

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-91-10

Dear Ms. Malik:

Per your application dated July 3, 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 NE/4 of Section 8, Township 24 South, Range 37 East, NMPM, Lea County, New Mexico (Division Order R-559, dated December 16, 1954), from the existing

Hodge Well No. 2 located 330 feet from the North line and 2310 feet from the East line (Unit B) of said Section 8 and to your

Hodge Well No. 3 to be drilled at a standard gas location 1980 feet from the North line and 660 feet from the East line (Unit H) of said Section 8.

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

Sincerely,

A handwritten signature in black ink, appearing to read "William J. LeMay".

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

November 21, 1991

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

Meridian Oil Inc.
21 Desta Drive
Midland, Texas 79705

Attn: Maria L. Perez

RE: Division Administrative Order SD-91-10

Dear Ms. Perez:

I am writing this letter to clarify what appears to be a somewhat confusing but simple issue concerning Meridian's existing 160-acre Jalmat Gas spacing and proration unit comprising the NE/4 of Section 8, Township 24 South, Range 37 East, NMPM, Lea County, New Mexico. On July 8, 1991 the Division issued Administrative Order SD-91-10 authorizing the simultaneous dedication of your Hodge Well No. 2 in Unit B with your proposed Hodge Well No. 3 to be drilled in Unit H, not to be confused (which it has) with the existing Hodge Well No. 3 located 660' FNL - 1980' FEL (Unit B). Our records further indicate the Hodge Well No. 4 in Unit G was completed in the Jalmat Gas Pool in September and is therefore the second well on the subject proration unit.

Please contact me concerning this matter so that I might amend the current Order to reflect accurately the situation in the subject acreage.

Sincerely,

A handwritten signature in black ink, appearing to read "Michael E. Stogner". The signature is written in a cursive style and is positioned above the typed name and title.

MICHAEL E. STOGNER
Engineer

MES/jc

STATE OF NEW MEXICO

ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION



April 14, 1992

BRUCE KING
GOVERNOR

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-91-10

Dear Ms. Perez:

Reference is made to your letter dated January 2, 1992 concerning the need to amend Division Administrative Order SD-91-10, dated November 21, 1991, which authorized the simultaneous dedication of Jalmat Gas Pool production from the NE/4 of Section 8, Township 24 South, Range 37 East, NMPM, Lea County, New Mexico, to the Hodge Well No. 2 located in Unit B and to the Hodge Well No. 3 to be drilled in Unit H, both in said Section 8.

It is our understanding that a well designated the Hodge Well No. 3 belonging to Meridian exists and is located 660 feet from the North line and 1980 feet from the East line (Unit B) of said Section 8, it is also our understanding that the location for the proposed second Jalmat Gas well on the subject 160-acre gas spacing and proration has been moved to a new location in Unit G (1660 feet from the North line and 1980 feet from the East line) of said Section 8 been and is now designated the Hodge Well No. 4.

Division Administrative Order SD-91-10 is hereby amended by deleting all reference to the Hodge Well No. 3 and is hereby substituted with the "Hodge Well No. 4 to be drilled at a standard gas well location 1660 feet from the North line and 1980 feet from the East line (Unit G) of said Section 8," all other provisions of said order shall remain in full force and effect until further notice.

Sincerely,

A handwritten signature in black ink, appearing to read "William J. Lemay". The signature is written in a cursive style with a long, sweeping tail that extends downwards and to the right.

WILLIAM J. LEMAY
Director

WJL/MES/jc