



STATE OF NEW MEXICO
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT
OIL CONSERVATION DIVISION



BRUCE KING
GOVERNOR

ANITA LOCKWOOD
CABINET SECRETARY

May 26, 1994

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

Conoco, Inc.
10 Desta Drive, Suite 100W
Midland, TX 79705-4500

Attention: Jerry Hoover

Administrative Order NSP-1695(SD)

Dear Mr. Hoover:

Reference is made to your application dated April 29, 1994 for a 320-acre non-standard gas spacing and proration unit consisting of the following acreage in the Eumont Gas Pool:

LEA COUNTY, NEW MEXICO
TOWNSHIP 20 SOUTH, RANGE 36 EAST, NMPM
Section 14: E/2

It is my understanding that this unit is to be simultaneously dedicated to your proposed Sanderson "A" Well Nos. 19 and 20, both to be drilled at standard gas well locations 990 feet from the North line and 660 feet from the East line (Unit A) and 1830 feet from the South line and 810 feet from the East line (Unit I) of Section 14, respectively.

By the authority granted me under the provisions of Rule 2(a)4 of the Special Rules and Regulations for the Eumont Gas Pool, as promulgated by Division Order No. R-8170, as amended, you are hereby authorized to operate the above-described acreage as a non-standard gas proration unit, with allowable to be assigned thereto in accordance with Rule 5 of said pool rules based upon the unit size of 320 acres. Further, you are hereby permitted to produce said assigned allowable from both wells in any proportion.

Sincerely,

William J. LeMay
Director

WJL/MES/amg

cc: Oil Conservation Division - Hobbs
US Bureau of Land Management - Carlsbad