

ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION



BRUCE KING
GOVERNOR

June 28, 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-3023(SD)

Dear Ms. Gilbert:

Reference is made to two Rasmussen applications dated October 3, 1990 and February 26, 1991 for two unorthodox Jalmat gas well locations in an existing non-standard 320-acre gas spacing and proration unit (GPU) for said Jalmat Gas Pool comprising the N/2 of Section 23, 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. (16) of Exhibit "A") and had dedicated thereon the State "A" A/C-1 Well Nos. 26, 27, and 105 located in Units G, F, and H respectively, of said Section 23 to this proration unit.

Subsequent to the issuance of said Order No. R-9073 three additional wells were included in the subject GPU, the State "A" A/C-1 Well Nos. 73, 84, and 98 all located at standard gas well locations for the proration unit in Units C, G, and B, respectively, of said Section 23.

It is our understanding that the two subject wells to be considered at this time are temporarily abandoned 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 unorthodox gas well locations in said Section 23 are hereby approved:

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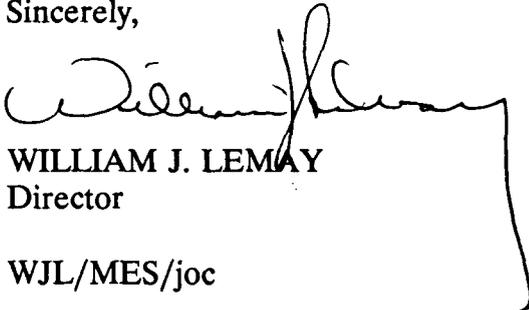
State "A" A/C-1 Well No. 65
660' FNL - 760' FWL (Unit D)

State "A" A/C-1 Well No. 109
560' FNL - 660' FEL (Unit A)

Also, you are hereby authorized to simultaneously dedicate Jalmat Gas production from the State "A" A/C-1 Well Nos. 65 and 109 with the State "A" A/C-1 Well Nos. 26, 27, 73, 84, 98 and 105; furthermore, you are hereby permitted to produce the allowable assigned the subject GPU from all of the said wells in any proportion.

All provisions applicable to the subject GPU in Division Order No. R-9073 (Paragraph No. (16) 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