



NSA-194

NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

BILL RICHARDSON
Governor

April 28, 2004

Joanna Prukop
Cabinet Secretary
Acting Director
Oil Conservation Division

Doyle Hartman, Oil Operator
P. O. Box 10426
Midland, Texas 79702

Telefax No. (432) 682-7616

Attention: Steve Hartman

REINSTATEMENT of Division Administrative Order NSP-194 (SD)

Dear Mr. Hartman:

Reference is made to the following: (i) your application submitted to the New Mexico Oil Conservation Division ("Division") on October 29, 2003 (*administrative application reference No. pMES0-330733786*); (ii) your telephone enquiry on March 10, 2004 checking on the status of this application; and (iii) the Division's records in Santa Fe, including the files on Division Administrative Orders NSP-194 and NSP-194-A: all concerning your request on behalf of Doyle Hartman, Oil Operator to reinstate a previously approved non-standard 160-acre gas spacing unit in the Eumont Gas Pool (76480) comprising the NE/4 of Section 16, Township 20 South, Range 37 East, NMPM, Lea County, New Mexico.

Your application has been duly filed under the provisions of the "*Special Pool Rules for the Eumont Gas Pool*," as promulgated by Division Order No. R-8170-P, issued in Case No. 12563 on December 14, 2001.

By Division Administrative Order NSP-194, dated October 22, 1955, the aforementioned 160-acre gas spacing unit was initially established and had dedicated thereon Doyle Hartman's Hansen State Well No. 4 (API No. 30-025-06127), located at a standard gas well location 1980 feet from the North line and 990 feet from the East line (Unit H) of Section 16.

By Division Administrative Order NSP-194-A, dated May 27, 1998, this 160-acre unit was reduced to a 120-acre non-standard gas spacing unit, comprising the N/2 NE/4 and SW/4 NE/4 of Section 16, and had dedicated thereon Doyle Hartman's Hansen State Well No. 7 (API No. 30-025-30849), located 900 feet from the North line and 1980 feet from the East line (Unit B) of Section 16. The 40 acres comprising the SE/4 NE/4 (Unit H) of Section 16, being a standard 40-acre Eumont oil spacing and proration unit, was subsequently dedicated to the above-described Hansen State Well No. 4, which Eumont production was reclassified from "gas" to "oil."

It is the Division's understanding that in May, 2001 the Hansen State Well No. 4 was recompleted as a Eumont gas well.

Doyle Hartman, Oil Operator

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By the authority granted me under the provisions of Rules 4 (C) and (D) of the special rules now governing the Eumont Gas Pool, the subject 160-acre non-standard Eumont gas spacing unit comprising the NE/4 of Section 16 is hereby restored, and Division Administrative Order NSP-194, dated October 22, 1955, shall be reinstated as to its initial extent and is to remain in full force and effect until further notice.

FURTHERMORE: (i) by the authority granted me under the provisions of Rules 4 (B) and 6 (B) of the special Eumont pool rules, Doyle Hartman, Oil Operator is hereby authorized to simultaneously dedicate Eumont gas production within the subject 160-acre unit from both the above-described Hansen State Wells No. 4 and 7; and (ii) Division Administrative Order NSP-194-A is hereby placed in abeyance until further notice.

Jurisdiction of this matter shall be further retained for the entry of any such subsequent orders, as the Division may deem necessary.

Sincerely,



Michael E. Stogner
Engineer/Hearing Officer

MS/ms

cc: New Mexico Oil Conservation Division – Hobbs
New Mexico State Land Office – Santa Fe

File: NSP-194
NSP-194-A