STATE OF NEV! MEXICO



ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION

GARREY CARRUTHERS
GOVERNOR

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

February 24, 1988

T. H. McElvain Oil and Gas Properties P.O. Box 2148 Santa Fe, NM 87504-2148

Sairta re, Mill 07504 2140

Attention: George B. Broome, Geological Engineer

Administrative Order NSP-1531

Gentlemen:

Reference is made to your application for a 40-acre non-standard oil proration unit consisting of the following acreage in the West Lindrith Gallup-Dakota Oil Pool:

RIO ARRIBA COUNTY, NEW MEXICO TOWNSHIP 25 NORTH, RANGE 3 WEST, NMPM Section 1: SE/4 NE/4

It is my understanding that this unit is to be dedicated to your FD Well No. 1 located at standard oil well location within the Buffer Zone of said pool 2840 feet from the North line and 950 feet from the East line (Unit H) of said Section 1.

By authority granted me under the provisions of Rule 3 of Division Order No. R-4314, as amended, the above non-standard proration unit is hereby approved.

Sincerely,

WILLIAM J. LEMAY, DIRECTOR

WJL/MES/ag

OIL CON: DIVI

cc: Oil Conservation Division - Aztec New Mexico Oil and Gas Engineering Committee - Hobbs

T. H. McElvain Oil & Gas Properties

T. H. McElvain, Jr., Manager 220 SHELBY STREET P. O. Box 2148

GATHERINE B. MCELVAIN

SANTA FE, NEW MEXICO 87504-2148

TELEPHONE 982-1935 AREA CODE 505

CATHERINE M. HARVEY T. H. MCELVAIN, JR.

January 21, 1988

Mr. William J. LeMay, Director New Mexico Oil Conservation Division Post Office Box 2088 Santa Fe, New Mexico 87504-2088

> Application for Non-Standard Proration Unit T. H. McElvain Oil & Gas Properties FD #1 Gallup Dakota SE/4 NE/4 Section 1-T25N-R3W NMPM Rio Arriba County, New Mexico

Dear Mr. LeMay:

Pursuant to Oil Conservation Division Order #R-8544, effective December 1, 1987, which abolished the Ojito Gallup-Dakota Pool and extended the West Lindrith Gallup-Dakota Pool, T. H. McElvain Oil & Gas Properties hereby requests approval of a 40-acre Non-Standard Oil Proration Unit consisting of the SE/4 NE/4 of Section 1, T25N, R3W, NMPM, Rio Arriba County, New Mexico, in the West Lindrith Gallup-Dakota Oil Pool to be dedicated to the FD #1 well drilled at a standard location thereon.

We believe the entire proration unit is productive of oil from the West Lindrith Gallup-Dakota Oil Pool.

A copy of this application is being sent this day by certified mail to the operators offsetting the proposed unit as shown on the enclosed plat and list.

Should you require any further information, please advise.

Very truly yours,

H. MCELVAIN OIL & GAS PROPERTIES

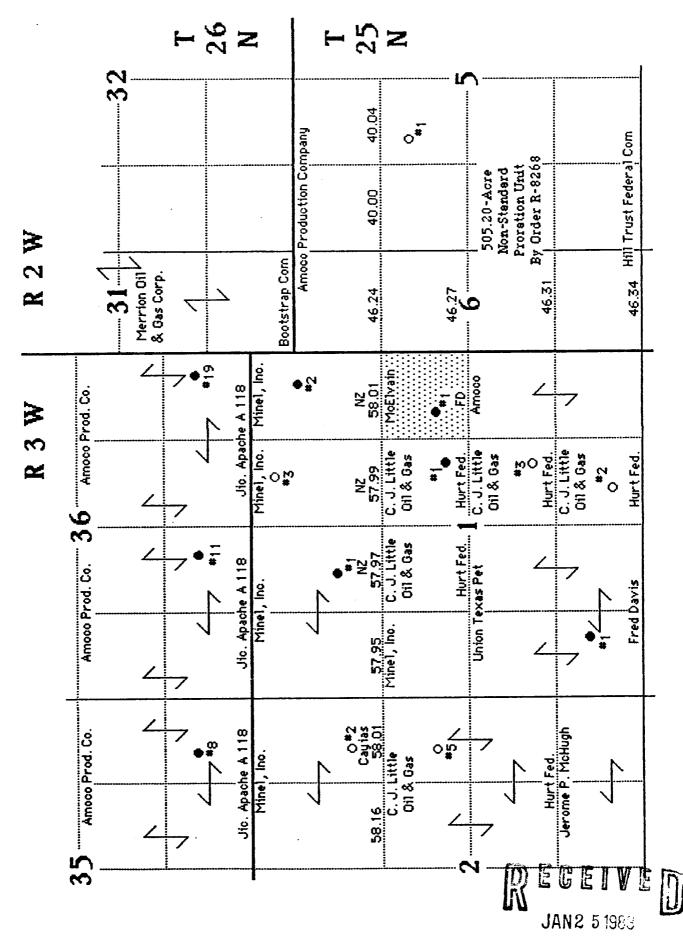
eorge B. \Broome

Geological Enginee

JAN2 5 1988

:rrw Enclosures

Oil Conservation Division, District III (2) Offset Operators (as listed in application) (1) OIL CON. DIV. XC:



OIL CON. DIV.

T. H. McElvain Oil & Gas Properties FD #1 Gallup Dakota SE/4 NE/4 Section 1-T25N-R3W NMPM Rio Arriba County, New Mexico

OFFSET OPERATORS

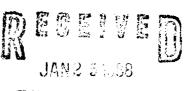
AMOCO PRODUCTION COMPANY Post Office Box 800 Denver, Colorado 80202

CURTIS J LITTLE OIL & GAS
Post Office Box 1258
Farmington, New Mexico 87499

MERRION OIL & GAS PROPERTIES
Post Office Box 840
Farmington, New Mexico 87499

MINEL, INC. 308 Washington, S.E. Albuquerque, New Mexico 87108

UNION TEXAS PETROLEUM CORPORATION 375 U.S. Highway 64 Farmington, New Mexico 87401



OIL CON. DIV.