

NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

BILL RICHARDSON Governor Joanna Prukop Cabinet Secretary

September 5, 2006

Mark E. Fesmire, P.E. Director Oil Conservation Division

ConocoPhillips Company Permian Basin 4001 Penbrook Street Odessa, Texas 79762

Attention: Alva Franco Regulatory Specialist

Administrative Order NSP-1797-A (L)

Dear Mr. Franco:

Reference is made to the following: (i) your initial application (*administrative application reference No. pMES0-624457437*) dated May 11, 2006, but was not submitted to the New Mexico Oil Conservation Division ("Division") in Santa Fe, New Mexico until June 2, 2006; (ii) your addendum to this application of June 21, 2006; and (iii) the Division's records in Hobbs and Santa Fe, including the files on Division Administrative Orders NSP-4, NSP-279, NSP-1797 (L), and NSP-1902: all concerning ConocoPhillips Company's request for a non-standard 80-acre gas spacing unit comprising the following acreage in the Eumont Gas Pool (76480):

LEA COUNTY, NEW MEXICO TOWNSHIP 21 SOUTH, RANGE 36 EAST, NMPM Section 20: SE/A NW/A and NE/A SW/A

Section 30: SE/4 NW/4 and NE/4 SW/4.

This application has been duly filed under the provisions of the "Special Pool Rules for the Jalmat Gas Pool," as promulgated by Division Order No. R-8170-P, issued in Case No. 12563 on December 14, 2001.

This unit is to be dedicated to ConocoPhillips Company's existing Lockhart "A-30" Well No. 5 (API No. 30-025-04836), located at an unorthodox Eumont gas well location 2310 feet from the South and West lines (Unit K) of Section 30.

By the authority granted me under the provisions of Rules 4 (A), 4 (C), and 4 (D) of the special rules governing the Eumont Gas Pool, the above-described unorthodox gas well location for the Lockhart "A-30" Well No. 5 and non-standard 80-acre gas spacing unit are hereby approved.

Jurisdiction of this cause is retained for the entry of such further orders as the Division deems necessary.

Sincerely,

Ward & Jernine Mark E. Fesmire, P. E.

Mark E. Fesmire, P. I Director

MEF/ms

cc: New Mexico Oil Conservation Division – Hobbs File: NSP-4 NSP-279 NSP-1797 (L) NSP-1902

REMARKS: The two previous Division administrative orders authorizing non-standard gas spacing units for Eumont gas production from this well, NSP-4, dated August 17, 1954, and NSP-279, dated July 11, 1956, shall remain in abeyance until further notice; furthermore, Division Administrative Order NSP-1797 (L), dated December 2, 1998, which order also involved this well, is hereby placed in abeyance until further notice.