STATE OF NEW MEXICO

ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION

BRUCE KING GOVERNOR

ANITA LOCKWOOD CABINET SECRETARY December 4, 1992

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

ARCO Oil and Gas Company P.O. Box 1610 Midland, TX 79702

Attention: Kevin D. Renfro

Administrative Order SD-92-7

Dear Mr. Renfro:

Per your application dated October 2, 1992, you are hereby authorized to simultaneously dedicate Eumont Gas Pool production to the existing non-standard 160-acre gas spacing and proration unit comprising the SW/4 of Section 31, Township 19 South, Range 37 East, NMPM, Lea County, New Mexico from the existing J. R. Phillips A Well No. 6 located at a standard location 1980 feet from the South line and 660 feet from the West line (Unit L) of said Section 31 with the J. R. Phillips A Well No. 9 to be recompleted from the Monument McKee Pool and located at a standard location 800 feet from the South line and 660 feet from the South line and 660 feet from the West line (Unit M) of said Section 31.

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

Sincerely, William J. LeMay Director WJL/MES/amg

cc: Oil Conservation Division - Hobbs