STATE OF NEW MEXICO ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

DIL CONSERVATION DIVISION

BRUCE KING

GOVERNOR

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

December 1, 1994

Exxon Corporation P. O. Box 1600 Midland, Texas 79702-1600

Attention: Alex M. Correa

Administrative Order NSL-3440(SD)

Dear Mr. Correa:

Reference is made to your application dated October 19, 1994, for a non-standard Eumont gas well location in an existing non-standard 320-acre gas spacing and proration unit (GPU) for said Eumont Gas Pool comprising the E/2 of Section 10, Township 21 South, Range 36 East. NMPM. Lea County. New Mexico. Said GPU was authorized by Division Administrative Order NSP-77A, dated January 24, 1955 and had dedicated thereon the John D. Knox Well No. 1 (API No. 30-025-04595), located at a standard gas well location 1980 feet from the South and East lines (Unit J) of said Section 10.

By Division Order No. R-6119, dated September 24, 1979, an additional well to be drilled and completed in the subject GPU was approved for the John D. Knox Well No. 13 (API No. 30-025-26326), located at an unorthodox gas well location 1650 feet from the North line and 990 feet from the East line (Unit H) of said Section 10.

It is our understanding that the subject well to be considered in this application is currently a temporarily abandoned well in the Oil Center-Glorieta Pool and upon issuance of this order will be recompleted up-hole into the Eumont Gas Pool.

By authority granted me under the provisions of Rule 2(c) of the Special Rules and Regulations for the Eumont Gas Pool, as promulgated by Division Order No. R-8170, as amended, the following described well located at an unorthodox Eumont gas well location is hereby approved:

> John D. Knox Well No. 9 330' FNL - 990' FEL (Unit A) of said Section 10 API No. 30-025-20166

Administrative Order NSL-3440(SD) Exxon Corporation Page 2

Also, you are hereby authorized to simultaneously dedicate Eumont gas production from the John D. Knox Well Nos. 1 and 13 with the John D. Knox Well No. 9. Furthermore, you are hereby permitted to produce the allowable assigned the subject GPU from all three wells in any proportion.

All provisions of said Division Administrative Order NSP-77A and Order No. R-6119 shall remain in full force and effect until further notice.

Sincerely, 00 William J. LeMay Director WJL/MES/kv

cc: Oil Conservation Division - Hobbs File: NSP-77A

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 24, 1995

Exxon Corporation P. O. Box 1600 Midland, Texas 79702-1600

Attention: Alex M. Correa

Administrative Order NSL-3440-A(SD)

Dear Mr. Correa:

Reference is made to your application dated July 31, 1995, for two additional wells, one of which is considered to be at an unorthodox gas well location, within an existing non-standard 320-acre gas spacing and proration unit ("GPU") in the Eumont Gas Pool.

Said GPU comprises the E/2 of Section 10, Township 21 South, Range 36 East, NMPM, Lea County, New Mexico and was authorized by Division Administrative Order NSP-77A, dated January 24, 1955 and had dedicated thereon the John D. Knox Well No. 1 (API No. 30-025-04595), located at a standard gas well location 1980 feet from the South and East lines (Unit J) of said Section 10.

By Division Order No. R-6119, dated September 24, 1979, an additional well to be drilled and completed in the subject GPU was approved for the John D. Knox Well No. 13 (API No. 30-025-26326), located at an unorthodox gas well location 1650 feet from the North line and 990 feet from the East line (Unit H) of said Section 10.

By Division Administrative Order NSL-3440(SD), dated December 1, 1994, a third well, the John D. Knox Well No. 9 (API No. 30-025-20166), located at an unorthodox gas well location 330 feet from the North line and 990 feet from the East line (Unit A) of said Section 10, was incorporated into the subject 320-acre unit.

It is our understanding that the subject wells to be considered in this application are both currently completed as oil wells in deeper horizons and upon issuance of this order will be recompleted up-hole into the Eumont Gas Pool. The John D. Knox Well No. 12 (API No. 30-025-20706), located 990 feet from the South line and 1652 feet from the East line (Unit O) of said Section 10, is considered to be a "standard" gas well location for this particular 320-acre unit, however the John D. Knox Well No. 5 (API No. 30-025-04599) located 660 feet from the South and East lines (Unit P) of said Section 10 is "unorthodox".

Administrative Order NSL-3440-A(SD) Exxon Corporation August 24, 1995 Page 2

By authority granted me under the provisions of Rule 2(c) of the Special Rules and Regulations for the Eumont Gas Pool, as promulgated by Division Order No. R-8170, as amended, the location for the above-described John D. Knox Well No. 5 is hereby approved.

Also, you are hereby authorized to simultaneously dedicate Eumont gas production from the John D. Knox Well Nos. 1, 9, and 13 with the John D. Knox Well Nos. 5 and 12. Furthermore, you are hereby permitted to produce the allowable assigned the subject GPU from all five wells in any proportion.

All provisions of said Division Administrative Orders NSP-77A and NSL-3440(SD) and Order No. R-6119 shall remain in full force and effect until further notice.

Sincerely, William J. LeMay Director WJL/MES

cc: Oil Conservation Division - Hobbs File: NSP-77A NSL-3440(SD)