



STATE OF NEW MEXICO
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

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

September 25, 1995

Mewbourne Oil Company
500 West Texas - Suite 1020
Midland, Texas 79701

Attn: Steve Cobb

Amoco Production Company
Permian Basin Business Unit
P. O. Box 4891
Houston, Texas 77210

Attn: Jerry D. West

Division Administrative Order NSP-1742(L)(SD)

Dear Messrs. Cobb and West

Reference is made to Mewbourne Oil Company ("Mewbourne") application dated June 27, 1995 and the application dated September 1, 1995 from Amoco Production Company ("Amoco"), to divide the existing 320-acre non-standard gas spacing and proration unit ("GPU") in the Eumont Gas Pool currently operated by Amoco and comprising the E/2 of Section 21, Township 20 South, Range 37 East, N.M.P.M., Lea County, New Mexico, into two separate 160-acre gas spacing and proration units.

Said 320-acre GPU was authorized by Division Order R-835, dated July 9, 1956, and is currently simultaneously dedicated to the (1) Gillully "B" Federal R/A "A" Well No. 6-Y (API No. 30-025-06201), located 390 feet from the North line and 660 feet from the East line (Unit A) of said Section 21, (2) the Gillully "B" Federal R/A "A" Well No. 17 (API No. 30-025-25864), located at a previously approved unorthodox gas well location for the subject 320-acre GPU (see Division Administrative Order NSL-3110(SD), dated April 20, 1992) 660 feet from the North line and 1650 feet from the East line (Unit B) of said Section 21, and (3) the Gillully "B" Federal R/A "A" Well No. 20 (API No. 30-025-25937), located at a standard gas well location 1930 feet from the North line and 760 feet from the East line (Unit H) of said Section 21.

It is our understanding at this time that:

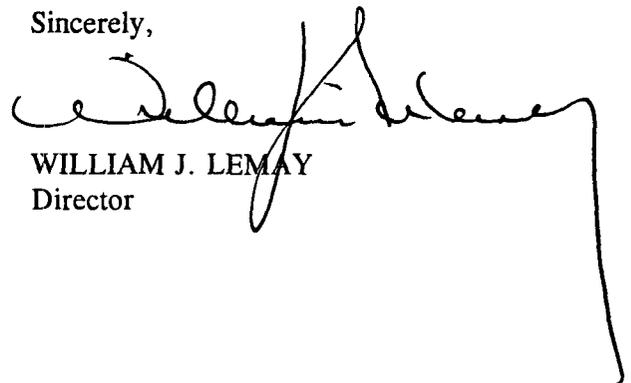
- (1) the acreage dedication for the three aforementioned Amoco Gillully "B" Federal R/A "A" lease wells will be changed to a non-standard **160-acre** GPU comprising the **NE/4** of said Section 21; and,
- (2) the remaining **160 acres** comprising the **SE/4** of said Section 21 is to be dedicated to Mewbourne's proposed Eumont "21" Federal Well No. 1 to be drilled at a standard gas well location 660 feet from the South line and 1880 feet from the East line (Unit O) of said Section 21.

The operator of each of the above-described units shall file, within 20-days from the date of this order a new OCD Form C-102 for each well with the Division reflecting the above-described acreage changes.

By the authority granted me under the provisions of **Rule 2(a)4** 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 two above-described non-standard gas spacing and proration units in the E/2 of said Section 21 are hereby approved with allowables to be assigned thereto in accordance with **Rule 5** of said pool rules based upon its respective unit size. Further, the resulting unorthodox gas well location for Amoco's Gillully "B" Federal R/A "A" Well No. 6-Y is hereby approved under authority of **Rule 2(c)** of said Special Eumont Pool Rules, the remaining wells are all considered to be standard pursuant to special **Rule 2(b)4**.

At this time both Division Administrative Order NSL-3110(SD) and Order No. R-835 are hereby placed in abeyance until further notice.

Sincerely,



WILLIAM J. LEMAY
Director

WJL/MES/kv

cc: Oil Conservation Division - Hobbs
U. S. Bureau of Land Management - Carlsbad
File: NSL-3110(SD)



OIL CONSERVATION DIVISION
RECEIVED

SEP 5 1995 8 52

**Amoco Exploration and Production
U.S.A. Operations Group**

Permian Basin Business Unit

501 WestLake Park Boulevard
Post Office Box 4891
Houston, Texas 77210

September 1, 1995

Mr. William J. LeMay, Director
New Mexico Oil Conservation Division
2040 South Pacheco
Santa Fe, New Mexico 87504

Re: Administrative Application for a 160-acre non-standard gas
spacing and proration unit ("GPU") in the SE/4 of Section 21
Township 20 South, Range 37 East, NMPM, Eumont Gas Pool
Lea County, New Mexico

Gentlemen:

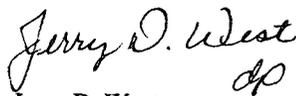
Amoco Production Company respectfully requests administrative approval for the creation of a non-standard 160-acre Eumont Gas Proration Unit for the Gillully /B/ Federal R/A "A" Well Nos. 6-Y, 17, and 2 located in the NE/4 of Section 21-20S-37E, Lea County, New Mexico.

A 320 acre non-standard gas proration unit was approved for these wells under Administrative Order NSL-3110(SD), April 20, 1992. Due to the marginal status of these wells a 160 acre proration unit is sufficient for allowable purposes. The remaining 160 acres (SE/4) has been farmed out to Mewbourne Oil Company, which will result in an additional well being drilled. Additional reserves should be the result of this drilling. Addition reserves should be the result of this drilling.

A copy of this administrative application is being provided to our offset operators via certified mail. Attached is a map illustrating the proration unit acreage. Also attached is a copy of the letter to our offset operators.

If you have any questions, please contact Jerry West at (713) 366-3588.

Yours very truly,


Jerry D. West

JDW/DMP

Attachments

cc w/attachments: Mewbourne Oil Company
500 West Texas - Suite 1020
Midland, Texas 79701
Attn: Steve Cobb

Offset Operators, per attachment

80/28/95 15156

Z 315 685 4178

MOC MIDLAND

05

NORTH BURNING
JANUARIA 18 55

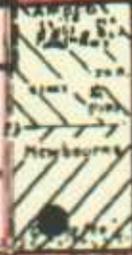
UNIT USA 176-1124

MONUMENT

UNICE MONUMENT
GREENHILL
PET. (OPER)

ELIMINT

ELIMINT
LYNX PET. CONS
(OPER)



37E

30

37

36

37

24

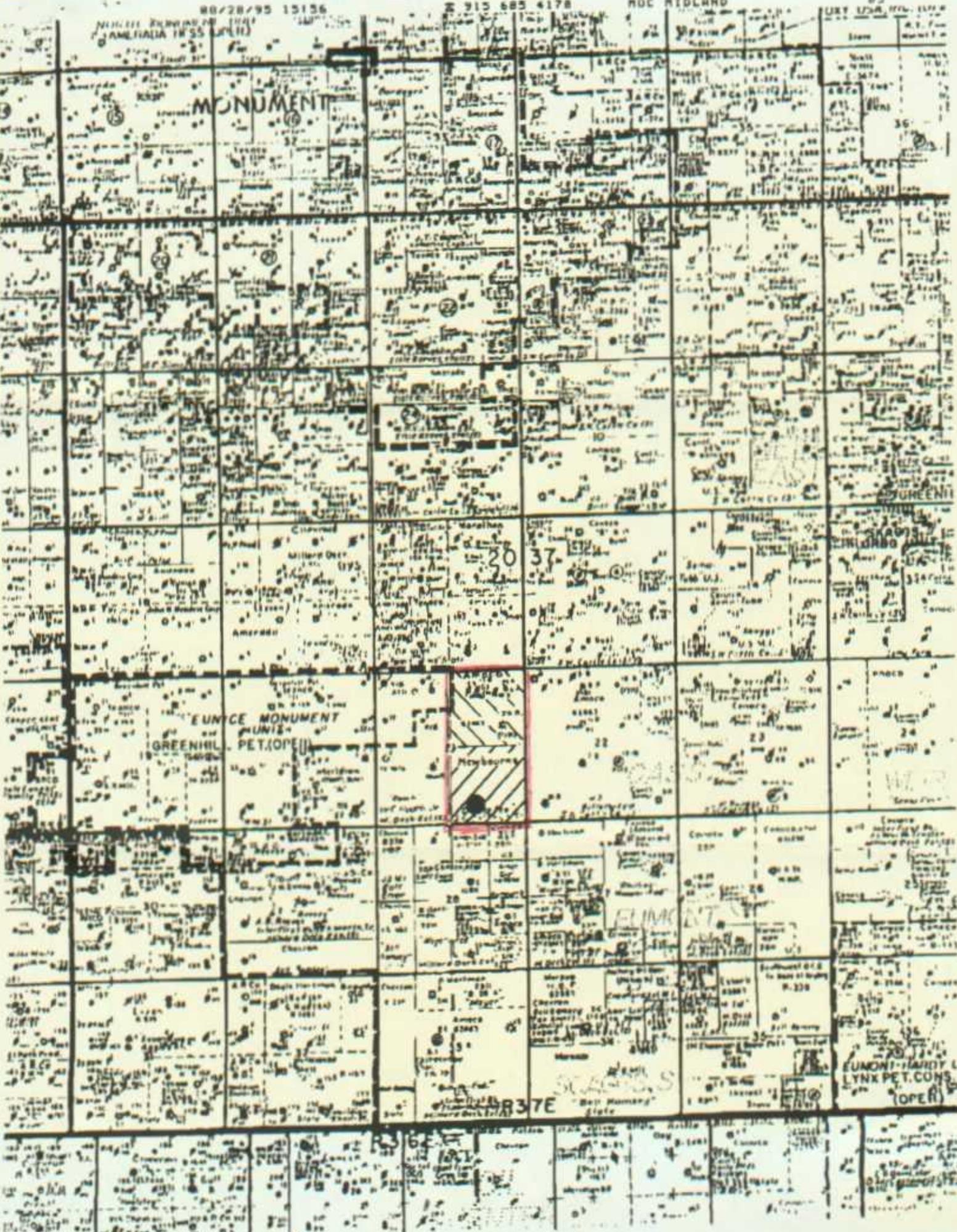
26

28

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**Amoco Exploration and Production
U.S.A. Operations Group**

Permian Basin Business Unit

501 WestLake Park Boulevard
Post Office Box 4891
Houston, Texas 77210

September 1, 1995

Certified Mail - Return Receipt Requested

Re: Administrative Application for a 160-acre non-standard gas spacing and proration unit ("GPU") in the SE/4 of Section 21 Township 20 South, Range 37 East, NMPM, Eumont Gas Pool
Lea County, New Mexico

OFFSET OPERATORS

Gillully /B/ Federal R/A "A" Wells No. 6Y, 17 and 2
(Mailing List Attached)

Gentlemen:

Attached is a copy of an administrative application for New Mexico Oil Conservation Division approval for the creation of a 160 acre non-standard Eumont Gas Proration Unit for the Gillully /B/ Federal R/A "A" Wells No. 6Y, 17 and 2 located in the NE/4 of Section 21-20S-37E, Lea County, New Mexico.

A 320 acre non-standard gas proration unit was approved for these wells under Administrative Order NSL-3110(SD) April 2, 1992. Due to the marginal status of these wells a 160 acre proration unit is sufficient for allowable purposes. The remaining 160 acres (SE/4) has been farmed out to Mewbourne Oil Company, which will result in an additional well being drilled.

If you have any questions regarding this application, please contact Jerry West (713) 366-3588.

Yours very truly,

Jerry D. West

cc: Mewbourne Oil Company
500 West Texas - Suite 1020
Midland, Texas 79701
Attn: Steve Cobb
(with attachments)

Amoco Production Company

Administrative Application for
a 160-acre non-standard gas spacing and proration unit ("GPU")
in the SE/4 of Section 21, Township 20 South, Range 37 East, NMPM,
Eumont Gas Pool
Lea County, New Mexico

Offset Operators

Chevron USA Inc.
P.O. Box 1150
Midland, TX 79702
Attn: L.V. Trautman

Amerada Hess Corporation
P.O. Box 2040
Houston, TX 77252-2040
Attn: Peter Bacon

Doyle Hartman
P.O. Box 10426
Midland, TX 79702-7426

Conoco, Inc.
10 Desta Drive
Midland, TX 79705
Attn: Mike Johnson

John Hendrix Corporation
P.O. Box 3040
Midland, TX 797902
Attn: Ronnie Westbrook

Meridian Oil Inc.
3300 North "A", Building 6
Midland, TX 79705
Attn: Dennis Sledge

Texaco Expl. & Prod. Inc.
P.O. Box 3109
Midland, TX 79702
Attn: Ron Lanning

R.B. Honeyman
P.O. Box 755
Hobbs, NM 88241
Attn: Laren Holler

ARCO Permian
P.O. Box 1610
Midland, TX 79702
Attn: John E. Lodge

Marathon Oil Company
P. O. Box 552
Midland, TX 79702-0552
Attn: J.F. Rusnak

Mobil Expl.& Prod. USA Inc.
P. O. Box 633
Midland, TX 79702
Attn: Mark Haralson

ORYX Energy
P.O. Box 2880
Dallas, TX 85221-2880
Attn: Glynn Broussard

Zachary Oil Operating Co.
307 West 7th Street, Suite 1212
Fort Worth, TX 76102-5178
Attn: Mr. Rios

Re: Administrative Application for a 160-acre non-standard gas spacing and proration unit ("GPU") in the SE/4 of Section 21 Township 20 South, Range 37 East, NMPM, Eumont Gas Pool, Lea County, New Mexico

Mr. William J. LeMay, Director
New Mexico Oil Conservation Division
2040 South Pacheco
Santa Fe, New Mexico 87504

As an offset operator, the undersigned has no objection to Amoco Production Company's application for a 160 acre non-standard gas spacing and proration unit ("GPU") in the SE/4 of Section 21, Township 20 South, Range 37 East, NMPM, Eumont Gas Pool, Lea County, New Mexico.

Approved By: _____

Representing: _____

Date: _____

OIL CONSERVATION DIVISION
GAS PRORATION SCHEDULE - SOUTHEAST FOR APR95 THRU SEP95

POOL/OPERATOR/PROPERTY/WELL	APINUM	WEL U	SE TWN	RAN STA	TRANS	ACRG	ACRG FACT	AVG MTR SALES OCT94-DEC94	OVER PROD LIMIT JAN 95	OVER/UNDER PRODUCTION DEC 94	OLD OVER PROD	MONTHLY ALLOWABLE
076480 EUMONT-YATES-7 RYRS-QUEEN (PRO GAS)												
000495 AMERADA HESS CORP												
000224	H A WEIR	GAS COM										
25-04119	004 F		35	19S	36E M	9171	280.00	1.75	34,666			34,666
	OTHER TRANSPORTER					16120						
25-04069	007 O		26	19S	36E M	495	160.00	1.00	6,539			6,539
	OTHER TRANSPORTER					9171						
	OTHER TRANSPORTER					16120						
000087 M P BYRD GAS COM												
25-04240	001 F		12	20S	36E M	9171	320.00	2.00	9,416			9,416
	OTHER TRANSPORTER					16120						
25-32346	002 O		12	20S	36E M	24650	320.00	2.00	33,332			33,332
	OTHER TRANSPORTER					9171						
000227 WILLIAMS												
25-05808	005 I		33	19S	37E M	7057	640.00	4.00	0			0
	OTHER TRANSPORTER					7,278.25	45.49		462,964			462,964
---OPERATOR TOTALS---												
000778 AMOCO PRODUCTION CO												
000599 GILLULLY B FEDERAL RA A												
25-06234	004 D		22	20S	37E MMU	7354			2,729			
	OTHER TRANSPORTER					9171						
	OTHER TRANSPORTER					16120						
25-20767	011 F		22	20S	37E MMU	16120			0			
	GPU SUMMARY						240.00	1.50	2,729			2,729
25-06209	003 M		33	20S	37E MMU	7354			0			
	OTHER TRANSPORTER					9171						
	OTHER TRANSPORTER					16120						
25-24911	015 H		33	20S	37E MMU	7354			1,650			
	OTHER TRANSPORTER					9171						
	OTHER TRANSPORTER					16120						
25-26129	022 F		33	20S	37E MMU	7354			688			
	OTHER TRANSPORTER					9171						
	OTHER TRANSPORTER					16120						
	GPU SUMMARY						360.00	2.25	2,338			2,338
25-06236	007 K		22	20S	37E MMU	7354			2,395			
	OTHER TRANSPORTER					9171						
	OTHER TRANSPORTER					16120						
25-25603	016 M		22	20S	37E MMU	7354			5,707			
	OTHER TRANSPORTER					9171						
	OTHER TRANSPORTER					16120						
	GPU SUMMARY						240.00	1.50	8,102			8,102
25-06201	006 Y		21	20S	37E MMU	7354			702			
	OTHER TRANSPORTER					9171						
	OTHER TRANSPORTER					16120						
25-25937	020 H		21	20S	37E MMU	7354			5,526			
	OTHER TRANSPORTER					9171						
	GPU SUMMARY						320.00	2.00	6,228			6,228
000598 GILLULLY FED GAS COM												
25-04309	004 B		24	20S	36E MMU	7354			1,124			
	OTHER TRANSPORTER					9171						
25-04310	007 O		24	20S	36E MMU	7354			1,264			
	OTHER TRANSPORTER					9171						
	OTHER TRANSPORTER					16120						
25-25866	015 E		24	20S	36E MMU	7354			3,571			
	OTHER TRANSPORTER					9171						
25-26322	017 H		24	20S	36E MMU	7057			1,823			
	OTHER TRANSPORTER					7354						
	OTHER TRANSPORTER					9171						
	GPU SUMMARY						480.00	3.00	7,782			7,782
001109 STATE C TR 11												
25-25517	005 9		02	21S	36E MMU	7354			1,382			
	OTHER TRANSPORTER					9171						
	OTHER TRANSPORTER					16120						
25-25698	006 J		02	21S	36E MMU	7354			2,401			
	OTHER TRANSPORTER					9171						
	OTHER TRANSPORTER					16120						
25-26111	010 10		02	21S	36E MMU	7354			436			
	OTHER TRANSPORTER					9171						
	OTHER TRANSPORTER					16120						
	GPU SUMMARY						320.00	2.00	4,219			4,219
001123 STATE I COM												
25-04751	002 C		22	21S	36E M	7057	160.00	1.00	8,226			8,226
	OTHER TRANSPORTER					20809						
---OPERATOR TOTALS---												
							2,120.00	13.25	39,624			39,624
000873 APACHE CORP												
016844 STATE AF COM												
25-06656	001 C		18	21S	37E M	7057	113.40	.71	615			615
	OTHER TRANSPORTER					22345						
---OPERATOR TOTALS---												
							113.40	.71	615			615
000962 ARCH PETROLEUM INC												
014896 BERTIE WHITMIRE												
25-06011	001 G		08	20S	37E M	7440	160.00	1.00	611			611
	OTHER TRANSPORTER					16120						
	OTHER TRANSPORTER					24650						
25-06012	002 B		08	20S	37E M	16120	160.00	1.00	0			0
	OTHER TRANSPORTER					16120	320.00	2.00	611			611
---OPERATOR TOTALS---												
000990 ARCO PERMIAN												
001449 BARBER GAS COM												
25-06022	001 E		08	20S	37E MMU	7057			29,847			
	OTHER TRANSPORTER					24650						
25-05983	002 P		07	20S	37E MMU	24650			1,577			
	OTHER TRANSPORTER					24650			35,249			
25-05981	003 H		07	20S	37E MMU	24650			66,973			
	GPU SUMMARY						320.00	2.00				
001453 BYRD GAS COM												
25-04226	007 C		11	20S	36E MMU	20809			7,395			
	OTHER TRANSPORTER					24650						
25-32835	009 G		11	20S	36E MMU	0			0			
	GPU SUMMARY						320.00	4.00	7,395			7,395
25-32441	008 K		11	20S	36E M	24650	320.00	2.00	14,920			14,920
	OTHER TRANSPORTER					7057	320.00	2.00	518			518
25-04225	005 E		11	20S	36E M	24650						
	OTHER TRANSPORTER					24650						
001457 COLEMAN												
25-04669	001 C		17	21S	36E M	8503	80.00	.50	9,307			9,307
	OTHER TRANSPORTER					9171						
	OTHER TRANSPORTER					24650						
001445 ERNEST C ADKINS												
25-04582	005 H		09	21S	36E MMU	7057			8,089			
	OTHER TRANSPORTER					9171						
	OTHER TRANSPORTER					24650						
25-04586	009 O		09	21S	36E MMU	7057			5,333			
	OTHER TRANSPORTER					9171						
	OTHER TRANSPORTER					24650						
25-32834	013 B		09	21S	36E MMU	0			0			
	GPU SUMMARY						320.00	2.00	13,422			13,422
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