State of New Mexico ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT Santa Fe. New Mexico 87505



OIL CONSERVATION DIVISION



February 10, 1995

Texaco Exploration & Production Inc. P. O. Box 730 Hobbs, New Mexico 88241-0730

Attention: Terry L. Frazier

Administrative Order NSL-3479(P)

Dear Mr. Frazier:

Reference is made to your application dated January 12, 1995 for an unorthodox Eumont gas well location on a previously approved non-standard 157.77-acre gas spacing and proration unit ("GPU") for said Eumont Gas Pool comprising Lots 3, 4, and 5 and the SE/4 NW/4 (NW/4 equivalent) of Section 6, Township 20 South, Range 37 East, NMPM, Lea County, New Mexico. Said GPU was established by Division Order No. R-520, dated August 12, 1954.

According to Oil Conservation Division records the original well dedicated to this unit was Texaco's J. R. Phillips Well No. 10 (API No. 30-025-05963), located at a standard gas well location 1654 feet from the North line and 1602 feet from the West line (Unit F) of said Section 6, was plugged and abandoned in October, 1990.

Furthermore, it is our understanding that this unit will now be dedicated to Texaco's existing J. R. Phillips Well No. 12 (API No. 30-025-05965), located 2269 feet from the North line and 2266 feet from the West line (Unit F) of said Section 6, which is currently completed as a producing oil well in the Monument Paddock Pool, however upon issuance of this order will be recompleted up-hole into the Eumont Gas Pool.

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 above-described J. R. Phillips Well No. 12, located at an unorthodox Eumont gas

VILLAGRA BUILDING - 408 Galisteo

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Oil Conservation 827-7131 Administrative Order NSL-3479 Texaco Exploration & Production Inc. February 8, 1995

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well location is hereby approved. Texaco is further authorized, under the provisions of Rule 2(a)4 of said special pool rules, to continue operating the above-described acreage as a non-standard gas spacing and proration unit, with allowable to be assigned thereto in accordance with Rule 5 of said pool rules based upon the unit size of 157.77 acres.

Sincerely,

William J. LeMay

Director

WJL/MES/kv

cc: Oil Conservation Division - Hobbs

U. S. Bureau of Land Management - Carlsbad