

STATE OF NEW MEXICO

ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION



BRUCE KING
GOVERNOR

July 8, 1991

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

Meridian Oil, Inc.
21 Desta Drive
Midland, TX 79705

Attention: Connie L. Malik

Administrative Order SD-91-7

Dear Ms. Malik:

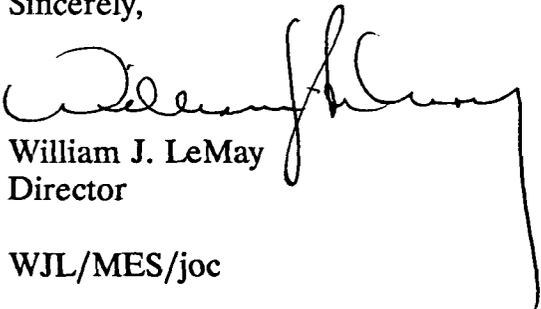
Per your application dated June 14, 1991, you are hereby authorized to simultaneously dedicate Jalmat Gas Pool production to the previously approved non-standard 160-acre gas spacing and proration unit comprising the N/2 S/2 of Section 2, Township 23 South, Range 36 East, NMPM, Lea County, New Mexico (Division Order R-517, dated August 12, 1954), from the existing

Shell State Well No. 4 located at a standard gas location 1980 feet from the South and West lines (Unit K) of said Section 2 and to the proposed

Shell State Well No. 7 to be drilled at a standard gas location 1980 feet from the South line and 810 feet from the East line (Unit I) of said Section 2.

Further, you are permitted to produce the allowable assigned said 160-acre unit from both wells in any proportion.

Sincerely,


William J. LeMay
Director

WJL/MES/joc

cc: Oil Conservation Division - Hobbs

STATE OF NEW MEXICO

ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION



BRUCE KING
GOVERNOR

March 17, 1992

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

Meridian Oil, Inc.
P.O. Box 51810
Midland, TX 79710-1810

Attention: Maria L. Perez

AMENDED
Administrative Order SD-91-7

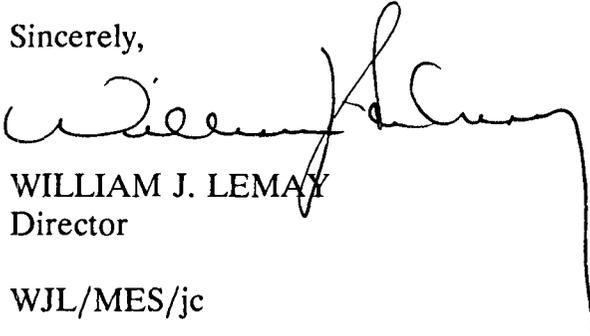
Dear Ms. Perez:

Reference is made to your letter dated January 2, 1992, whereby you provided an explanation of the discrepancy between the actual well location for Meridian's Shell State Well No. 7 and the referenced location in Division Administrative Order SD-91-7, dated July 8, 1991, which order authorized the simultaneous dedication of Jalmat Gas Pool production to an existing 160-acre gas spacing and proration unit comprising the N/2 S/2 of Section 2, Township 23 South, Range 36 East, NMPM, Lea County, New Mexico, from the Shell State Well Nos. 4 and 7.

It is our understanding that the proposed Well No. 7 was spotted on a map before actually staking, for some unexplained reason said location was moved 40 feet to the west of the authorized site. The amended location does however remain standard.

Division Administrative Order SD-91-7 is hereby amended to show the well location for the Shell State Well No. 7 to be "1980 feet from the South line and 850 feet from the East line (Unit I) of said Section 2", all other provisions of said Order SD-91-7 shall remain in full force and effect until further notice.

Sincerely,


WILLIAM J. LEMAY
Director

WJL/MES/jc

cc: Oil Conservation Division - Hobbs