



STATE OF NEW MEXICO
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT
OIL CONSERVATION DIVISION



BRUCE KING
GOVERNOR

ANITA LOCKWOOD
CABINET SECRETARY

September 29, 1992

POST OFFICE BOX 2088
STATE LAND OFFICE BUILDING
SANTA FE, NEW MEXICO 87504
(505) 827-5800

Meridian Oil, Inc.
P.O. Box 51810
Midland, Texas 79710-1810

Attention: Maria L. Perez

Administrative Order NSL-3167(SD)

Dear Ms. Perez:

Reference is made to your application dated August 6, 1992, for an unorthodox Eumont gas well location in an existing non-standard 320-acre gas spacing and proration unit (GPU) for said Eumont Gas Pool comprising the S/2 of Section 36, Township 21 South, Range 36 East, NMPM, Lea County, New Mexico. Said GPU was authorized by Division Administrative Order NSP-321, dated October 5, 1956 and presently has dedicated thereon the Shell State Com "D" Well No. 12 located in Unit O of said Section 36.

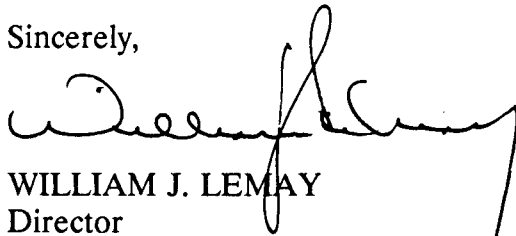
By the authority granted me under the provisions of Rule 2(c) of the Special Rules and Regulations for the Eumont Gas Pool, as promulgated by Division Order No. R-8170, as amended, the following described well to be drilled at an unorthodox gas well location is hereby approved:

Shell State Com "D" Well No. 13
1780' FSL - 760' FWL (Unit L) of said Section 36

Meridian Oil, Inc.
Administrative Order NSL-3167
September 29, 1992
Page 2

Also, you are hereby authorized to simultaneously dedicate Eumont Gas production from the Shell State Com "D" Well No. 12 with the Shell State Com "D" Well No. 13. Furthermore, you are hereby permitted to produce the allowable assigned the subject GPU from both of said wells in any proportion.

Sincerely,

A handwritten signature in black ink, appearing to read 'William J. Lemay', with a long horizontal stroke extending to the right.

WILLIAM J. LEMAY
Director

WJL/MES/jc

cc: Oil Conservation Division - Hobbs
NMSLO - Santa Fe