

OIL CONSERVATION DIVISION

July 11, 1995

Texaco Exploration and Production Inc.
Attention: C. Wade Howard
P. O. Box 3109
Midland, Texas 79702

Administrative Order NSP-1729

Dear Mr. Howard:

Reference is made to your application dated June 5, 1995 for a 120-acre non-standard gas spacing and proration unit consisting of the following acreage in the Eumont Gas Pool:

LEA COUNTY, NEW MEXICO
TOWNSHIP 19 SOUTH, RANGE 37 EAST, NMPM
Section 16: N/2 SW/4 and SW/4 SW/4

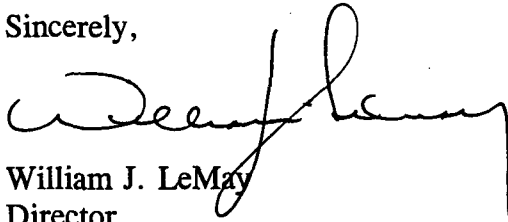
It is my understanding that this unit is to be dedicated to your proposed Eumont "16" State Com Well No. 1 to be drilled at a standard gas well location 660 feet from the South and West lines (Unit M) of said Section 16.

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 non-

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standard gas spacing and proration unit, with allowable assigned thereto in accordance with Rule 5 of said special pool rules based upon the unit size of 120 acres.

Sincerely,

A handwritten signature in dark ink, appearing to read "William J. LeMay", is written over the typed name and title. The signature is fluid and cursive, with a long horizontal stroke extending to the right.

William J. LeMay
Director

WJL/MES

cc: Oil Conservation Division - Hobbs
New Mexico State Land Office - Santa Fe