OIL CONSERVATION DIVISION

June 23, 1992

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

David H. Arrington Oil & Gas, Inc. P.O. Box 2071 Midland, Texas 79702

Attention: David H. Arrington

Administrative Order SD-92-3

Dear Mr. Arrington:

Per your application dated May 28, 1992, you are hereby authorized to simultaneously dedicate Eumont Gas Pool production to the previously approved non-standard 160-acre, more or less, gas spacing and proration unit comprising Lots 1 and 2 and the S/2 NE/4 (NE/4 equivalent) of Section 2, Township 20 South, Range 36 East, NMPM, Lea County, New Mexico (Division Administrative Order NSP-20, dated October 20, 1954), from the existing State "A" Well No. 6 located at a standard gas well location 990 feet from the North and East lines (Unit A) and to the proposed State "A" Well No. 7 to be drilled at a standard gas well location 1980 feet from the North line and 1650 feet from the East line (Unit G).

Further, you are hereby permitted to produce the allowable assigned the subject 160-acre unit from both wells in any proportion.

Sincerely,

WILLIAM J. LEM Director

WJL/MES/jc

Oil Conservation Division - Hobbs cc: NMSLO - Santa Fe



BRUCE KING

GOVERNOR

ANITA LOCKWOOD

CABINET SECRETARY