THE STATE

STATE OF NEW MEXICO ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION HOBBS DISTRICT OFFICE

BRUCE KING GOVERNOR

December 5, 1994

POST OFFICE BOX 1980 HOBBS, NEW MEXICO 88241-1980 (505) 393-6161

William J. LeMay Director Oil Conservation Division 2040 South Pacheco Santa Fe, New Mexico 87505

SUBJECT: Division Order R-10201

Dear Mr. LeMay:

According to the provisions of Division Order 8-10201, the following special provisions are made for oil wells currently permitted for drilling by Mobil Exploration & Producing Texas & New Mexico Inc:

State 0 Well No. 3 located in Unit L of Section 33, Township 17 South, Range 35 East, consisting of a 40 acre proration unit, is assigned an allowable of 187 barrels of oil per day. In addition, a special testing allowable not to exceed <u>561</u> barrels of oil per day is assigned to the well, for a period of three months.

The State M Wells No. 16 located in Unit E and State M No. 17 located in Unit C, both in Section 34, Township 17 South, Range 35 East, each consisting of an 80 acre non-standard proration unit, is assigned an allowable of 374 barrels of oil per day. In addition, a special production test allowable not to exceed <u>1122</u> barrels of oil per day is assigned for a three month period.

Any over-production accrued during the testing period shall be made up within one year after the three month testing period.

Very truly yours

CONSERVANION NIVISION ОM

Jerry Sexton Supervisor, District I

JS:bp

cc: Bureau of Land Management Nelda Morgan - Proration Dept. Marie Peterson - Proration Dept Karen Sharp - Ongard Paul Kautz - Geologi DRUG FREE File