

OIL CONSERVATION DIVISION

October 12, 1995

NSL-3587 <SD>

ME-TEX Oil & Gas, Inc.
P.O. Box 2070
Hobbs, New Mexico 88241-2070

Attention: Mark Veteto

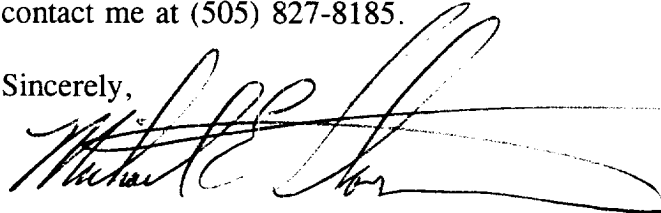
RE: *Administrative application for approval of an unorthodox Eumont gas well location and simultaneous dedication. R. R. Bell "H" Well No. 3 (API No. 30-025-33132) to be drilled 990 feet from the North line and 330 feet from the East line (Unit A) of Section 23, Township 19 South, Range 36 East, NMPM, Lea County, New Mexico.*

Dear Mr. Veteto:

Subsequent to our preliminary review of the subject application dated September 20, 1995, it would appear that the subject filing is not in line with Division policy for granting such approval, see Division Memorandum Nos. 3-89 and 1-90 attached; therefore, this request is being returned to you at this time. Should Me-Tex not choose to move the location for the proposed R. R. Bell "H" Well No. 3 to an acceptable standard gas well location for this 200-acre non-standard gas spacing and proration unit ("GPU") to the west 330 feet (990' FNL & 660' FEL) and would still like to pursue this location, then reapply to have this matter heard before a Division Examiner.

Should you have any additional questions or comments concerning this matter, please contact me at (505) 827-8185.

Sincerely,



Michael E. Stogner
Chief Hearing Officer/Engineer

MES/kv

cc: Oil Conservation Division - Hobbs
New Mexico State Land Office - Santa Fe
William J. LeMay, Director - OCD, Santa Fe