STATE OF NEW MEXICO



ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION



BRUCE KING GOVERNOR

ANITA LOCKWOOD CABINET SECRETARY

April 6, 1993

POST OFFICE BOX 2088 STATE LAND OFFICE BUILDING SANTA FE, NEW MEXICO 67504 (505) 827-5800

Conoco, Inc. 10 Desta Drive, Suite 100W Midland, TX 79705-4500

Attention: Jerry Hoover

Administrative Order NSP-1666(L)

Dear Mr. Hoover:

Reference is made to your application dated March 9, 1993 for a 120-acre non-standard gas spacing and proration unit consisting of the following acreage in the Undesignated Eumont Gas Pool:

LEA COUNTY, NEW MEXICO TOWNSHIP 20 SOUTH, RANGE 38 EAST, NMPM Section 19: W/2 NE/4 and SE/4 NE/4

It is my understanding that this unit is to be dedicated to your existing SEMU Burger Well No. 63 located at an unorthodox gas well location 1650 feet from the North and East lines (Unit G) of said Section 19.

By authority granted me under the provisions of Rule 2(a)4 and 2(c) of the Special Rules and Regulations for the Eumont Gas Pool, as promulgated by Division Order No. R-8170, as amended, the above non-standard gas spacing and proration unit and resulting unorthodox gas well location hereby approved.

Sincerely,

William J. LeM

Director

WJL/MES/amg

cc: Oil Conservation Division - Hobbs



NEW MEXICO ENERGY, MINERALS & NATURAL RESOURCES DEPARTMENT

October 4, 1999

Conoco, Inc. 10 Desta Drive - Suite 100 W Midland, Texas 79705-4500 Attention: Kay Maddox

Administrative Order NSP-1807

Dear Ms. Maddox:

Reference is made to your application dated September 6, 1999 for a 160-acre non-standard gas spacing and proration unit consisting of the following acreage in the Undesignated Eumont Gas Pool:

LEA COUNTY, NEW MEXICO TOWNSHIP 20 SOUTH, RANGE 38 EAST, NMPM Section 19: SE/4.

This unit is to be dedicated to Conoco, Inc.'s existing SEMU Burger Well No. 81 (API No. 30-025-20500), located at a standard gas well location 660 feet from the South and East lines (Unit P) of Section 19.

The subject application has been duly filed under the provisions of New Mexico Oil Conservation Division ("Division") Rule 104.F.

By the authority granted me under the provisions of **Rule 2(d)** of the "General Rules for the Prorated Gas Pools of New Mexico/Special Rules and Regulations for the Eumont Gas Pool", as promulgated by Division Order No. R-8170, as amended, and Division Rule 104.D.(2) the above-described non-standard 160-acre gas spacing and proration unit is hereby approved. Further, Conoco, Inc. is permitted to produce the allowable assigned the above-described 160-acre non-standard gas spacing and proration unit in accordance with Rule 5 of the Eumont special pool rules from this well.

Sincerely,

Lori Wrotenbery

Director

cc: New Mexico Oil Conservation Division - Hobbs

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U. S. Bureau of Land Management - Carlsbad



NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

BILL RICHARDSON

Governor

Joanna Prukop

Cabinet Secretary

February 17, 2004

Lori Wrotenbery
Director
Oil Conservation Division

ConocoPhillips Company 4001 Penbrook Street Odessa, Texas 79762

Attention:

Celesta G. Dale

Regulatory Analyst

DE.

NMOCD Correspondence Reference No. SD-04-02: Eumont Gas Pool (76480) development within an existing non-standard 601.68-acre gas spacing unit comprising Lots 1, 2, 3, and 4, W/2 NE/4, SE/4 NE/4, E/2 NW/4, E/2 SW/4, and SE/4 of Section 19, Township 20 South, Range 38 East, NMPM, Lea County, New Mexico.

Dear Ms. Dale:

Reference is made to your letter of January 2, 2004 (administrative reference No. pMES0-400631823) notifying the New Mexico Oil Conservation Division's ("Division") Santa Fe office of ConocoPhillips Company's plans for further Eumont gas development within its existing non-standard 601.68-acre gas spacing unit comprising Lots 1, 2, 3, and 4, W/2 NE/4, SE/4 NE/4, E/2 NW/4, E/2 SW/4, and SE/4 of Section 19, Township 20 South, Range 38 East, NMPM, Lea County, New Mexico, which unit was the subject of Division Administrative Order NSP-1666-B (L) (SD), dated March 2, 2001.

By Order No. R-8170-P, issued in Case No. 12563 on December 14, 2001, the Division caused the prorationing of gas production to cease within the Eumont Gas Pool and promulgated "Special Pool Rules for the Eumont Gas Pool," which provides for: (i) 640-acre standard gas spacing units; (ii) gas development on a well density based on one well per 160 acres; (iii) gas well locations to be no closer than 660 feet to any outer boundary of its assigned gas spacing unit or governmental quarter section line nor closer than 330 feet to any governmental quarter-quarter section line; and (iv) administrative exceptions, in most cases, to these rules.

It is the Division's understanding from your letter and from the our records that gas production attributed to the Eumont Gas Pool within this 601.68-acre unit will to be simultaneously dedicated to ConocoPhillips Company's following four described wells:

(i) the existing SEMU Burger Well No. 81 (API No. 30-025-20500), located in the SE/4 of Section 19 at a standard gas well location for this unit 660 feet from the South and East lines (Unit P) of Section 19;

- (ii) the existing SEMU Burger Well No. 141 (API No. 30-025-34921), located in the NW/4 equivalent of Section 19 at an unorthodox gas well location [approved by Division Administrative Order NSP-1666-B (L) (SD)] for this unit 1300 feet from the North line and 1150 feet from the West line (Lot 1/Unit D) of Section 19;
- the existing SEMU Burger Well No. 152 (API No. 30-025-35443), located at an unorthodox infill gas well location [also approved by Division Administrative Order NSP-1666-B (L) (SD)] for this unit 2630 feet from the North line and 1530 feet from the East line (Unit G) of Section 19, which was drilled in 2001 but has never produced from the Eumont Gas Pool; and
- (iv) the existing SEMU Burger Well No. 153 (API No. 30-025-35434), located at a standard infill gas well location for this unit 830 feet from the South line and 910 feet from the West line (Lot 4/Unit M) of Section 19, to be recompleted up-hole from the North Hardy-Strawn Pool (96893) to the Eumont gas bearing interval.

It is further understood by the Division that ConocoPhillips Company will abide by all existing rules, regulations, policies, and procedures applicable to this pool and that ConocoPhillips Company will operate the aforementioned SEMU Burger Wells No. 81, 141, 152, and 153 and the existing 601.68-acre non-standard gas spacing unit in accordance therein.

Sincerely,

Michael E. Stogner

Chief Hearing Officer/Engineer

MS/mes

cc: New Mexico Oil Conservation Division – Hobbs

U. S. Bureau of Land Management - Carlsbad

NSP-1666-A (L) (SD)

NSP-1666 (L)

NSL-3854

NSP-1807