STATE OF NEW MEXICO



ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION 2040 S. PACHECO SANTA FE, NEW MEXICO 87505 (505) 827-7131

November 27, 1995

Amerada Hess Corporation P. O. Drawer "D" Monument, New Mexico 86225 Attention: R. L. Wheeler

Administrative Order NSP-1747

Dear Mr. Wheeler:

Reference is made to your application of October 31, 1995 to reduce the acreage of the existing 240-acre non-standard gas spacing and proration unit ("GPU") in the Eumont Gas Pool comprising the W/2 NE/4 and NW/4 of Section 32, Township 19 South, Range 37 East, NMPM, Lea County, New Mexico, which was approved by Division Order No. R-587, dated February 16, 1955, by omitting the 40 acres comprising the NW/4 NW/4 (Unit D) of said Section 32 from said GPU.

Eumont gas production from said GPU is currently simultaneously dedicated, under the authority of Division Administrative Order SD-95-5, dated August 24, 1995, to the following two wells:

- the existing State "U" Gas Com Well No. 2 (API No. 30-025-26169), located at a standard "infill" Eumont gas well location (approved by Division Order No. R-5956, dated March 30, 1979) 990 feet from the North line and 2160 feet from the West line (Unit C) of said Section 32; and,

- from the State "U" Gas Com Well No. 3 (API No. 30-025-33013), located at a standard Eumont gas well location 760 feet from the North line and 990 feet from the West line (Unit D) of said Section 32.

It is our understanding that such reduction of acreage is necessary due to the classification of the State "U" Gas Com Well No. 3 as a Eumont "oil" well.

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By 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, the following described 40-acre non-standard gas spacing and proration unit is hereby approved: 200

LEA COUNTY, NEW MEXICO <u>TOWNSHIP 19 SOUTH, RANGE 37 EAST, NMPM</u> Section 32: W/2 NE/4, E/2 NW/4, and SW/4 NW/4

Said unit is to be dedicated to the above-described State "U" Gas Com Well No. 2 in Unit "C" of said Section 32.

Division Order Nos. R-587 and R-5956 and Division Administrative Order SD-95-5 shall be placed in abeyance until further notice.

Sincerely, William J. Lef lay Director WJL/MES/kv

cc: Oil Conservation Division - Hobbs New Mexico State Land Office - Santa Fe File: SD-95-5