



NEW MEXICO ENERGY, MINERALS
& NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION
2040 South Pacheco Street
Santa Fe, New Mexico 87505
(505) 827-7131

February 25, 1999

Conoco, Inc.
10 Desta Drive - Suite 100 W
Midland, Texas 79705-4500
Attention: Kay Maddox

Telefax No. (915) 686-5508

Administrative Order NSP-1802

Dear Ms. Maddox:

Reference is made to the following: (i) your initial application dated January 27, 1999; (ii) your telephone conversation with Mr. Michael E., Stogner, Engineer with the New Mexico Oil Conservation Division ("Division"), on Thursday, February 4, 1999; (iii) your request to amend this application by telefax dated February 5, 1999; and (iv) the records of the Division: all concerning Conoco, Inc.'s request for a 160.92-acre non-standard gas spacing and proration unit consisting of the following acreage in the Eumont Gas Pool:

LEA COUNTY, NEW MEXICO
TOWNSHIP 20 SOUTH, RANGE 38 EAST, NMPM
Section 18: Lots 3 and 4, the SE/4 SW/4, and the SW/4 SE/4.

This unit is to be dedicated to the existing SEMU Burger "B" Well No. 121 (API No. 30-025-29089), located at an unorthodox gas well location 660 feet from the South line and 2310 feet from the West line (Unit N) of Section 18.

The subject application has been duly filed under the provisions of Division Rule 104.F.

By the authority granted me under the provisions of Rule 2(d) of the "General Rules for the Prorated Gas Pools of New Mexico/Special Rules and Regulations for the Eumont Gas Pool," as promulgated by Division Order No. R-8170, as amended, and Division Rule 104.D(2) the above-described non-standard 160.92-acre gas spacing and proration unit is hereby approved. Further, Conoco, Inc. is permitted to produce the allowable assigned the above-described 160.92-acre non-standard gas spacing and proration unit in accordance with Rule 5 of the Eumont special pool rules from this well.

Sincerely,

Lori Wrotenbery
Director

cc: New Mexico Oil Conservation Division - Hobbs /
U. S. Bureau of Land Management - Carlsbad