STATE OF NEW MEXICO



ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION



BRUCE KING GOVERNOR

ANITA LOCKWOOD CABINET SECRETARY

August 22, 1994

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

Amerada Hess Corporation
P. O. Box "D"
Monument, New Mexico 88265-0052

Attention: E. J. Haas

Administrative Order NSL-378-A(SD)

Dear Mr. Haas:

Reference is made to your application dated June 6, 1994 for an unorthodox Eumont gas well location in an existing non-standard 320-acre gas spacing and proration unit (GPU) for said Eumont Gas Pool comprising the N/2 of Section 7, Township 21 South, Range 36 East, NMPM, Lea County, New Mexico. Said GPU was authorized by Division Administrative Order NSP-378, dated July 27, 1957, and had dedicated thereon the H. L. Houston Gas Com Well No. 3 (API No. 30-025-04541), located at a standard gas well location 660 feet from the North line and 1980 feet from the East line (Unit B) of said Section 7.

By authority granted me under the provisions of Rule 2(c) of the Special Rules and Regulations for the Eumont Gas Pool, as promulgated by Division Order No. R-8170, as amended, the following described well, which as I understand has been drilled at the following unorthodox Eumont gas well location, is hereby approved:

H. L. Houston Gas Com Well No. 4 (API No. 30-025-32572) 1723'FNL - 1310'FEL (Unit "H") of said Section 7

Also, you are hereby authorized to simultaneously dedicate Eumont Gas production from the H. L. Houston Gas Com Well No. 3 with the H. L. Houston Gas Com Well No. 4. Furthermore, you are hereby permitted to produce the allowable assigned the subject GPU from both wells in any proportion.

All provisions of said Division Administrative Order NSP-378 shall remain in full force and effect until further notice.

Sincerely.

William J. LeMay

Director

WJL/MES/ag

cc: Oil Conservation Division - Hobbs

File: NSP-378