STATE OF NEW MEXICO



ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVE MINDLY CONSERVATION DIVISION

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July 22, 1991

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

Meridian Oil, Inc. P.O. Box 51810 Midland, Texas 79710-1810

Attention: Connie L. Malik

Administrative Order NSL-3032(SD)

Dear Ms. Malik:

Reference is made to your application dated June 20, 1991 for an unorthodox Eumont gas well location in an existing non-standard 234.81-acre gas spacing and proration unit (GPU) for said Eumont Gas Pool comprising Lots 3, 4, 5, 6, 11 and 12 of Section 2, Township 21 South, Range 36 East, NMPM, Lea County, New Mexico. Said GPU was authorized by Division Order No. R-518, dated August 12, 1954 and presently has dedicated thereon the Shell State "A" Comm Well No. 5 located at a standard gas well location 3209 FNL - 990' FWL (Unit 3) of said Section 2.

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 to be drilled at an unorthodox gas well location in said Section 15 is hereby approved:

Shell State "A" Comm Well No. 6 660' FN & WL (Unit D)

Also, you are hereby authorized to simultaneously dedicate Eumont Gas production from the Shell State "A" Comm Well No. 6 with the Shell State "A" Comm Well No. 5. Furthermore, you are hereby permitted to produce the allowable assigned the GPU from both of the said wells in any proportion.

Sincerely,

WILLIAM J. LEMAY

Director

WJL/MES/joc

cc: Oil Conservation Division - Hobbs