



NEW MEXICO ENERGY, MINERALS and  
NATURAL RESOURCES DEPARTMENT

FOR RECORD ONLY

GARY E. JOHNSON  
Governor  
Jennifer A. Salisbury  
Cabinet Secretary

November 1, 2000

Lori Wrotenbery  
Director  
Oil Conservation Division

Gruy Petroleum Management Company  
P. O. Box 140907  
Irving, Texas 75014-0907  
Attention: Zeno Farris

*Administrative Order NSP-1833*

Dear Mr. Farris:

Reference is made to the following: (i) your original application dated September 21, 1998; (ii) your letter dated October 15, 1998 with supplemental data; (iii) your letter dated August 5, 1999; and (iv) the records of the New Mexico Oil Conservation Division ("Division") in Santa Fe, including the file in Division Case Nos. 12015 and 12017 (see Division Order No. R-11476, dated November 1, 2000): all concerning Gruy Petroleum Management Company's request for an 80-acre non-standard gas spacing and proration unit consisting of the following acreage in the Rhodes-Yates-Seven Rivers Gas Pool:

LEA COUNTY, NEW MEXICO  
TOWNSHIP 26 SOUTH, RANGE 37 EAST, NMPM  
Section 17: N/2 NE/4.


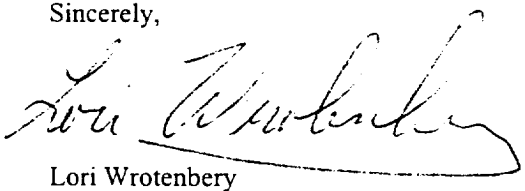
It is our understanding that this unit is to be dedicated to Gruy's proposed **Rhodes Federal Unit Well No. 171 (30-025-11995)**, located at a standard gas well location 660 feet from the North line and 1980 feet from the East line (Unit B) of Section 17.

The subject application has been duly filed under the provisions applicable at the time this application was submitted, see Rule 104.D (2), as revised by Division Order No. R-10533, issued by the New Mexico Oil Conservation Commission in Case No. 11,351 on January 18, 1996.

By the authority granted me under the provisions of Division Rule 104.D (2) (b), the above-described 80-acre non-standard gas spacing and proration unit is hereby approved.

Jurisdiction of this matter shall be further retained for the entry of any such subsequent orders, as the Division may deem necessary.

Sincerely,



Lori Wrotenbery  
Director

cc: New Mexico Oil Conservation Division - Hobbs  
U. S. Bureau of Land Management - Carlsbad  
William F. Carr, Legal Counsel for Gruy Petroleum Management Company - Santa Fe