



BRUCE KING
GOVERNOR

ANITA LOCKWOOD
CABINET SECRETARY

STATE OF NEW MEXICO
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT
OIL CONSERVATION DIVISION



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

May 3, 1994

Me-Tex Oil & Gas, Inc.
P.O. Box 2070
Hobbs, NM 88241-2070

Attention: Mark Veteto, Vice President

Administrative Order NSP-1689(SD)

Dear Mr. Veteto:

By Division Order No. R-453, dated May 27, 1954, a 160-acre non-standard Eumont Gas spacing and proration unit (GPU) comprising the W/2 W/2 of Section 24, Township 19 South, Range 36 East, NMPM, Lea County, New Mexico, was authorized to be dedicated to the J.L. Barr Well No. 2 located 1985 feet from the South line and 661 feet from the West line (Unit L) of said Section 24.

Subsequent to the issuance of said Order No. R-453, two additional wells were included in the subject GPU; the J.L. Barr Well Nos. 3 and 4 located at standard gas well locations in Units M and D, respectively, of said Section 24 (see Division Administrative Order SD-93-2).

Reference is now made to your application dated March 25, 1994 to reduce said 160-acre unit by deleting the NW/4 NW/4 (Unit D) of said Section 24, which is to be utilized as a standard 40-acre oil spacing and proration unit in the Eumont Oil Pool for the J.L. Barr Well No. 4, which, as I understand, has been reclassified as an oil well in the Eumont Pool.

By the 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, the following described 120-acre non-standard gas spacing and proration unit is hereby approved.

LEA COUNTY, NEW MEXICO
TOWNSHIP 19 SOUTH, RANGE 36 EAST
Section 24: SW/4 NW/4 and W/2 SW/4

Administrative Order NSP-1689(SD)

Me-Tex Oil & Gas, Inc.

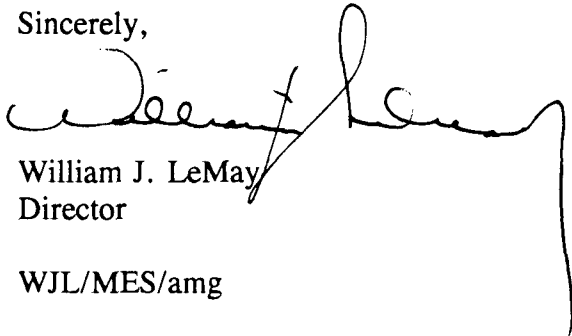
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Said 120-acre unit is to be simultaneously dedicated to the J.L. Barr Well Nos. 2 and 3, as described above.

Both Division Order No. R-453 and Administrative Order SD-93-2 shall be placed in abeyance until further notice.

Sincerely,

A handwritten signature in black ink, appearing to read 'William J. LeMay', with a long, sweeping horizontal stroke extending to the right.

William J. LeMay
Director

WJL/MES/amg

cc: Oil Conservation Divisor - Hobbs
NM State Land Office - Santa Fe
File: SD-93-2