



STATE OF NEW MEXICO
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION

2040 S. PACHECO
SANTA FE, NEW MEXICO 87505
(505) 827-7131

August 1, 1995

Texaco Exploration and Production, Inc.
P. O. Box 730
Hobbs, New Mexico 88241-0730

Attention: Monte C. Duncan

Administrative Order NSP-1731(L)

Dear Mr. Duncan:

Reference is made to your application dated June 23, 1995 to reduce the acreage of the existing 160-acre non-standard gas spacing and proration unit ("GPU") in the Eumont Gas Pool comprising the NE/4 of Section 19, Township 20 South, Range 37 East, NMPM, Lea County, New Mexico, which was approved by Division Order No. R-520, dated August 12, 1954, by omitting the 40 acres comprising the SE/4 NE/4 (Unit H) of said Section 19 from said GPU.

Eumont gas production from said GPU is currently simultaneously dedicated to the New Mexico "C" State (NCT-2) Well No. 9 (API No. 30-025-06178), located 992 feet from the North line and 1649 feet from the East line (Unit B) of said Section 19, and to the New Mexico "C" State (NCT-2) Well No. 10 (API No. 30-025-32691), located at a standard gas well location 1800 feet from the North line and 660 feet from the East line (Unit H) of said Section 19.

It is our understanding that such reduction of acreage is necessary due to the re-classification of the New Mexico "C" State (NCT-2) Well No. 10 from a Eumont "gas" well to a Eumont "oil" well.

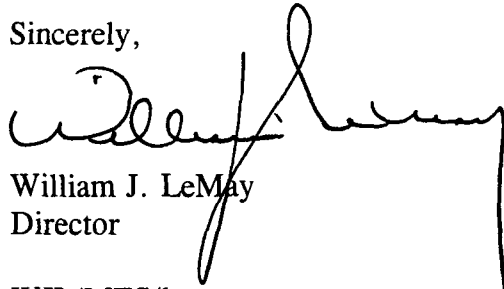
By authority granted me under the provisions of Rule 2(a)4 of the "*Special Rules and Regulations for the Eumont Gas Pool*", as promulgated by Division Order No. R-8170, as amended, the following described 120-acre non-standard gas spacing and proration unit is hereby approved:

LEA COUNTY, NEW MEXICO
TOWNSHIP 20 SOUTH, RANGE 37 EAST, NMPM
Section 19: N/2 NE/4 and SW/4 NE/4

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Further, by the authority granted me under the provisions of Rule 2(c) of said special Eumont Gas Pool rules, the resulting unorthodox Eumont gas well location of the New Mexico "C" State (NCT-2) Well No. 9 for the subject 120-acre unit is hereby approved.

Sincerely,

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

William J. LeMay
Director

WJL/MES/kv

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