

Jerry D. West Staff Land Negotiator (713) 366-3588 (713) 366-7590 (FAX)

January 9, 1996

REC: Amoco Exploration and Production

Permian Basin Business Unit
501 WestLake Park Boulevard Post Office Box 4891 Houston, Texas 77210

Mr. William J. LeMay, Director New Mexico Oil Conservation Division 2040 South Pacheco Santa Fe, New Mexico 87504

Re:

Administrative Application for a 160-acre non-standard gas spacing and proration unit ("GPU") in the SE/4 of Section 33 Township 20 South, Range 37 East, NMPM, Eumont Gas Pool Lea County, New Mexico

Gentlemen:

Amoco Production Company respectfully requests administrative approval for the creation of a non-standard 200acre Eumont Gas Proration Unit for the Gillully /B/ Federal R/A "A" Wells Nos. 3, 15 and 22 located in the S/2 NE/4, SE/4 NW/4 and E/2 SW/4 of Section 33-20S-37E, Lea County, New Mexico.

A 360 acre non-standard gas proration unit was approved for these wells under Administrative Order R-657, July 14, 1955. Due to the marginal status of these wells a 200 acre proration unit is sufficient for allowable purposes. The remaining 160 acres (SE/4) has been farmed out to Mewbourne Oil Company, which will result in an additional well being drilled. Additional reserves should be the result of this drilling.

A copy of this Administrative Application is being provided to our offset operators via certified mail. Attached is a map illustrating the proration unit acreage. Also attached is a copy of the letter to our offset operators.

If you have any questions, or need additional information, please contact Jerry West (713) 366-3588.

Yours very truly,

JDW/sim

Attachments

cc w/attachments:

Mewbourne Oil Company 500 West Texas - Suite 1020 Midland, Texas 79701 Attn: Steve Cobb

Offset Operators - per attachment

