



STATE OF NEW MEXICO
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION

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

October 25, 1995

Me-Tex Oil & Gas, Inc.
P. O. Box 2070
Hobbs, New Mexico 88241-2070

Attention: Mark Veteto
Vice President

Administrative Order NSL-3587(SD)

Dear Mr. Veteto:

Reference is made to your application dated September 20 and October 16, 1995 for an unorthodox Eumont gas well location in an existing non-standard 200-acre gas spacing and proration unit ("GPU") for said Eumont Gas Pool comprising the NE/4 and NW/4 SE/4 of Section 23, Township 19 South, Range 36 East, NMPM, Lea County, New Mexico. Said GPU was authorized by Division Order No. R-655, dated June 28, 1955, and had dedicated thereon the R. R. Bell (NCT-H) Well No. 1 (API No. 30-025-04034), located 1980 feet from the North line and 660 feet from the East line (Unit H) of said Section 23.

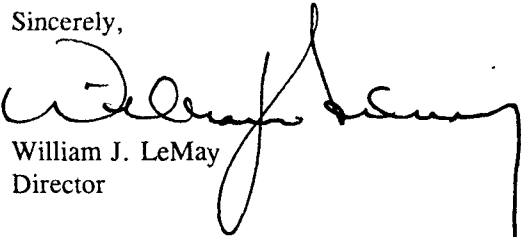
Upon my authority the following described well to be drilled at the following unorthodox Eumont gas well location in said Section 23 is hereby approved:

*R. R. Bell (NCT-H) Well No. 3
990'FNL - 330'FEL (Unit A)
(API No. 30-025-33132)*

Also, you are hereby authorized to simultaneously dedicate Eumont Gas production from both the R. R. Bell (NCT-H) Well Nos. 1 and 3 and permitted to produce the allowable assigned the subject GPU from both wells in any proportion.

All applicable provisions of said Division Order No. R-655 shall remain in full force and effect until further notice.

Sincerely,


William J. LeMay
Director

WJL/MES/kv

cc: Oil Conservation Division - Hobbs