STATE OF NEW MEXICO



ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION

BRUCE KING GOVERNOR

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

March 14, 1991

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

Attention: Timothy N. Derigo

Administrative Order NSP-1624

Dear Mr. Derigo:

Reference is made to your application dated January 28, 1991 for a 200-acre non-standard gas proration unit consisting of the following acreage in the Eumont Oil & Gas Pool:

LEA COUNTY, NEW MEXICO <u>TOWNSHIP 21 SOUTH, RANGE 36 EAST, NMPM</u> SECTION 5: SW/4 AND SW/4 SE/4

It is my understanding that this unit is to be dedicated to your State "G" Well No. 1 located at a standard gas well location 660 feet from the South line and 1980 feet from the West line (Unit V) of said Section 5.

By authority granted me under the provisions of Rule 2(a)4 of the Special Rules and Regulations for the Eumont Gas Pool, as promulgated by Division Order No. R-8170, as amended, you are hereby authorized to operate the above-described acreage as a nonstandard gas proration unit, with allowable to be assigned thereto in accordance with Rule 5 of said pool rules based upon the unit size of 200 acres.

Further, Division Administrative Order NSP-395, Dated October 9, 1957, which authorized this well to be dedicated to a 240-acre non-standard Eumont Gas spacing and proration unit comprising the SW/4 and S/2 SE/4 of said Section 5 is hereby placed in abeyance until further notice.

Sincerely,

William J. LeMay

Director

WJL/MES/ck

cc: Oil Conservation Division - Hobbs

NM State Land Office - Santa Fe

File: NSP-395