



STATE OF NEW MEXICO
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT
OIL CONSERVATION DIVISION

BRUCE KING
GOVERNOR

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

January 18, 1991

Hal J. Rasmussen Operating, Inc.
Six Desta Drive
Suite 2700
Midland, TX 79705

Attention: Jay Cherski

Administrative Order NSL-2873-A

Dear Mr. Cherski:

Reference is made to your applications dated October 3, November 7 and November 20, 1990 for three unorthodox Jalmat gas well locations in an existing non-standard 320-acre gas spacing and proration unit (GPU) for said Jalmat Gas Pool comprising the E/2 of Section 10, Township 23 South, Range 36 East, NMPM, Lea County, New Mexico. Said GPU was authorized by Division Order No. R-9073, dated December 14, 1989 (Paragraph No. (9) of Exhibit "A") and had dedicated thereon the State "A" A/C-3 Well Nos. 1 and 2 located, respectively, in Units A and I of said Section 10 to this proration unit.

By Division Administrative Order NSL-2873, dated September 25, 1990, an additional well for said GPU, the State "A" A/C-3 Well No. 8 located at an unorthodox gas well location 660 feet from the South and East lines (Unit P) of said Section 10 was approved. Authorization was also given in said administrative order to simultaneously dedicate Jalmat Gas production from the State "A" A/C-3 Well No. 1, 2 and 8 to the subject GPU.

By authority granted me under the provisions of Rule 2(c) of the Special Rules and Regulations for the Jalmat Gas Pool, as promulgated by Division Order No. R-8170, as amended, the following described three wells located at unorthodox gas well locations are hereby approved:

State "A" A/C-3 Well No. 4
660' FNL & 2310' FEL (Unit B)

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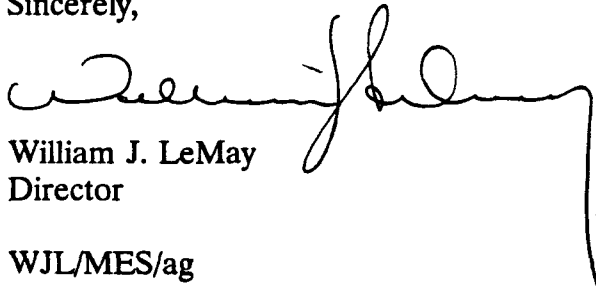
State "A" A/C-3 Well No. 5
1980' FNL & 2310' FEL (Unit G)

State "A" A/C-3 Well No. 6
1980' FSL & 2310' FWL (Unit J)

Also, you are hereby authorized to simultaneously dedicate Jalmat Gas production from the State "A" A/C-3 Well Nos. 1, 2 and 8 with the State "A" A/C-3 Well Nos. 4, 5, and 6; furthermore, you are hereby permitted to produce the allowable assigned the GPU from all of the said wells in any proportion.

All provisions applicable to the subject GPU in Division Order No. R-9073 and Division Order NSL-2873 shall remain in full force and effect until further notice.

Sincerely,

A handwritten signature in black ink, appearing to read 'William J. LeMay', with a long horizontal flourish extending to the right.

William J. LeMay
Director

WJL/MES/ag

cc: Oil Conservation Division - Hobbs
NM State Land Office - Santa Fe
File: Case No. 9775
NSL-2873