

ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION



GARREY CARRUTHERS
GOVERNOR

POST OFFICE BOX 2088
STATE LAND OFFICE BUILDING
SANTA FE, NEW MEXICO 87504
(505) 827-5800

February 23, 1988

ARCO Oil and Gas Company
P.O. Box 1610
Midland, TX 79702

Attention: Antoinette D. Green

Administrative Order NSP-1530

Dear Ms. Green:

Reference is made to your application for an 80-acre non-standard gas proration unit consisting of the following acreage in the Eumont Gas Pool:

LEA COUNTY, NEW MEXICO
TOWNSHIP 21 SOUTH, RANGE 36 EAST, NMPM
Section 6: E/2 SW/4

It is my understanding that this unit is to be dedicated to your proposed State "K" Well No. 3 to be drilled at a standard location 1650 feet from the South line and 1980 feet from the West line (Unit S) of said Section 6.

By authority granted me under the provisions of Rule 2(a) 4 of Division Order No. R-8170, as amended, the above non-standard gas proration unit is hereby approved.

Sincerely,

WJL
for WILLIAM J. LeMAY, DIRECTOR

WJL/MES/dr

cc: Oil Conservation Division - Hobbs
New Mexico Oil and Gas Engineering Committee - Hobbs
State Land Office - Santa Fe

REMARKS: The subject well will be replacing the State "K" Com Well No. 2 located 1980 feet from the South line and 1821 feet from the West line (Unit S) of said Section 6, which was recently abandoned in the Eumont Gas zone and turned over to the Chevron operated Eunice Monument South Unit for use in that Grayburg-San Andres waterflood. Prior to ARCO's abandonment of the State "K" Com Well No. 2 in August, 1987, the Eumont gas zone in said well was dedicated to a 150.37-acre non-standard gas spacing and proration unit consisting of Lots 17 and 18 and the E/2 SW/4 of said Section 6, as authorized by Division Administrative Order NSP-326, dated November 7, 1956. This 150.37-acre unit was terminated with the abandonment of the State "K" Com Well No. 2 and said NSP-326 is thereby suspended.