

STATE OF NEW MEXICO

ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION



BRUCE KING
GOVERNOR

ANITA LOCKWOOD
CABINET SECRETARY

February 14, 1994

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

ARCO Oil and Gas Company
Attention: David K. Newell
P.O. Box 1610
Midland, TX 79702

Administrative Order NSP-1685(SD)(L)

Reference is made to your application dated January 18, 1994, for the creation of a 320-acre non-standard gas spacing and proration (GPU) in the Eumont Gas Pool comprising the E/2 of Section 9, Township 21 South, Range 36 East, NMPM, Lea County, New Mexico, by combining the following two existing 160-acre non-standard gas spacing and proration units:

- the NE/4 is currently dedicated to the Ernest C. Adkins Well No. 5 (API No. 30-025-04582) located 1650 feet from the North line and 990 feet from the East line (Unit H) of said Section 9; and,
- the SE/4 is dedicated to the Ernest C. Adkins Well No. 9 (API No. 30-025-04586) located 730 feet from the South line and 1910 feet from the East line (Unit O) of said Section 9.

Both 160-acre units were authorized by Division Order No. R-520, dated August 12, 1954.

With the combining of these two 160-acre units, the location of the existing Well No. 9 becomes unorthodox pursuant to Rule 2(b) of the Special Rules and Regulations for the Eumont Gas Pool, as promulgated by Division Order No. R-8170, as amended.

It is also our understanding that a third well is planned for this 320-acre GPU, the Ernest C. Adkins Well No. 12 to be drilled at a standard gas well location 2160 feet from the South line and 1650 feet from the East line (Unit J) of said Section 9.

By the authority granted me under the provisions of Rules 2(a)4 and 2(c) of said Special Eumont Pool Rules, the above-described 320-acre GPU and resulting non-standard gas well location are hereby approved. Further, ARCO is permitted to produce the allowable assigned said 320-acre GPU from all three wells in any proportion.

Sincerely,

A handwritten signature in black ink, appearing to read "William J. LeMay".

William J. LeMay
Director

WJL/MES/amg

cc: Oil Conservation Division - Hobbs