

STATE OF NEW MEXICO

ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION



BRUCE KING
GOVERNOR

June 26, 1991

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

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

Attention: Bonita Gilbert

Administrative Order NSL-2730-B

Dear Ms. Gilbert:

Reference is made to three Rasmussen applications dated October 3, 1990 and February 26, 1991 for three unorthodox Jalmat gas well locations in an existing non-standard 480-acre gas spacing and proration unit (GPU) for said Jalmat Gas Pool comprising the NW/4 of Section 14 and the N/2 of Section 15, 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. (12) of Exhibit "A") and had dedicated thereon the State "A" A/C-1 Well No. 28 located in Unit F of said Section 14 and Well Nos. 31 and 33 located in Units H and F, respectively, of said Section 15 to this proration unit.

By Division Administrative Order NSL-2730, as amended, an additional well, the State "A" A/C-1 Well No. 82, located at unorthodox gas well location in Unit B of said Section 15 was approved for the subject GPU.

Further, by Division Administrative Order NSL-2730-A, dated September 23, 1990, an additional well, the State "A" A/C-1 Well No. 102, located at an unorthodox gas well location in Unit D of said Section 14 was also approved for the subject GPU.

It is our understanding that the three subject wells to be considered at this time are currently completed in the Langlie-Matrix Pool, however, said wells will be plugged back to the Jalmat 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 Jalmat Gas Pool, as promulgated by Division Order No. R-8170, as amended, the following described wells located at an unorthodox gas well location are hereby approved:

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State "A" A/C-1 Well No. 59
1980' FNL - 660' FWL (Unit E) of said Section 15

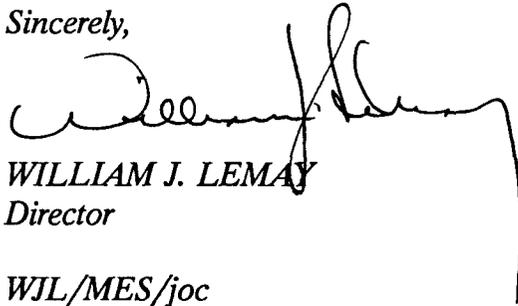
State "A" A/C-1 Well No. 79
1980' FNL - 660' FWL (Unit E) of said Section 14

State "A" A/C-1 Well No. 80
1980' FN & EL (Unit G) of said Section 15

Also, you are hereby authorized to simultaneously dedicate Jalmat Gas production from the State "A" A/C-1 Well Nos. 59, 79, and 80 with the State "A" A/C-1 Well Nos. 28, 31, 33, 82, and 102; furthermore, you are hereby permitted to produce the allowable assigned the GPU from all of the said wells in any proportion.

All provisions of Division Administrative Order NSL-2730, as amended, and NSL-2730-A, and those provisions applicable to the subject GPU in Division Order No. R-9073 (Paragraph No. (12) of Exhibit "A") shall remain in full force and effect until further notice.

Sincerely,



WILLIAM J. LEMAY
Director

WJL/MES/joc

cc: Oil Conservation Division - Hobbs
NM State Land Office - Santa Fe
File: Case No. 9775
NSL-2730