



STATE OF NEW MEXICO

ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION



BRUCE KING
GOVERNOR

October 19, 1992

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

ANITA LOCKWOOD
CABINET SECRETARY

Lanexco, Inc.
c/o Meridian Oil, Inc.
P.O. Box 51810
Midland, Texas 79710-1810

Attention: Maria L. Perez

Administrative Order NSL-3172(SD)

Dear Ms. Perez:

Reference is made to your application on behalf of the operator Lanexco, Inc. by letter dated September 23, 1992 for an unorthodox Jalmat gas well location in an existing non-standard 440-acre gas spacing and proration unit (GPU) for said Jalmat Gas Pool comprising the NW/4 NW/4, S/2 NW/4, and S/2 of Section 33, Township 25 South, Range 37 East, NMPM, Lea County, New Mexico. Said 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 recompleted 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.

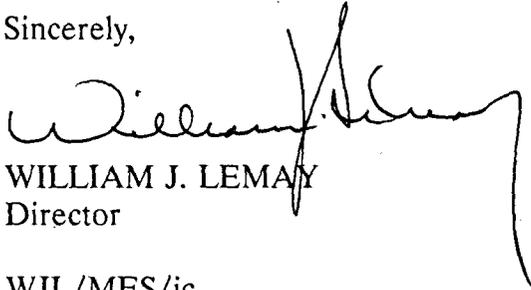
By the authority granted me under the provisions of Rule 2(c) of the Special Rules and Regulations for the Jalmat Gas Pool, as promulgated by Division Order No. R-8170, as amended, the following described well to be drilled at an unorthodox gas well location is hereby approved:

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El Paso Tom Federal Well No. 8
660' FS & EL (Unit P)

Also, you are hereby authorized to simultaneously dedicate Jalmat Gas production from the No. 8 Well with the El Paso Tom Federal Well Nos. 5, 6 and 7. Furthermore, you are hereby permitted to produce the allowable assigned the subject GPU from are four wells in any proportion.

Sincerely,



WILLIAM J. LEMAY
Director

WJL/MES/jc

cc: Oil Conservation Division - Hobbs
U.S. BLM - Carlsbad