

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



**OIL CONSERVATION DIVISION**



January 30, 1995

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

Attention: Jerry W. Hoover

*Administrative Order NSP-1712*

Dear Mr. Hoover:

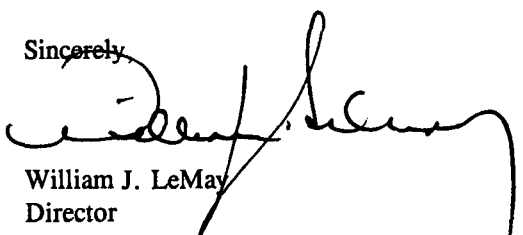
Reference is made to your application dated May 23, 1994 for a 343.32-acre non-standard oil spacing and proration unit consisting of the following acreage in the Undesignated South Dagger Draw-Upper Pennsylvanian Pool:

**EDDY COUNTY, NEW MEXICO**  
**TOWNSHIP 20-1/2 SOUTH, RANGE 32 EAST, NMPM**  
Irregular Section 34: All

It is my understanding that this unit is to be dedicated to your existing Preston Federal Well No. 4 (API No. 30-015-10581), located at a standard oil well location 990 feet from the South and East lines (Unit P) of said Section 34.

By authority granted me under the provisions of Rule 4(b) of the "*General Rules and Regulations for the Associated Oil and Gas Pools of Northwest and Southeast New Mexico/Special Rules and Regulations for the South Dagger Draw-Upper Pennsylvanian Pool*", as promulgated by Division Order No. R-5353, as amended, you are hereby authorized to operate the above-described non-standard oil spacing and proration unit, with allowable assigned thereto in accordance with Rule 22 of said special pool rules based upon the unit size of 343.32 acres.

Sincerely,

  
William J. LeMay  
Director

WJL/MES/kv

cc: Oil Conservation Division - Artesia  
U. S. Bureau of Land Management - Carlsbad

**VILLAGRA BUILDING - 408 Galisteo**  
Forestry and Resources Conservation Division  
P.O. Box 1948 87504-1948  
827-5830  
Park and Recreation Division  
P.O. Box 1147 87504-1147  
827-7485

**2040 South Pacheco**  
Office of the Secretary  
827-5950  
Administrative Services  
827-5925  
Energy Conservation & Management  
827-5900  
Mining and Minerals  
827-5970  
Oil Conservation  
827-7131