



STATE OF NEW MEXICO
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

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

February 12, 1997

Jack Huff
Oil & Gas Producer
P.O. Box 50190
Midland, Texas 79710-0190
Attention: Chris Huff

Administrative Order SD-96-15

Dear Mr. Huff:

Per your application dated February 5, 1997, the simultaneous dedication of Eumont Gas Pool production to the previously approved non-standard 160-acre gas spacing and proration unit ("GPU") comprising the NW/4 of Section 36, Township 19 South, Range 36 East, NMPM, Lea County, New Mexico (see Division Administrative Order NSP-1647, dated May 7, 1992), from the existing Shell State "B" Well No.1 (API No. 30-025-31593), located at a standard gas well location 990 feet from the North line and 1980 feet from the West line (Unit C) of said Section 36 and to the proposed Shell State "B" Well No. 2 to be drilled at a standard gas well location 660 feet from the North line and 810 feet from the West line (Unit D) of said Section 36, is hereby approved.

Further, Jack Huff is permitted to produce the allowable assigned said non-standard 640-acre GPU from both wells in any proportion.

Sincerely,

A handwritten signature in black ink, appearing to read "William J. LeMay". The signature is written over a large, stylized flourish that extends downwards and to the right.

William J. LeMay
Director

WJL/MES/kv

cc: Oil Conservation Division - Hobbs
U. S. Bureau of Land Management - Carlsbad
File: NSP-1647



OWENS PETROLEUM, INC.

P.O. BOX 2911
MIDLAND, TEXAS 79702
915/683-4627

APR 23 1992



CERTIFIED MAIL
RETURN RECEIPT REQUESTED

April 15, 1992

TO: ALL OFFSET OPERATORS

RE: Application for non-standard proration unit:
Owens Petroleum, Inc., Shell State "B" No. 1,
NW/4 (Unit C) of Section 36, T-19-S, R-36-E, NMPM,
Eumont Gas Pool, Lea County, New Mexico.

NSP-1647

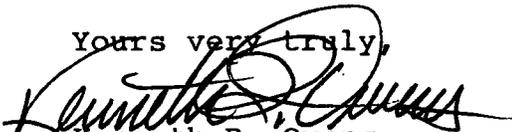
Ladies & Gentlemen:

Formal notice is hereby given of the referenced application, and of our intent to drill and complete the referenced well at a standard location at least 660 feet from the two nearest boundary lines of the proposed proration unit.

If this non-standard proration unit meets with your approval, please sign in the space provided and return a copy of this letter to my attention.

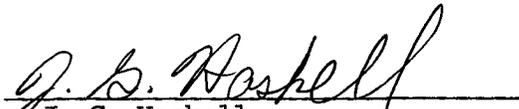
Thank you for your time and consideration. If you have any questions, please call or contact me at FAX (915) 683-1715.

Yours very truly,


Kenneth R. Owens

AGREED TO and ACCEPTED this the 4 day of MAY, 1992.

BY:


J. G. Haskell

Al Bowling
4214



OIL CONSERVATION
RECEIVED
'92 MAY 11 AM 9 11
OWENS PETROLEUM, INC.
P.O. BOX 2911
MIDLAND, TEXAS 79702
915/683-4627

Fold at line over top of envelope to the right of the return address
CERTIFIED
P 045 806 689
MAIL

NSP
1647

RECEIVED
APR 25 1992
AWB

RECEIVED
APR 25 1992
LAND DEPT.
Midland, TX

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

April 15, 1992

TO: ALL OFFSET OPERATORS

RE: Application for non-standard proration unit:
Owens Petroleum, Inc., Shell State "B" No. 1,
NW/4 (Unit C) of Section 36, T-19-S, R-36-E, NMPM,
Eumont Gas Pool, Lea County, New Mexico.

Ladies & Gentlemen:

Formal notice is hereby given of the referenced application, and of our intent to drill and complete the referenced well at a standard location at least 660 feet from the two nearest boundary lines of the proposed proration unit.

If this non-standard proration unit meets with your approval, please sign in the space provided and return a copy of this letter to my attention.

Thank you for your time and consideration. If you have any questions, please call or contact me at FAX (915) 683-1715.

Yours very truly,

Kenneth R. Owens

AGREED TO and ACCEPTED this the 4th day of May, 1992.

BY: J. J. Godbold
Chevron U.S.A. Producing Co.