Non-Standard
11	30-025-04786	1980' FNL & 785' FWL	E	Non-Standard
16	30-025-04791	660' FNL & 1980' FWL	C	Non-Standard

Administrative Order NSP-1701-A(L)(SD)

Exxon Corporation

November 25, 1996

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It is our understanding that such reduction of acreage is necessary due to the re-classification of the New Mexico "G" State Well No. 16 in Unit "C" as a Eumont oil completion.

The Division further understands that the Eumont zone within the New Mexico "G" State Well Nos. 4 and 6 are currently abandoned and are to be withdrawn from consideration for any Eumont GPU's in said Section 26.

By 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, the following described 560-acre non-standard gas spacing and proration unit is hereby approved:

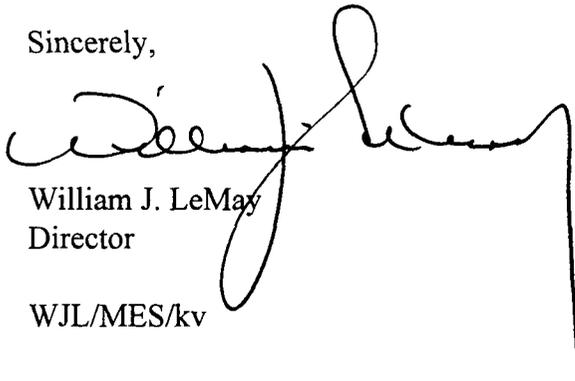
LEA COUNTY, NEW MEXICO

TOWNSHIP 21 SOUTH, RANGE 36 EAST, NMPM

Section 26: NE/4, W/2 NW/4, SE/4 NW/4, SW/4, W/2 SE/4, and SE/4 SE/4

Authorization for the remaining New Mexico "G" State Well Nos. 2, 10, and 11, as unorthodox gas well location in the Eumont Gas Pool approved by said Order NSP-1701(SD)(L), are hereby continued under the provisions of this order; however, all other provisions of said order shall be placed in abeyance until further notice. Also, Exxon is hereby permitted to produce the allowable assigned the subject 560-acre GPU, in accordance with Rule 5 of said special pool rules based upon a unit size of 560 acres, from all three wells in any proportion.

Sincerely,



William J. LeMay  
Director

WJL/MES/kv

cc: Oil Conservation Division - Hobbs  
New Mexico State Land Office - Santa Fe  
File: NSP-1592  
NSP-1593  
NSP-1593-A(SD)  
NSP-1691(SD)(L)  
NSP-1701(SD)(L)