



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

BRUCE KING
GOVERNOR

April 1, 1991

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

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

Attention: A.W. Bohling

Administrative Order NSL-2721-B(SD)

Dear Mr. Bohling:

Reference is made to your application dated March 8, 1991, for an unorthodox Eumont gas well location in an existing non-standard 480-acre gas spacing and proration unit (GPU) for said Eumont Gas Pool comprising the N/2 and SE/4 of Section 34, Township 21 South, Range 36 East, NMPM, Lea County, New Mexico. Said GPU was authorized by Division Order R-596, dated February 28, 1955, and had dedicated thereon the W.A. Ramsey (NCT-A) Well No. 14 located 1980 feet from the North and West lines (Unit F) of said Section 36.

By Division Administrative Order NSL-2721(SD), dated December 4, 1989, an additional well, the W.A. Ramsey (NCT-A) Well No. 24, located at an unorthodox gas well location 1920 feet from the North line and 660 feet from the East line (Unit H) of said Section 34 was approved.

By Division Administrative Order NSL-2721-A, dated August 17, 1990, a third well to be recompleted to the Eumont Gas Pool, the W.A. Ramsey (NCT-A) Well No. 27, located at an unorthodox gas well location 660 feet from the North line and 1980 feet from the East line (Unit B) of said Section 34 was approved. Authorization was also given in said NSL-2721-A to simultaneously dedicate Eumont Gas production from the W.A. Ramsey (NCT-A) Well Nos. 14, 24, and 27 to the subject GPU.

It is our understanding that the subject well in this application is currently completed as a producing well in the Lower Queen interval of the Eumont Oil Pool however said well will be plugged back to the gas producing Upper Queen interval of the Eumont Gas Pool upon issuance of this order.

By authority granted me under the provisions of Rule 2(c) of the Special Rules and Regulations for the Eumont 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:

*W.A. Ramsey (NCT-A) Well No. 28
660'FSL - 1980'FEL (Unit O)*

Administrative Order NSL-2721-B(SD)

Chevron USA, Inc.

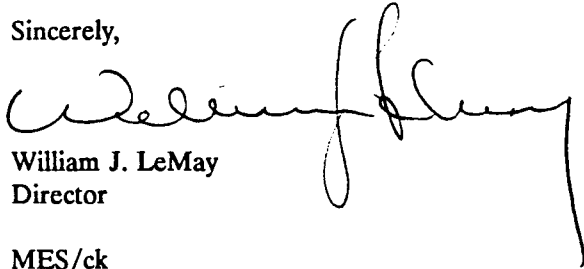
April 1, 1991

Page 2

Also, you are hereby authorized to simultaneously dedicate Eumont Gas production from the W.A. Ramsey (NCT-A) Well No. 28 with the W.A. Ramsey (NCT-A) Well Nos. 14, 24, and 27. Furthermore, you are hereby permitted to produce the allowable assigned the subject GPU from all said wells in any proportion.

All provisions of Division Administrative Orders NSL-2721(SD) and NSL-2721-A and Division Order No. R-596 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

MES/ck

cc: Oil Conservation Division - Hobbs
NM State Land Office - Santa Fe
File: NSL - 2721(SD)
NSL - 2721-A



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



BRUCE KING
GOVERNOR

ANITA LOCKWOOD
CABINET SECRETARY

February 1, 1993

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

Meridian Oil, Inc.
P. O. Box 51810
Midland, Texas 79710-1810

Attn: Maria L. Perez
Production Assistant

Lanexco, Inc.
P. O. Box 1206
Jal, New Mexico 88252

Attn: Mike Copeland
Production Superintendent

Division Administrative Order NSP-1661(SD)

Dear Ms. Perez and Mr. Copeland

Reference is made to applications filed in November and December, 1992 by both Meridian Oil, Inc. (Meridian) and Lanexco, Inc. (Lanexco) to divide the existing 440-acre non-standard gas spacing and proration unit (GPU) in the Jalmat Gas Pool currently operated by Lanexco, Inc. and comprising the NW/4 NW/4, S/2 NW/4, and S/2 of Section 33, Township 25 South, Range 37 East, N.M.P.M., Lea County, New Mexico, into three separate and distinct gas proration units.

Said 440-acre GPU was authorized by Division Order No. R-687, dated September 15, 1955 and had dedicated thereon the El Paso Tom Federal Well No. 6 located at a standard gas well location 1650 feet from the South and East lines (Unit J) of said Section 33.

By Division Order No. R-6511, dated November 6, 1980, an additional well re-completed to the Jalmat Gas Pool from the Langlie - Mattix Pool, the El Paso Tom Federal Well No. 7 (formerly the Gregory "A" Federal Well No. 2), located at an unorthodox gas well location 1980 feet from the South line and 660 feet from the West line (Unit L) of said Section 33 was approved for said GPU.

By Division Order No. R-6511-A, dated November 2, 1983, a third well to be drilled and completed in the subject GPU was approved for the El Paso Tom Federal Well No. 5 located at an unorthodox gas well location 1650 feet from the North line and 660 feet from the West line (Unit E) of said Section 33.

It is our understanding at this time that:

- (1) the acreage dedication for the El Paso Tom Federal Well No. 5 in Unit "E" will be changed to a non-standard **160-acre** unit comprising the **NW/4 NW/4, S/2 NW/4, and NE/4 SW/4** of said Section 33. Said gas well location pursuant to **Rule 4(b)2** of the Special Rules and Regulations for the Jalmat Gas Pool, as promulgated by Division Order No. R-8170, as amended, will now be considered standard;
- (2) further, the acreage dedication for the El Paso Tom Federal Well No. 7 in Unit "L" will be changed to a non-standard **120-acre** unit comprising the **NW/4 SW/4 and S/2 SW/4** of said Section 33, whereby its location will also be considered standard for a gas spacing and proration this size; and,
- (3) finally, the remaining **160 acres** comprising the **SE/4** of said Section 33 is to be simultaneously dedicated to the El Paso Tom Federal Well No. 6 in Unit "J", which is still considered a standard gas well location for this particular spacing unit, and to the proposed El Paso Tom Federal Well No. 8 to be drilled at a standard gas well location 660 feet from the South and East lines (Unit P) of said Section 33.

Our records currently indicate that the 440-acre unit is operated by Lanexco. If, at the time this order is issued, the operator of any of the three aforementioned units change, the operator of the new unit will be required to file the appropriate "change of operator forms" to the proper authorizing governmental agency. Also the operator of each unit shall file, within 20-days from the date of this order a new OCD Form C-102 with the Division and U. S. Bureau of Land Management reflecting the above-described acreage changes.

Division Administrative Order NSP-1661(SD)

Meridian Oil, Inc./Lanexco, Inc.

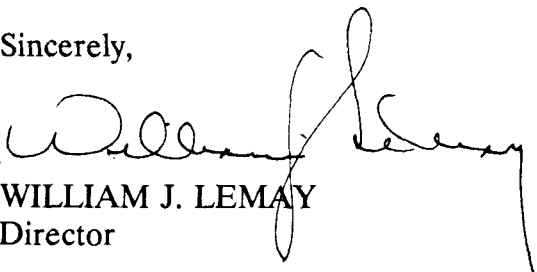
February 1, 1993

Page 3

By the authority granted me under the provisions of **Rule 2(a)4** of said Special Jalmat Pool Rules, the three above-described non-standard gas spacing and proration units in said Section 33 are hereby approved with allowables to be assigned thereto in accordance with **Rule 5** of said pool rules based upon its respective unit size. Also, Division Order Nos. R-687, R-6511, and R-6511-A are hereby placed in abeyance until further notice.

Furthermore, Division Administrative Order NSL-3172(SD), dated October 19, 1992, which order authorized the drilling of the El Paso Tom Federal Well No. 8 at an unorthodox gas well location, 660 feet from the South and East lines (Unit P) of said Section 8 in the original 440-acre non-standard gas spacing and proration unit and approved the simultaneous dedication of said acreage to the El Paso Tom Federal Well Nos. 5, 6, 7 and 8, is hereby rescinded on a permanent basis.

Sincerely,



WILLIAM J. LEMAY
Director

WJL/MES/amg

cc: Oil Conservation Division - Hobbs
U.S. Bureau of Land Management - Carlsbad
File: NSL-3172(SD)

BEFORE THE OIL CONSERVATION COMMISSION
OF THE STATE OF NEW MEXICO

IN THE MATTER OF THE HEARING
CALLED BY THE OIL CONSERVATION
COMMISSION OF THE STATE OF NEW
MEXICO FOR THE PURPOSE OF
CONSIDERING:

CASE NO. 931
Order No. R-687

THE APPLICATION OF EL PASO NATURAL GAS
COMPANY FOR AN ORDER GRANTING APPROVAL
OF AN EXCEPTION PURSUANT TO RULE 5 (a) OF
THE SPECIAL RULES AND REGULATIONS FOR THE
JALMAT GAS POOL OF ORDER NO. R-520 IN
ESTABLISHMENT OF A NON-STANDARD GAS PRORATION
UNIT OF 440 CONTIGUOUS ACRES CONSISTING OF S/2,
S/2 NW/4, AND NW/4 NW/4 OF SECTION 33, TOWNSHIP
25 SOUTH, RANGE 37 EAST, NMPM, LEA COUNTY, NEW
MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 o'clock a.m. on July 14, 1955 and on August 17, 1955, at Santa Fe, New Mexico, before the Oil Conservation Commission, hereinafter referred to as the "Commission".

NOW, on this 15th., day of September, 1955, the Commission, a quorum being present, having considered the records and testimony adduced, and being fully advised in the premises,

FINDS:

(1) That due notice of the time and place of hearing and the purpose thereof having been given as required by law, the Commission has jurisdiction of this case and the subject matter thereof.

(2) That pursuant to provisions of Rule 5 (a) of the Special Rules and Regulations of the Jalmat Gas Pool of Order No. R-520, the Commission has power and authority to permit the formation of a gas proration unit consisting of other than a legal section after notice and hearing by the Commission.

(3) That applicant, El Paso Natural Gas Company is the owner of the gas rights in Lea County, New Mexico on land consisting of other than a legal section, and described as follows, to-wit:

TOWNSHIP 25 SOUTH, RANGE 37 EAST, NMPM
S/2, S/2 NW/4, and NW/4 NW/4 Section 33

containing 440 acres, more or less.

(4) That applicant, El Paso Natural Gas Company, has a producing well on the aforesaid lease known as Gregory Federal No. 1, located 1650 feet from the South and East lines of Section 33, Township 25 South, Range 37 East, NMPM, Lea County, New Mexico.

(5) That the aforesaid well was completed and in production on May 19, 1955, and is located within the horizontal and vertical limits of the pool heretofore delineated and designated as the Jalmat Gas Pool.

(6) That it is impractical to pool applicant's said lease with adjoining acreage in the Jalmat Gas Pool and that the owners of adjoining acreage in said section have not objected to the formation of the proposed proration unit of 440 acres.

(7) That unless a proration unit consisting of applicant's aforesaid acreage is permitted, applicant will be deprived of the opportunity to recover its just and equitable share of the natural gas in the Jalmat Gas Pool.

(8) That creation of a proration unit consisting of the aforesaid acreage will not cause but will prevent waste, and will protect correlative rights.

IT IS THEREFORE ORDERED:

(1) That the application of El Paso Natural Gas Company for approval of a non-standard gas proration unit consisting of the following described acreage:

TOWNSHIP 25 SOUTH, RANGE 37 EAST, NMPM
S/2, S/2 NW/4 and NW/4 NW/4 Section 33

be and the same is hereby approved, and a proration unit consisting of aforesaid acreage is hereby created.

(2) That applicant's well, Gregory Federal No. 1, located in the Jalmat Gas Pool, shall be granted an allowable in the proportion that the above described 440 acre unit bears to the standard or orthodox proration unit for said pool, all until further order of the Commission.

DONE at Santa Fe, New Mexico on the day and year hereinabove designated.

State of New Mexico
Oil Conservation Commission
John F. Simms, Chairman
E. S. Walker, Member
W. B. Macey, Member and Secretary

S E A L
ir/

STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
OIL CONSERVATION DIVISION

IN THE MATTER OF THE HEARING
CALLED BY THE OIL CONSERVATION
DIVISION FOR THE PURPOSE OF
CONSIDERING:

CASE NO. 7064
Order No. R-6511

APPLICATION OF EL PASO NATURAL GAS
COMPANY FOR AN UNORTHODOX WELL
LOCATION AND SIMULTANEOUS DEDICATION,
LEA COUNTY, NEW MEXICO.

ORDER OF THE DIVISION

BY THE DIVISION:

This cause came on for hearing at 9 a.m. on October 29, 1980, at Santa Fe, New Mexico, before Examiner Daniel S. Nutter.

NOW, on this 6th day of November, 1980, the Division Director, having considered the testimony, the record, and the recommendations of the Examiner, and being fully advised in the premises,

FINDS:

(1) That due public notice having been given as required by law, the Division has jurisdiction of this cause and the subject matter thereof.

(2) That the applicant, El Paso Natural Gas Company, seeks approval of an unorthodox gas well location for its Gregory Fed. A Well No. 2 located in the center of Unit L of Section 33, Township 25 South, Range 37 East, NMPM, Jalmat Gas Pool, Lea County, New Mexico.

(3) That the applicant further seeks to simultaneously dedicate a previously approved 440-acre proration unit comprising the S/2, S/2 NW/4 and NW/4 NW/4 of said Section 33 to the above-described well and to its Gregory Fed. Well No. 1 located in Unit J of said Section 33.

(4) That said Gregory Fed. A Well No. 2 was formerly an oil well at a standard location in the Langlie Mattix Oil Pool but is now a Jalmat gas well at an unorthodox location in said pool.

(5) That no offset operator objected to the proposed unorthodox location and simultaneous dedication.

(6) That approval of the subject application will afford the applicant the opportunity to produce its just and equitable share of the gas in the subject pool, will prevent the economic loss caused by the drilling of unnecessary wells, avoid the augmentation of risk arising from the drilling of an excessive number of wells, and will otherwise prevent waste and protect correlative rights.

IT IS THEREFORE ORDERED:

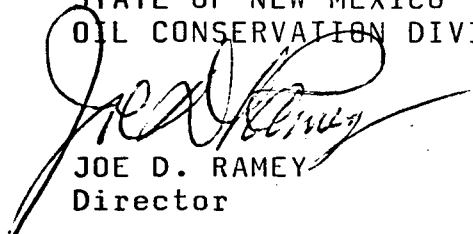
(1) That El Paso Natural Gas Company is hereby authorized to produce its Gregory Fed. A Well No. 2 at an unorthodox location in the center of Unit L of Section 33, Township 25 South, Range 37 East, NMPM, Jalmat Gas Pool, Lea County, New Mexico.

(2) That the S/2, S/2 NW/4, and NW/4 NW/4 of said Section 33 shall be simultaneously dedicated to the above-described well and to applicant's Gregory Fed. Well No. 1 located in Unit J of said Section 33.

(3) That jurisdiction of this cause is retained for the entry of such further orders as the Division may deem necessary.

DONE at Santa Fe, New Mexico, on the day and year herein-above designated.

STATE OF NEW MEXICO
OIL CONSERVATION DIVISION


JOE D. RAMEY
Director

S E A L

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STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
OIL CONSERVATION DIVISION

IN THE MATTER OF THE HEARING
CALLED BY THE OIL CONSERVATION
DIVISION FOR THE PURPOSE OF
CONSIDERING:

CASE NO. 7988
Order No. R-6511-A

APPLICATION OF ALPHA TWENTY-ONE
PRODUCTION COMPANY FOR AN UNORTHODOX
LOCATION AND SIMULTANEOUS DEDICATION,
LEA COUNTY, NEW MEXICO

ORDER OF THE DIVISION

BY THE DIVISION:

This cause came on for hearing at 9 a.m. on October 26, 1983, at Santa Fe, New Mexico, before Examiner Michael E. Stogner.

NOW, on this 2nd day of November, 1983, the Division Director, having considered the testimony, the record, and the recommendations of the Examiner, and being fully advised in the premises,

FINDS:

- (1) That due public notice having been given as required by law, the Division has jurisdiction of this cause and the subject matter thereof.
- (2) That the applicant, Alpha Twenty-One Production Company, seeks approval of an unorthodox gas well location for its Gregory "A" Federal Well No. 3 to be located 1650 feet from the North line and 660 feet from the West line of Section 33, Township 25 South, Range 37 East, NMPM, Jalmat Gas Pool, Lea County, New Mexico.
- (3) That the applicant further seeks to simultaneously dedicate a previously approved 440-acre non-standard proration unit (Division Order No. R-687, dated September 15, 1955) comprising the S/2, S/2 NW/4, and NW/4 NW/4 of said Section 33 to the above-described well and to its Gregory "A" Federal Wells Nos. 1 and 2, located in the NW/4 SE/4 and the NW/4 NW/4, respectively, of said Section 33.

(4) That a well at said unorthodox location will better enable applicant to produce the gas underlying the proration unit.

(5) That no offset operator objected to the proposed unorthodox location.

(6) That approval of the subject application will afford the applicant the opportunity to produce its just and equitable share of the gas in the affected pool, will prevent the economic loss caused by the drilling of unnecessary wells, avoid the augmentation of risk arising from the drilling of an excessive number of wells, and will otherwise prevent waste and protect correlative rights.

IT IS THEREFORE ORDERED:

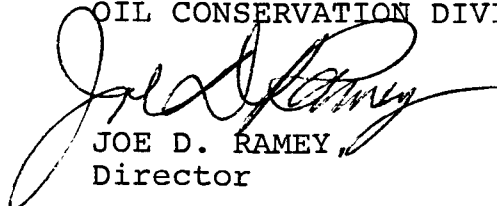
(1) That the applicant, Alpha Twenty-One Production Company, is hereby authorized to drill its Gregory "A" Federal Well No. 3 at an unorthodox location 1650 feet from the North line and 660 feet from the West line of Section 33, Township 25 South, Range 37 East, Jalmat Gas Pool, Lea County, New Mexico.

(2) That the S/2, S/2 NW/4, and NW/4 NW/4 of said Section 33 shall be simultaneously dedicated to the above-described well and to applicant's Gregory "A" Federal Wells Nos. 1 and 2 located in the NW/4 SE/4 and the NW/4 NW/4, respectively, of said Section 33.

(3) That jurisdiction of this cause is retained for the entry of such further orders as the Division may deem necessary.

DONE at Santa Fe, New Mexico, on the day and year hereinabove designated.

STATE OF NEW MEXICO
OIL CONSERVATION DIVISION


JOE D. RAMEY
Director

S E A L

ENGP706T--ENGP706-01
 RUN-TIME: 08:03:47

GAS PRORATION SCHEDULE
 SOUTHEAST, NEW MEXICO

APR-SEP, 1992

RUN-DATE 04/09/92
 PAGE: 57

POOL/OPERATOR/LEASE/WELL	NUM U SE THN RAN STA	TRANS	ACREAGE	AF	DELIVER TEST	APR-SEP, 92 AVG MO SALES	O/P LIM	JAN 92 O/U	JAN 92 OLD O/P	MONTHLY ALLOWABLE
BER L CT SHP GE TUS										
JALMAT TANSILL YT 7 RVRS (PRO GAS)										
LANEXCO INC										
CROSBY A	1 O 29 25S 37E M	SRC	80.00	.50		123				123
EL PASO PLANT	1 L 32 23S 37E M	R SRC	80.00	.50		4,764				4,764
EL PASO RUBY FEDERAL	1 O 8 25S 37E M	SRC	120.00	.75		2,378				2,378
EL PASO SMITH	1 N 21 24S 37E M	SRC	120.00	.75		1,270				1,270
EL PASO STATE	1 J 22 23S 36E N	SRC	80.00	.50		6,322		15,614		9,150
EL PASO TOM FEDERAL	6 J 33 25S 37E MMU	SRC				3,068				
	7 L 33 25S 37E MMU	SRC				8,624				
	5 E 33 25S 37E MMU	SRC				11,692				
P.U. SUMMARY			440.00	2.75						11,692
TEXAS STATE	2 I 16 23S 36E M	SRC	80.00	.50		634				634
OPERATOR TOTALS						27,183				30,011
SIDNEY LANIER										
VAUGHN A 14	7 N 14 24S 36E	PNG								
	8 E 14 24S 36E	PNG								
P.U. SUMMARY		R	240.00							
OPERATOR TOTALS										
BERNARD LANKFORD JR										
SPEAR STATE	1 F 2 26S 37E M	SRC	160.00	1.00						
OPERATOR TOTALS										
LEWIS B. BURLESON, INC.										
DYER	3 H 31 25S 37E M	SRC	160.00	1.00		488				488
FARNEY	4 B 5 23S 36E M	SRC	323.00	2.02		4,512				4,512
FEDERAL	1Y C 5 23S 36E M	SRC	160.00	1.00		4,679				4,679
GUTMAN	1 I 29 25S 37E M	SRC	80.00	.50		397				397
HARRISON	2 N 25 24S 36E M	SRC	160.00	1.00		1,928				1,928
LANEHART	3 L 21 25S 37E M	SRC	120.00	.75		1,105				1,105
LANEHART	1 D 22 25S 37E MMU	SRC	160.00	1.00		2,772				2,772
P.U. SUMMARY						2,772				
LEONARD	1 P 20 25S 37E M	SRC	40.00	.25						

ENGP706T--ENGP706-01
 RUN-TIME: 08:03:47

GAS PRORATION SCHEDULE
 SOUTHEAST, NEW MEXICO

APR-SEP, 1992

RUN-DATE 04/09/92
 PAGE: 58

POOL/OPERATOR/LEASE/WELL	NUM U SE THN RAN STA	TRANS	ACREAGE	AF	DELIVER TEST	APR-SEP, 92 AVG MO SALES	O/P LIM	JAN 92 O/U	JAN 92 OLD O/P	MONTHLY ALLOWABLE
BER L CT SHP GE TUS										
JALMAT TANSILL YT 7 RVRS (PRO GAS)										
LEWIS B. BURLESON, INC.										
LYNN B 25	2 M 25 23S 36E MMU	PNG				781				
P.U. SUMMARY			320.00	2.00		781				781
MARTIN A	2 A 31 24S 37E M	SRC	160.00	1.00		8,020				8,020
MCDONALD A 35 STATE COM	1 P 35 22S 36E M	SRC	160.00	1.00		7,147				7,147
MOBIL	1 F 22 25S 37E M	SRC	150.00	.94		948				948
NANCY FEDERAL COM	1 N 28 25S 37E MMU	SRC	200.00	1.25						
P.U. SUMMARY										
NEW MEXICO 2 STATE	1 H 2 24S 36E M	PNG	160.00	1.00		2,323				2,323
SAUNDERS ESTATE	2 F 28 25S 37E M	SRC	160.00	1.00		722				722
SHOLES B 19	4 K 19 25S 37E MMU	SRC	280.00	1.75		2,241				2,241
P.U. SUMMARY						2,241				
SHOLES B 30	2 D 30 25S 37E M	SRC	80.00	.50		94				94
STATE 35	1 A 35 22S 36E N	SRC	160.00	1.00		9,660		43,178		18,300
STEVENS A 34	2 G 34 23S 36E M	SRC	240.00	1.50						
WOOLNORTH	2 K 33 24S 37E M	SRC	80.00	.50						
OPERATOR TOTALS						47,817				56,457
M & B PETROLEUM										
BROWN	1 F 25 25S 36E M	SRC	160.00	1.00		280				280
OPERATOR TOTALS						280				280
MARALO INC.										
MAGGIE ROSE	1 M 18 25S 37E M	SRC	80.00	.50		457				457
OPERATOR TOTALS						457				457
MARATHON OIL COMPANY										
MCDONALD STATE AC 1 COM	6 N 16 22S 36E MMU	SRC				1,140				
	25 H 16 22S 36E MMU	SRC				2,194				
	5 F 16 22S 36E MMU	SRC				2,194				
P.U. SUMMARY			600.00	3.75		5,528				5,528
OPERATOR TOTALS						5,528				5,528