



NEW MEXICO ENERGY, MINERALS  
& NATURAL RESOURCES DEPARTMENT

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

April 30, 1998

Conoco, Inc.  
10 Desta Drive, Suite 100W  
Midland, TX 79705-4500  
Attention: Kay Maddox

*Administrative Order NSL-4022(SD)*

Dear Ms. Maddox:

Reference is made to your application dated April 7, 1998 for an unorthodox Eumont gas well location in an existing non-standard 229.87-acre gas spacing and proration unit ("GPU") for said Eumont Gas Pool comprising Lots 3 and 4, the E/2 SW/4, and the S/2 SE/4 of Section 18, Township 21 South, Range 36 East, NMPM, Lea County, New Mexico. Said GPU was authorized by Division R-5849, as amended, and is currently simultaneously dedicated to the Lockhart "A-18" Well No. 7 (API No. 30-025-32141), located 660 feet from the South line and 1800 feet from the East line (Unit O) of said Section 18, and to the Lockhart "A-18" Well No. 8 (API No. 30-025-32429), located 1827 feet from the South line and 1818 feet from the West line (Unit K) of said Section 18.

The subject application has been duly filed under the provisions of Rule 104.F of the General Rules and Regulations of the New Mexico Oil Conservation Division.

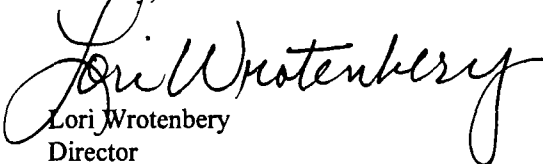
By the authority granted me under the provisions of Rule 2(d) of the "General Rules for the Prorated Gas Pools of New Mexico/Special Rules and Regulations for the Eumont Gas Pool," as promulgated by Division Order No. R-8170, as amended, and Division General Rule 104.F(2) the following described well to be drilled at an unorthodox Eumont gas well location is hereby approved:

***Lockhart "A-18" Well No.9  
660' FSL - 760' FWL (Lot 4/Unit M) of said Section 18.***

Also, Conoco, Inc. is hereby authorized to simultaneously dedicate Eumont Gas production from the proposed Lockhart "A-18" Well No. 9 with the existing Lockhart "A-18" Well Nos. 7 and 8. Furthermore, you are hereby permitted to produce the allowable assigned the subject GPU from all three wells in any proportion.

Further, all applicable provisions of said Division Order No. R-5849, as amended, shall remain in full force and effect until further notice.

Sincerely,

  
Lori Wrotenbery  
Director

LW/MES/kv

cc: New Mexico Oil Conservation Division - Hobbs  
U. S. Bureau of Land Management - Carlsbad