



NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

GARY E. JOHNSON

Governor

Jennifer A. Salisbury

Cabinet Secretary

July 27, 2000

Lori Wrotenbery

Director

Oil Conservation Division

Doyle Hartman, Oil Operator

P. O. Box 10426

Midland, Texas 79702

Attention: Doyle Hartman

Telefax No. (915) 682-7616

RE: NMOCD Correspondence Reference No. SD-00-03: *Eumont Gas Pool development within an existing non-standard 40-acre gas spacing and proration unit ("GPU") comprising the SW/4 SE/4 (Unit O) of Section 11, Township 21 South, Range 36 East, NMPM, Lea County, New Mexico, which was the subject of Division Administrative Order NSP-265, dated May 16, 1956.*

Dear Mr. Hartman:

Reference is made to your letter dated July 7, 2000 notifying the New Mexico Oil Conservation Division's ("Division") Santa Fe office of your plans for further Eumont gas development within the existing 40-acre non-standard gas spacing and proration unit ("GPU") comprising the SW/4 SE/4 (Unit O) of Section 11, Township 21 South, Range 36 East, NMPM, Lea County, New Mexico, which was the subject of Division Administrative Order NSP-265, dated May 16, 1956.

The rules currently governing spacing, well locations, and allowables for the Eumont Gas Pool include, but not necessarily limited to:

- (a) *"Special Rules and Regulations for the Eumont Gas Pool"*, as promulgated by Division Order No. R-8170, dated March 28, 1986, as amended by Division Orders No. R-8170-G, dated November 8, 1990, R-8170-H, dated December 10, 1990, R-8170-G-1, dated March 11, 1994, and R-10987, dated May 7, 1998; and
- (b) Division Rules 104 and 605.

It is our understanding that gas production attributed to the Eumont Gas Pool within this 40-acre GPU will to be simultaneously dedicated to the following two wells:

- the existing M. S. Berryman Well No. 1 (**API No. 30-025-04613**), located at a standard gas well location for this size unit 330 feet from the South line and 1650 feet from the East line of Section

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11; and

- your proposed M. S. Berryman Well No. 2 (**API No. 30-025-35082**), to be drilled at a standard infill gas well location 330 feet from the South line and 2310 feet from the West line of Section 11.

Sincerely,



Michael E. Stogner
Chief Hearing Officer/Engineer

LW/mes

cc: New Mexico Oil Conservation Division - Hobbs
U. S. Bureau of Land Management - Carlsbad
U. S. Bureau of Land Management - Roswell
New Mexico State Land Office - Santa Fe
Ms. Lori Wrotenbery, Director - NMOCD, Santa Fe
Lyn Hebert, Legal Counsel - NMOCD, Santa Fe
Steve Ross, Legal Counsel - NMOCD, Santa Fe
Gallegos Law Firm; 460 St. Michaels Dr. - Bldg. 300; Santa Fe, NM 87505;
Attn. J. E. Gallegos and Michael Condon
File: NSP-265