



STATE OF NEW MEXICO
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

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

April 24, 1996

Conoco, Inc.
10 Desta Drive - Suite 100W
Midland, Texas 79705-4500
Attention: Jerry W. Hoover

Administrative Order NSP-1755(SD)

Dear Mr. Hoover:

Reference is made to your application dated April 1, 1996 for a 157.25-acre non-standard gas spacing and proration unit ("GPU") consisting of the following acreage in the Jalmat Gas Pool:

LEA COUNTY, NEW MEXICO
TOWNSHIP 23 SOUTH, RANGE 37 EAST, NMPM
Section 7: Lots 3 and 4 and the E/2 SW/4 (SW/4 equivalent)

It is my understanding that this unit is to be simultaneously dedicated to the existing Stevens "B" Well No. 11 (API No. 30-025-10661), located at a standard gas well location 990 feet from the South and West lines (Lot 4/Unit M) of said Section 7 and to the existing Stevens "B" Well No. 14 (API No. 30-025-21233), located at a standard gas well location 660 feet from the South and West lines (Lot 4/Unit M) of said Section 7.

Furthermore, it is our understanding that the Steven "B" Well No. 14 is currently completed and listed as "temporarily abandoned" in the Langlie-Mattix Pool and upon issuance of this order will be recompleted up-hole into the Jalmat Gas Pool.

By 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 Jalmat Gas Pool*", as promulgated by Division Order No. R-8170, as amended, the above-described 157.25-acre non-standard gas spacing and proration unit is hereby approved. Also, Conoco is hereby permitted to produce the allowable assigned the subject GPU, in accordance with **Rule 5** of said pool rules based upon a unit size of 157.25 acres, from both wells in any proportion.

Administrative Order NSP-1755(SD)

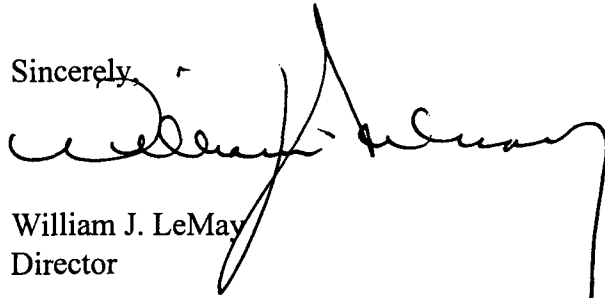
Conoco Inc.

April 24, 1996

Page 2

Division Order No. R-2087, dated October 13, 1961, which created the existing 320-acre, more or less, non-standard Jalmat gas spacing and proration unit comprising the S/2 equivalent of said Section 7, currently dedicated to the Stevens "B" Well No. 11, shall be placed in abeyance until further notice.

Sincerely,



William J. LeMay
Director

WJL/MES/kv

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