



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 30, 1996

Texaco Exploration and Production, Inc.  
P. O. Box 3109  
Midland, Texas 79702  
Attention: C. W. Howard

*Administrative Order NSL-3665(SD)*

Dear Mr. Howard:

Reference is made to your application dated April 17, 1996 for an unorthodox Eumont gas well location in an existing non-standard 317.42-acre gas spacing and proration unit ("GPU") for said Eumont Gas Pool comprising Lots 1 and 2, the NE/4, and the E/2 NW/4 (N/2 equivalent) of Section 18, Township 19 South, Range 37 East, NMPM, Lea County, New Mexico. Said GPU was established by Division Administrative Order NSP-390, dated September 18, 1957.

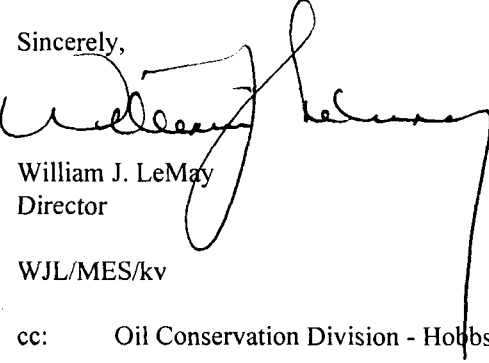
Eumont gas production from said GPU is currently simultaneously dedicated to the American National Keohane Com Well No. 1 (API No. 30-025-05630), located at a standard gas well location 660 feet from the North line and 2200 feet from the West line (Unit C) of said Section 18 and the American National Keohane Com Well No. 2 (API No. 30-025-30814), located at a standard gas well location 1830 feet from the North line and 1800 feet from the East line (Unit G) of said Section 18.

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, the following described well to be drilled at an unorthodox Eumont gas well location is hereby approved:

*American National Keohane Com Well No. 3  
1980'FNL - 990'FWL (Lot 2/Unit "L") of said Section 18  
(API No. 30-025-33391)*

Also, you are hereby authorized to simultaneously dedicate Eumont Gas Pool production from the American National Keohane Com Well Nos. 1 and 2 with the American National Keohane Com Well No. 3. Furthermore, you are hereby permitted to produce the allowable assigned the subject GPU from all three wells in any proportion.

Sincerely,

  
William J. LeMay  
Director

WJL/MES/kv

cc: Oil Conservation Division - Hobbs