

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.

Recd 5-10-88

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