

State of New Mexico
ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT
Santa Fe, New Mexico 87505



OIL CONSERVATION DIVISION



February 2, 1995

Texaco Exploration & Production Inc.
P. O. Box 730
Hobbs, New Mexico 88241-0730

Attn: Darrell J. Carriger

Administrative Order NSL-485-A(SD)

Dear Mr. Carriger:

Reference is made to your application dated October 31, 1994 for an unorthodox Jalmat gas well location in an existing non-standard 160-acre gas spacing and proration unit ("GPU") for said Jalmat Gas Pool comprising the NW/4 of Section 16, Township 24 South, Range 37 East, NMPM, Lea County, New Mexico. Said GPU was established by Division Order No. R-520, dated August 12, 1954 and currently has dedicated thereon the Mexico "G" Well No. 1 (API No. 30-025-11122) located at a standard gas well location 660 feet from the North and West lines (Unit D) of said Section 16.

It is our understanding that the subject well in this application, the Mexico "G" Well No. 2 (API No. 30-025-11123), was drilled in 1958 to a total depth of 7,993 feet and originally completed in the Langlie-Mattix Pool at a standard oil well location for said pool 1980 feet from the North line and 2308 feet from the West line (Unit F) of said Section 16. In 1971 the Langlie-Mattix interval was abandoned and the well was recompleted up-hole to the Fowler-Upper Yeso Pool, a location exception was granted by Division Administrative Order NSL-485, dated February 24, 1971, since the location was considered to be unorthodox pursuant to the applicable rules for the Fowler-Upper Yeso Pool. It is further understood that the Upper Yeso zone is to be properly plugged back at this time and that said well will be recompleted to the Jalmat Gas Pool upon issuance of this order.

VILLAGRA BUILDING - 408 Galisteo

Forestry and Resources Conservation Division
P.O. Box 1948 87504-1948
827-5830

Park and Recreation Division
P.O. Box 1147 87504-1147
827-7465

2040 South Pacheco

Office of the Secretary
827-5950

Administrative Services
827-5925

Energy Conservation & Management
827-5900

Mining and Minerals
827-5970

Oil Conservation
827-7131

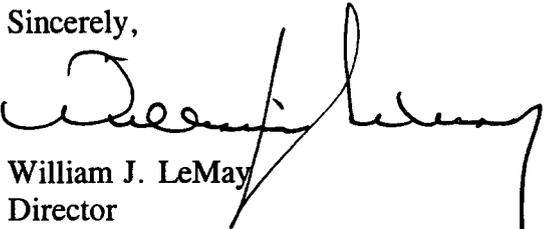
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By authority granted me under the provisions of Rule 2(c) of the Special Rules and Regulations for the Jalmat Gas Pool, as promulgated by Division Order No. R-8170, as amended, the above-described Mexico "G" Well No. 2, located at an unorthodox Jalmat gas well location is hereby approved.

Also, you are hereby authorized to simultaneously dedicate Jalmat Gas production from the Mexico "G" Well No. 2 with the Mexico "G" Well No. 1. Furthermore, you are hereby permitted to produce the allowable assigned the subject GPU from both wells in any proportion.

Said original Administrative Order NSL-485 is hereby placed in abeyance until further notice.

Sincerely,



William J. LeMay
Director

WJL/MES/kv

cc: Oil Conservation Division - Hobbs
New Mexico State Land Office - Santa Fe
File: NSL-485