



Midland Division OIL CONSERVATION DIVISION
Exploration Production RECEIVED

Conoco Inc.
10 Desta Drive, Suite 100W
Midland, TX 79705-4500
(915) 686-5400

'92 DEC 28 AM 10 08

December 23, 1992

State of New Mexico
Oil Conservation Division
P.O. Box 2088
Santa Fe, NM 87504-2088

Gentlemen:

**Application for 320-Acre Non-Standard Proration Unit
Dedicated to State D Wells Nos. 14 and 17**

As shown by EXHIBIT A the State D No. 14 is currently dedicated to a 160-acre non-standard proration unit established by Administrative Order NSP-1113. Well No. 17 is an approved non-standard location (NSL-2282) and is dedicated to a 160-acre non-standard proration unit established by Administrative Order NSP-1112.

Current producing rates (August, 1992 average) for these two flowing gas wells, completed in the Eumont Gas Pool, and their allowables are:

<u>Well No.</u>	<u>Daily Rate</u>	<u>Daily Allowable</u> <i>Pursuant to R-8170-5</i>
State D No. 14	472 MCFGPD	600 MCFGPD
State D No. 17	748 MCFGPD	600 MCFGPD
-----	-----	-----
2 Well Total	1,220 MCFGPD	1,200 MCFGPD

While Well No. 14 is incapable of producing its allowable, No. 17 is regularly curtailed because of over-production. The combined producing rates for these two wells of 1,220 MCFGPD almost exactly matches the combined allowable for the entire 320 acres.

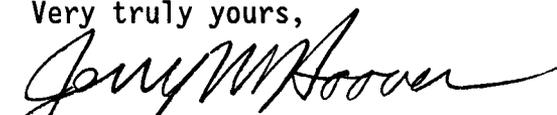
In order to more efficiently produce the gas from the East half of Section 15, Conoco proposes that the two current 160-acre non-standard proration units be set aside and a new 320-acre non-standard proration unit be established for dedication to both wells as shown by EXHIBIT B.

EXHIBITS C and D are copies of the Well Location and Acreage Dedication Plats (C-102's) for each well. EXHIBIT E is the NSP order for Well No. 14 and EXHIBIT F is the NSL order for Well No. 17. The NSP order for Well No. 17 is referenced at the bottom of EXHIBIT F.

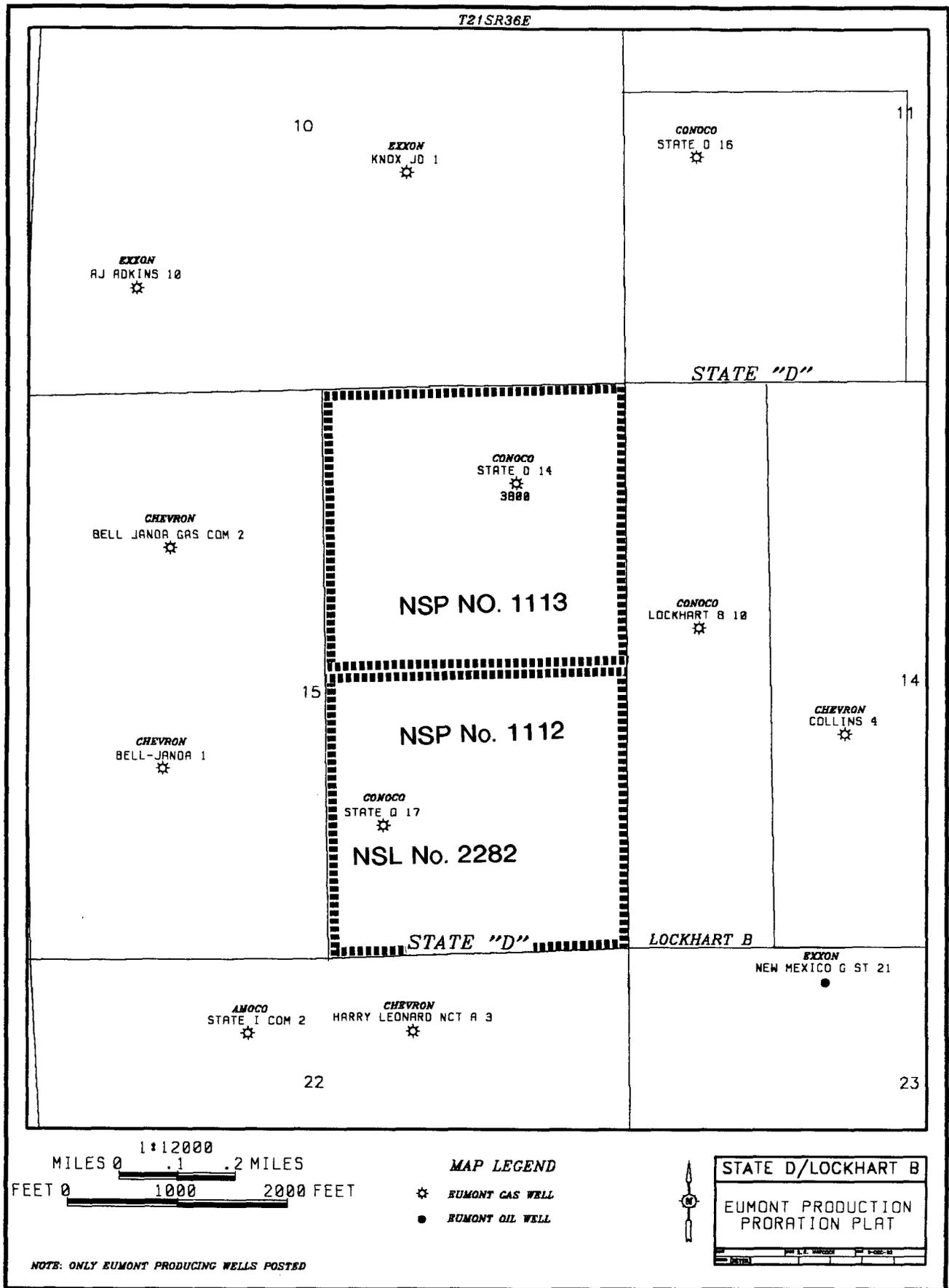
EXHIBIT G is a list of all offset operators to this proposed proration unit and copies of the certified mail receipts. Each of these offset operators has been notified of this application by certified mail.

If there are any further questions concerning this application please contact me at (915) 686-6548. Thank you for your prompt consideration of this application.

Very truly yours,

A handwritten signature in black ink, appearing to read "Jerry W. Hoover". The signature is fluid and cursive, with a large initial "J" and "H".

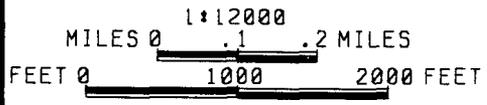
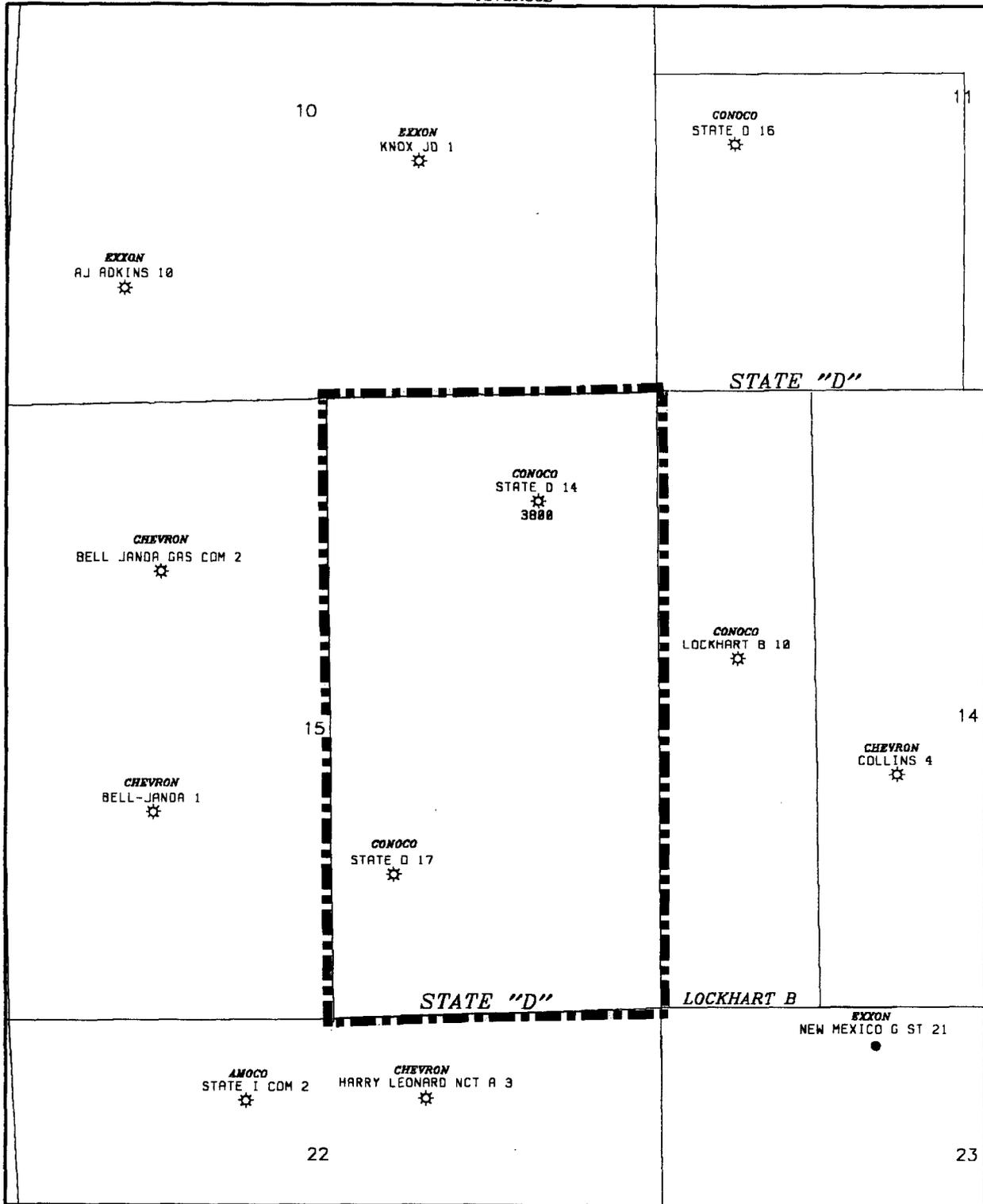
Jerry W. Hoover
Senior Conservation Coordinator



Current 160-Acre Proration Units

EXHIBIT A

T21SR36E



MAP LEGEND
 * EUMONT GAS WELL
 ● EUMONT OIL WELL

STATE D/LOCKHART B
 EUMONT PRODUCTION PRORATION PLAT

NOTE: ONLY EUMONT PRODUCING WELLS POSTED

Proposed 320-Acre Proration Unit

EXHIBIT B

NEW MEXICO OIL CONSERVATION COMMISSION
WELL LOCATION AND ACREAGE DEDICATION PLAT

Form C-102
Supersedes C-128
Effective 1-1-65

All distances must be from the outer boundaries of the Section.

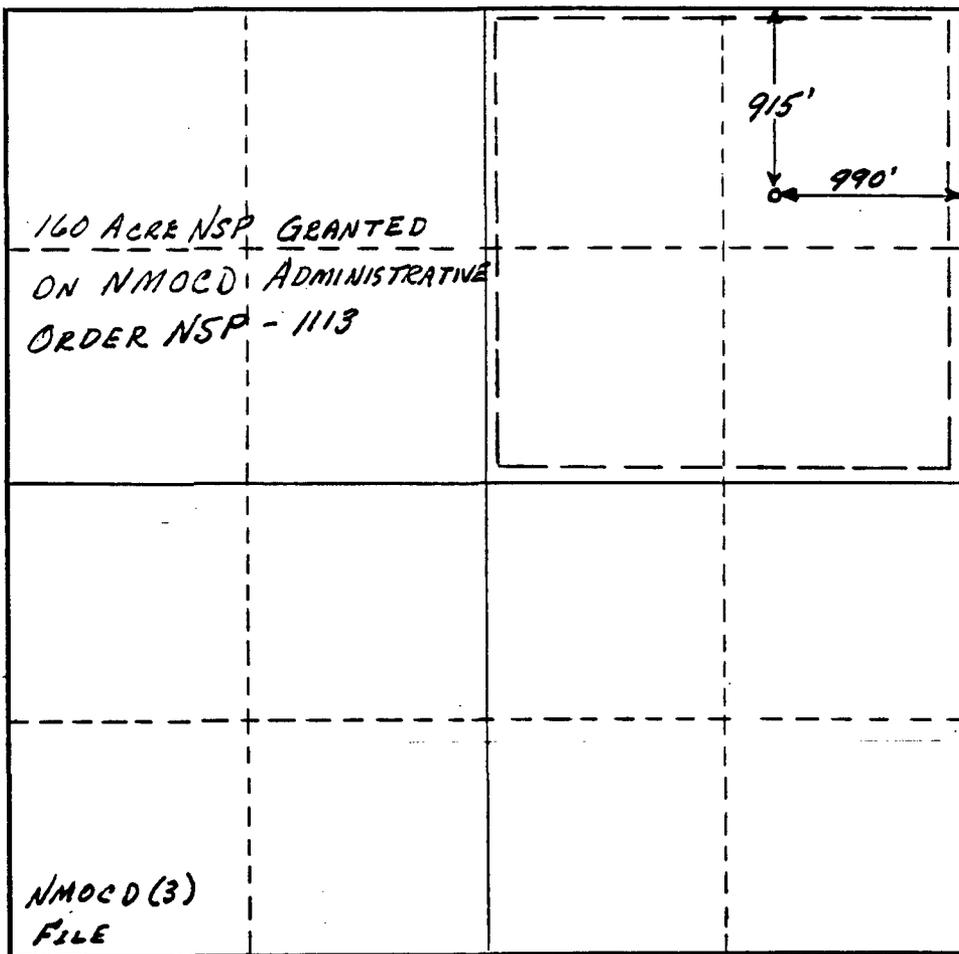
Operator CONTINENTAL OIL COMPANY			Lease STATE D			Well No. 14		
Unit Letter A	Section 15	Township 21 S	Range 36 E	County LEA				
Actual Footage Location of Well: 915 feet from the NORTH line and 990 feet from the EAST line								
Ground Level Elev. 3571'	Producing Formation QUEEN		Pool EUMONT YATES TRRS. QN.			Dedicated Acreage: 160 Acres		

1. Outline the acreage dedicated to the subject well by colored pencil or hachure marks on the plat below.
2. If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).
3. If more than one lease of different ownership is dedicated to the well, have the interests of all owners been consolidated by communitization, unitization, force-pooling, etc?

Yes No If answer is "yes," type of consolidation _____

If answer is "no," list the owners and tract descriptions which have actually been consolidated. (Use reverse side of this form if necessary.) _____

No allowable will be assigned to the well until all interests have been consolidated (by communitization, unitization, forced-pooling, or otherwise) or until a non-standard unit, eliminating such interests, has been approved by the Commission.



CERTIFICATION

I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.

Name
Ben A. Lee

Position
ADM. SUPR.

Company
CONTINENTAL OIL CO.

Date
11-7-78

I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my knowledge and belief.

Date Surveyed

Registered Professional Engineer and/or Land Surveyor

Certificate No.

NE MEXICO OIL CONSERVATION COMMISSION
WELL LOCATION AND ACREAGE DEDICATION PLAT

Form C-122
Supersedes C-128
Effective 11-65

All distances must be from the outer boundaries of the Section

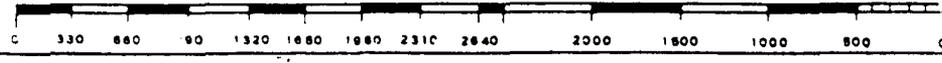
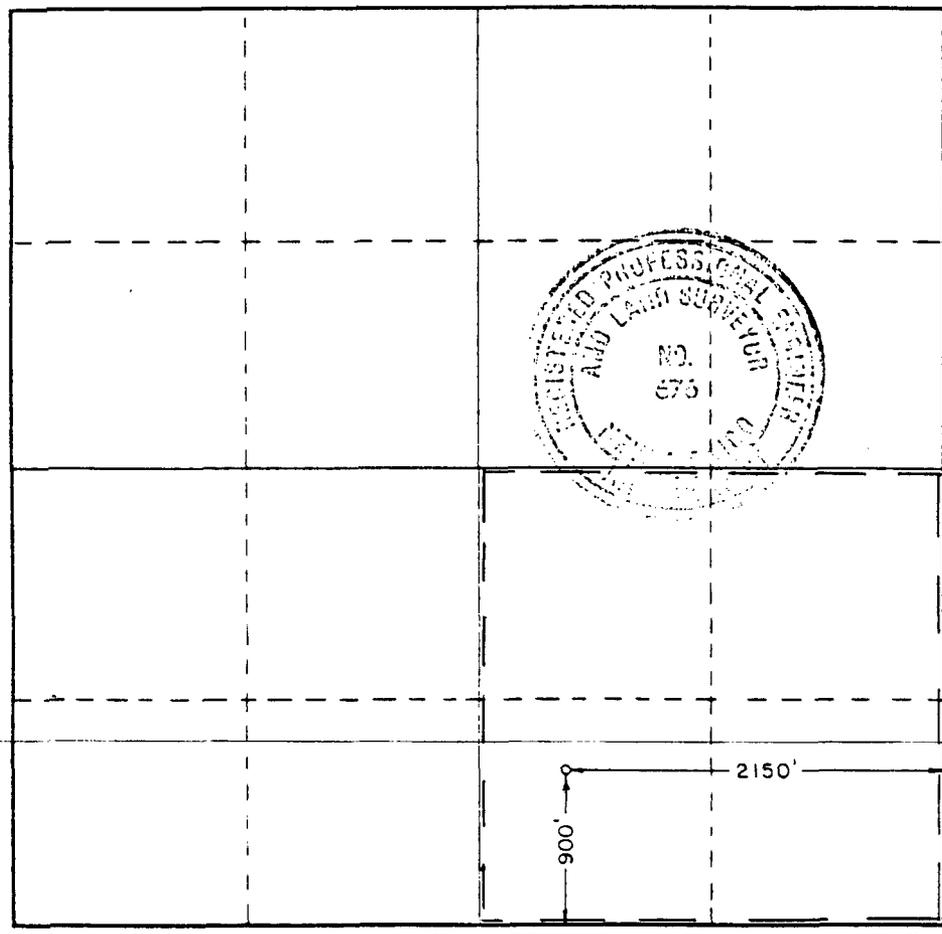
Lessor Conoco, Inc.		Lease State D		Well No. 17	
Tract Letter 0	Section 15	Township 21 South	Range 36 East	County Lea	
Approximate Location of Well: 900 feet from the south line and 2150 feet from the east line					
Ground Level Elev. 3580.3	Producing Formation Eumont	Pool Eumont Queen Gas		Dedicated Acreage: 160 Acres	

- Outline the acreage dedicated to the subject well by colored pencil or hachure marks on the plat below.
- If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).
- If more than one lease of different ownership is dedicated to the well, have the interests of all owners been consolidated by communitization, unitization, force-pooling, etc?

Yes No If answer is "yes," type of consolidation _____

If answer is "no," list the owners and tract descriptions which have actually been consolidated. (Use reverse side of this form if necessary.) _____

No allowable will be assigned to the well until all interests have been consolidated (by communitization, unitization, forced-pooling, or otherwise) or until a non-standard unit, eliminating such interests, has been approved by the Commission.



CERTIFICATION

I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.

Name: John West
 Position: Administrative Supervisor
 Company: CONOCO Inc.
 Date: 7-28-86

I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my knowledge and belief.

Date Surveyed: July 24, 1986
 Registered Professional Engineer and/or Land Surveyor: John West
 Certificate No. JOHN W. WEST, 676
RONALD J. EIDSON, 3239



STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
 OIL CONSERVATION DIVISION

October 31, 1978

JERRY APODACA
 GOVERNOR

NICK FRANKLIN
 SECRETARY

NOV 6 1978

Div. Manager	
Asst. Div. Manager	
Div. Engr.	
Cons'v. Coord.	LJA
Sup. Prod. Eng.	
Sp. Resv. Eng.	
Prod. Cupt.	
Admin. Csupv.	WLB - B
Spec. Insp.	
Training Coord.	
Off. Mgr.	

PEB ✓
 copy to LRB 10-6-78

POST OFFICE BOX 2088
 STATE LAND OFFICE BUILDING
 SANTA FE, NEW MEXICO 87501
 (505) 827-2434

Continental Oil Company
 P. O. Box 460
 Hobbs, New Mexico 88240

Attention: L. P. Thompson

Administrative Order NSP-1113

Gentlemen:

Reference is made to your application for approval of a 160-acre non-standard gas proration unit consisting of the following acreage in the Eumont Gas Pool:

LEA COUNTY, NEW MEXICO
TOWNSHIP 21 SOUTH, RANGE 36 EAST, NMPM
 Section 15: NE/4

It is my understanding that this unit is to be dedicated to your State "D" Well No. 14 located 915 feet from the North line and 990 feet from the East line of said Section 15.

By authority granted me under the provisions of Rule 5(c)3 of Order No. R-1670, you are hereby authorized to operate the above-described acreage as a non-standard unit.

The 320-acre non-standard gas proration unit consisting of the E/2 of Section 15, Township 21 South, Range 36 East, established by Order No. R-1100, is hereby placed in abeyance.

Very truly yours,

 JOE D. RAMEY,
 Director

JDR/RLS/dr

cc: Oil Conservation Division - Hobbs
 Oil & Gas Engineering Committee - Hobbs
 Central Leasing - State Land Office - Santa Fe

EXHIBIT E



TONY ANAYA
GOVERNOR

STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
OIL CONSERVATION DIVISION

August 21, 1986

50 YEARS



1935 - 1985

POST OFFICE BOX 2088
STATE LAND OFFICE BUILDING
SANTA FE, NEW MEXICO 87501
(505) 827-5800

Conoco Inc.
P. O. Box 460
Hobbs, New Mexico 88240

Attention: Donald W. Johnson

Administrative Order NSL-2282

Gentlemen:

Reference is made to your application for a non-standard location for your State D No. 17 well to be located 900 feet from the South line and 2150 feet from the East line of Section 15, Township 21 South, Range 36 East, NMPM, Eumont Gas Pool, Lea County, New Mexico. The SE/4 of said Section 15 shall be dedicated to the well.

By authority granted me under the provisions of Rule 104 F(I), the above-described unorthodox location is hereby approved.

Sincerely,

R. L. STAMETS, DIRECTOR

RLS/DC/dr

cc: Oil Conservation Division - Hobbs
Oil & Gas Division - State Land Office - Santa Fe

REMARKS: The 160-acre non-standard proration unit was previously approved by the Division by Order No. NSP-1112.

EUK

RECEIVED HOBBS DIVISION		AUG 27 '86	
	Noted	Hand	
Div. Mgr.			
Div. Opns. Mgr.			
Div. Adm. Mgr.			
Div. Eng. Mgr.			
Div. Drilg. Supt.			
Prod. Supt. - HVED			
Prod. Supt. - EJJ			
Consv. Coord.			
Coord. Ing.			
Adm. Supv. - Fin.			
Adm. Supv. - O & NG			<i>TV</i>
Supv. Syst. Anal.			
Prod. Engr.			
Supv. Prod. Engr.			
Supv. Prod. Engr.			
Supv. Prod. Engr.			

EXHIBIT F

OFFSET OPERATORS TO PROPOSED 320-ACRE PRORATION UNIT

Amoco Production Company
P.O. Box 3092
Houston, TX 77253

Chevron USA Inc.
P.O. Box 1150
Midland, TX 79702

Exxon Company USA
P.O. Box 2180
Houston, TX 77252-2180

P 583 520 465

RECEIPT FOR CERTIFIED MAIL

NO INSURANCE COVERAGE PROVIDED
NOT FOR INTERNATIONAL MAIL
(See Reverse)

U.S.G.P.O. 1989-234-555

PS Form 3800, June 1985

Sent to Chevron USA Inc.	
Street and No. P.O. Box 1150	
P.O. State and ZIP Code Midland, TX 79702	
Postage	\$
Certified Fee XX	
Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt showing to whom and Date Delivered	
Return Receipt showing to whom, Date, and Address of Delivery	
TOTAL Postage and Fees	\$
Postmark or Date 12-24-92	

Fold at line over top of envelope to the right of the return address.

CERTIFIED

P 583 520 465

MAIL

P 583 520 463

RECEIPT FOR CERTIFIED MAIL

NO INSURANCE COVERAGE PROVIDED
NOT FOR INTERNATIONAL MAIL
(See Reverse)

U.S.G.P.O. 1989-234-555

PS Form 3800, June 1985

Sent to Amoco Prod. Co.	
Street and No. P.O. Box 3092	
P.O. State and ZIP Code Houston, TX 77253	
Postage	\$
Certified Fee XX	
Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt showing to whom and Date Delivered	
Return Receipt showing to whom, Date, and Address of Delivery	
TOTAL Postage and Fees	\$
Postmark or Date 12-24-92	

Fold at line over top of envelope to the right of the return address.

CERTIFIED

P 583 520 463

MAIL

PS Form 3800, June 1985

U.S.G.P.O. 1989-234-555

Sent to	Exxon Company USA
Street and No.	P.O. Box 1150
P.O. State and ZIP Code	Houston, TX 77252
Postage	\$
Certified Fee	XX
Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt showing to whom and Date Delivered	
Return Receipt showing to whom, Date, and Address of Delivery	
TOTAL Postage and Fees	\$
Postmark or Date	12-24-92

Fold at line over top of envelope to the right of the return address.

CERTIFIED

P 583 520 466

MAIL

P 583 520 466

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