STATE OF NEW MEXICO



A. S.

## ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

**OIL CONSERVATION DIVISION** 

GARREY CARRUTHERS

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

October 3, 1990

Amerada Hess Corporation Drawer D Monument, NM 88265

Attention: Denise Wann

Administrative Order NSL-2881(SD)

Dear Ms. Wann:

Reference is made to your application dated August 10, 1990 for an unorthodox Eumont gas well location in an existing non-standard 240-acre gas spacing and proration unit (GPU) for said Eumont Gas Pool comprising the SW/4 NW/4, SW/4, and SW/4 SE/4 of Section 33, Township 19 South, Range 37 East, NMPM, Lea County, New Mexico. Said GPU was authorized by Division Order R-887 dated September 27, 1956 and presently has dedicated thereon the Sarah Phillips Gas Com Well No. 2 located 1980 feet from the South and West lines (Unit K) of said Section 33.

It is our understanding that the subject well in this application is currently completed in the Eunice Monument Grayburg San Andres Pool, however, said well will be plugged back to the Eumont Gas Pool upon issuance of this order.

By authority granted me under the provisions of Rule 2(c) of the Special Rules and Regulations for the Eumont Gas Pool, as promulgated by Division Order No. R-8170, as amended, the following described well located at an unorthodox gas well location is hereby approved:

Sarah Phillips Well No. 1 330' FSL - 2310' FWL (Unit N) Administrative Order NSL-2881(SD) Amerada Hess Corporation October 3, 1990 Page 2

Also, you are hereby authorized to simultaneously dedicate Eumont Gas production from both the Sarah Phillips Well Nos. 1 and 2, further, you are hereby permitted to produce the allowable assigned the subject GPU from both wells in any proportion.

Sincerely, 0 William J. LeMay Director WJL/MES/ag

cc: Oil Conservation Division - Hobbs NM State Land Office - Santa Fe