

## STATE OF NEW MEXICO

## ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION 2040 S. PACHECO SANTA FE. NEW MÉXICO 87505 (505) 827-7191

August 8, 1995

Elm Ridge Resources, Inc. 4925 Greensville Avenue - Suite 1305 Dallas, Texas 75206-4021 Attention: Doug Endsley, Geologist

Floyd Oll Company
711 Louisiana - Suite 1740
Houston, Texas 77002
Attention: W. Gregg Atkins

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Division Administrative Order NSP-1735

Dear Messrs. Endsley and Atkins:

Reference is made to Elm Ridge Resources, Inc.'s ("Elm Ridge") application dated June 27, 1995, to divide the existing 321.61-acre standard gas spacing and proration unit ("GPU") in the Basin-Dakota Pool comprising Lots 1 and 2, the NE/4, and the E/2 NW/4 (N/2 equivalent) of Section 18, Township 24 North, Range 5 West, N.M.P.M., Rio Arriba County, New Mexico, into two 160-acre, more or less, non-standard gas spacing and proration units.

Said 321.61-acre GPU was established in 1961 for the Gulf Oil Corporation Apache Federal Well No. 14 (API No. 30-025-05514), located at a standard gas well location 990 feet from the North and West lines (Lot 1/Unit D) of said Section 18.

It is our understanding at this time that:

(1) the acreage dedication for said Apache Federal Well No. 14, now operated by Floyd Oil Company will be changed to a non-standard 161.61-acre unit comprising the Lots 1 and 2 and the E/2 NW/4 (NW/4 equivalent) of said Section 18; and,

EL PASO NATURAL GAS COMPANY ORIFICE METER STATION INSPECTION ARBA Customer/Operator/Produ Customer/Operator No. INSPECTION CK DG **METER** RUN ORIFICE STATIC RANGE DATE STATION NO. DIFF. LINE/SIZE CHT. PLATE BNC RANGE **HOT/HRS** 042 040 YR. MO. DA. 039 HR. 025 AKQ 11 12 14 18 20 0 DIFFERENTIAL EFM ZERO@ LINE STATION FLOW READINGS FOUND LEFT SAMPLE CAUGHT FOUND LEFT PRESSURE PLATE CONDITION: CLEAN? BEVEL DOWNSTREAM? GASKET ORIFICE PLATE □ NO **P**YES YES YES □ NO :: REPLACED ☐ SEAL ※ EDGES SHARP? WAS PLATE CENTERED? PLATE CENTERED BY X BOLTS DOWELLS D NO INSPECTED? ☐ YES ☐ NO . □ No METER TUBE Y2 DOWNSTREAM STATIC CONNECTION CLEANED? ☐ NO PO ☐ OFU ☐ UR, FTG. ☐ SR, FTG. IV ANSI 8000 ☐ ANSI 8000 ☐ OTHERS ☐ YES DIFFERENTIAL PRESS CALIBRATION MERCURY DRY DIFF'L PEN PREVIOUS EFM. ARC CHECKED LOW BIASE "AS FOUND" TEST VALUE LOW BIAS (TIMES-1) +HHDT READING = INST. READING STATIC ELEMENT CALIBRATION NOTE: FOR CHART RECORDERS, ADD THERMOMETER CALIBRATION AND EFM ... PSIG [] RECORDER PSIA DE PETAS FOUND STAVAS DESTRUCTION OF THE STATE IN UNITS OF: G SO AT US CURING SAME THOSE OF

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Division Administrative Order NSP-1735 Elm Ridge Resources, Inc./Floyd Oil Company August 8, 1995 Page 2

> **(2)** the remaining 160 acres comprising the NE/4 of said Section 18 is to be dedicated to a well to be drilled at standard gas well location thereon and operated by Elm Ridge Resources, Inc.

By the authority granted me under the provisions of Rule 2(d) of the "General Rules for the Prorated Gas Pools of New Mexico/Special Rules and Regulations for the Basin-Dakota Pool", as promulgated by Division Order No. R-8170-H, as amended, the two above-described non-standard gas spacing and proration units in the N/2 equivalent of said Section 18 are hereby approved with allowables to be assigned thereto in accordance with said pool rules based upon its respective unit size.

Sincerely.

WJL/MES/kv

Oil Conservation Division - Aztec cc:

U. S. Bureau of Land Management - Farmington

EL PASO NATURAL GAS COMPANY ORIFICE METER STATION INSPECTION REPAIR FM-11-0011 (Rev. 11-01)

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