



NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

GARY E. JOHNSON

Governor

BETTY RIVERA

Cabinet Secretary

Lori Wrotenbery

Director

Oil Conservation Division

June 6, 2002

Breck Operating Corporation
P. O. Box 911
Breckenridge, Texas 76424-0911
Attention: Donald R. Craig
District Engineer
dcraig@breckop.com

Telefax No. (254) 559-3220

Administrative Order NSP-1857 (L)

Dear Mr. Craig:

Reference is made to the following: (i) your application (*application reference No. pKRV0-213540821*); and dated May 7, 2002; and (ii) the records of the New Mexico Oil Conservation Division ("Division") in Santa Fe, including Division Order No. R-1306, issued in Case No. 1541 on December 17, 1958: all concerning Breck Operating Corporation's ("Breck") request for a 160-acre non-standard gas spacing unit consisting of the following acreage in the Jalmat Gas Pool (79240):

LEA COUNTY, NEW MEXICO
TOWNSHIP 22 SOUTH, RANGE 36 EAST, NMPM
Section 33: SE/4.

This unit is to be dedicated to Breck's recently drilled (October, 2001) and completed Meyer "33" Federal Well No. 1 (API No. 30-025-35599), which is located at an unorthodox gas well location 1100 feet from the South line and 660 feet from the East line (Unit P) of Section 33.

Your application submitted on behalf of Raptor has been duly filed under the provisions of the "*Special Pool Rules for the Jalmat Gas Pool*," as promulgated by Division Order No. R-8170-P, issued in Case No. 12563 on December 14, 2001.

By the authority granted me under the provisions of Rules 4 (A), (C), and (D) of the special rules now governing the Jalmat Gas Pool, the above-described non-standard 160-acre gas spacing unit and unorthodox gas well location for the above-described Meyer "33" Federal Well No. 1 are hereby approved.

IT SHALL BE NOTED HOWEVER THAT Breck, as a prudent operator, is expected to seek the necessary regulatory exceptions to the appropriate rules and regulations prior to the drilling operations. Otherwise, such request for exceptions to the applicable rules filed in the future may

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Breck Operating Corporation

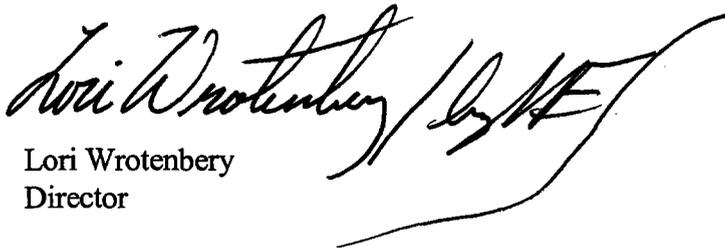
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require a hearing before approval is granted.

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

Sincerely,

A handwritten signature in black ink, appearing to read "Lori Wrotenberg" followed by a stylized flourish or initials.

Lori Wrotenberg
Director

LW/MES/kv

cc: New Mexico Oil Conservation Division - Hobbs
U. S. Bureau of Land Management - Carlsbad