ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION

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BRUCE KING GOVERNOR

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

March 8, 1991

Chevron USA, Inc. P.O. Box 1150 Midland, TX 79702

Attention: A. W. Bohling

Administrative Order NSL-2995(SD)

Dear Mr. Bohling:

Reference is made to your application dated February 26, 1991, for an unorthodox Jalmat gas well location in an existing non-standard 480.20-acre gas spacing and proration unit (GPU) for said Jalmat Gas Pool comprising the SE/4 of Section 33 and the SW/4 of Section 34 both in, Township 21 South, Range 36 East, and Lots 3 and 4 and the S/2 NW/4 of Section 3, Township 22 South, Range 36 East, NMPM, Lea County, New Mexico. Said GPU was authorized by Division Order No. R-1770, dated September 16, 1960 and presently has dedicated thereon the W. A. Ramsey NCT-A Well Nos. 1 and 2 located respectively in Unit M of said Section 34 and Unit I of said Section 33 (simultaneous dedication of both wells and the unorthodox location for the No. 2 well authorized by Division Administrative Order NSL-1077, dated September 26, 1979).

It is our understanding that the subject well in this application was recently recompleted from the South Eunice Pool.

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 well located at an unorthodox gas well location is hereby approved:

> Harry Leonard NCT-D Well No. 12 to be renamed the W. A. Ramsey NCT-A Com Well No. 3 660' FNL - 1980' FWL (Unit C) Section 3, Township 22 South, Range 36 East, NMPM. Lea County, New Mexico.

> > 30-025-08763

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Also, you are hereby authorized to simultaneously dedicate Jalmat Gas production from the Harry Leonard (NCT-A) Well No.12 with the W. A. Ramsey (NCT-A) Well Nos. 1 and 2. Furthermore, you are hereby permitted to produce the allowable assigned the subject GPU from all of said wells in any proportion.

Sincerely,

William J. LeMay

Director

WJL/MES/ag

cc: Oil Conservation Division - Hobbs
NM State Land Office - Santa Fe