



NEW MEXICO ENERGY, MINERALS
& NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION
2040 South Pacheco Street
Santa Fe, New Mexico 87505
(505) 827-7131

February 17, 1999

Falcon Creek Resources, Inc.
621 17th Street - Suite 1800
Denver, Colorado 80293-0621
Attention: Oscar L. Peters

Telefax No. (303) 675-0008

Administrative Order NSP-1801

Dear Mr. Peters:

Reference is made to your application dated January 25, 1999 for a 160-acre non-standard gas spacing and proration unit consisting of the following acreage in the Undesignated Eumont Gas Pool:

LEA COUNTY, NEW MEXICO
TOWNSHIP 20 SOUTH, RANGE 36 EAST, NMPM
Section 17: SW/4.

This unit is to be dedicated to Falcon Creek Resources, Inc.'s proposed Falcon Creek "17" Federal Well No. 1 (API No. 30-025-34537), to be drilled at a standard gas well location 660 feet from the South and West lines (Unit M) of Section 17.

The subject application has been duly filed under the provisions of New Mexico Oil Conservation Division ("Division") Rule 104.F.

By the 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 Eumont Gas Pool*", as promulgated by Division Order No. R-8170, as amended, and Division Rule 104.D.(2) the above-described non-standard 160-acre gas spacing and proration unit is hereby approved. Further, Falcon Creek Resources, Inc. is permitted to produce the allowable assigned the above-described 160-acre non-standard gas spacing and proration unit in accordance with Rule 5 of the Eumont special pool rules from this well.

Sincerely,

Lori Wrotenbery
Director

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