

Midland Division Exploration Production

Conoco Inc. 10 Desta Drive, Suite 100W Midland, TX 79705-4500 (915) 686-5400

August 18, 1994

Reinstate R-6355

Michael E. Stogner Oil Conservation Division P.O. Box 2088 Santa Fe, NM 87504

RE: Application to:

- (1) Vacate Administrative Order NSP-1643(SD)(L) which provides for a 160-acre NSPU for Eumont gas production in the SE/4 Sec. 12, T-19S, R-36E dedicated to Conoco's State KN-12 Wells No. 3 & 7
- (2) Reinstate Hearing Order No. R-6355 which provided for a 120-acre NSPU for Eumont gas production in the NE/4 SE/4 & S/2 SE/4 Sec. 12, T-19S, R-36E dedicated to Conoco's State KN-12 Well No. 7 only

Dear Mr. Stogner:

EXHIBIT A is a map of Conoco's State KN-12 Lease consisting of the S/2 of Sec. 12, T-19S, R-36E. Outlined on this map is the 160-acre NSPU in the SE/4 that is currently dedication to Wells No. 3 and 7. Also shown are the offset operators to this spacing unit.

Order No. R-6355, which was issued May 22, 1980, created a 120-acre NSPU for Eumont gas production dedicated to Conoco's State KN-12 No. 7. A copy of this original order is attached as EXHIBIT B.

On February 18, 1992, this spacing unit was enlarged to 160 acres and simultaneously dedicated to Eumont gas production from Wells No. 3 and 7 by placing Order No. R-6355 in abeyance and issuing Administrative Order NSP-1643(SD)(L). A copy of this order is attached as EXHIBIT C.

The State KN-12 NO. 3 has recently been reclassified as an oil well in the Eumont Pool and must be separated from simultaneous dedication with Well No. 7. Therefore, it is requested that the Administrative Order NSP-1643(SD)(L) be vacated and the original Hearing Order R-6355 be reinstated.