OIL CONSERVATION DIVISION 2040 South Pacheco Street Santa Fe, New Mexico 87505 (505) 827-7131

February 8, 1999

Me-Tex Oil & Gas, Inc. c/o Peak Consulting Services P. O. Box 636 Hobbs, New Mexico 88241-0636 Attention: Michael L. Pierce

Administrative Order NSP-1798(L)

Dear Mr. Pierce:

Reference is made to your application on behalf of the operator, Me-Tex Oil & Gas, Inc., for a non-standard 80.78-acre gas spacing and proration unit consisting of the following acreage in the Skaggs-Abo Gas Pool:

LEA COUNTY, NEW MEXICO TOWNSHIP 20 SOUTH, RANGE 37 EAST, NMPM Section 3: W/2 NE/4.

It is our understanding that this unit is to be dedicated to the existing J. W. Cooper Well No. 5 (**API No. 30-025-34292**), located at an unorthodox gas well location 604 feet from the North line and 1978 feet from the East line (Lot 2/Unit B) of Section 3.

The application has been duly filed under the provisions of Rules 104.F and 104.D(2) of the Rules and Regulations of the New Mexico Oil Conservation Division ("Division").

By the authority granted me under the provisions of Division General Rules 104.F(2) 104.D(2)(b), the above-described unorthodox gas well location and 80.78-acre non-standard gas spacing and proration unit are hereby approved.

Sincerely,

Lori Wrotenbery

Director

LW/MES/kv

cc: New Mexico Oil Conservation Division - Hobbs