



# NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

**GARY E. JOHNSON**  
Governor  
**Jennifer A. Salisbury**  
Cabinet Secretary

November 26, 2001

**Lori Wrotenbery**  
Director  
Oil Conservation Division

**Apache Corporation**  
2000 Post Oak Boulevard - Suite 100  
Houston, Texas 77056-4400  
Attention: **Debra J. Anderson**  
*Debra.Anderson@Apachecorp.com*

Telefax No. (713) 296-7156

*Administrative Order NSL-4665(SD)*

Dear Ms. Anderson:

Reference is made to the following: (i) your application submitted to the New Mexico Oil Conservation Division ("Division") on November 5, 2001 (*application reference No. pKRV0-130946346*); and (ii) the records of the Division in Santa Fe, including the files on Division Administrative Orders NSP-1193, NSP-1194, and NSP-1517(L)(SD); all concerning Apache Corporation's request for an unorthodox infill Jalmat gas well location within an existing lay-down 320-acre non-standard gas spacing and proration unit ("GPU") comprising the N/2 of Section 36, Township 23 South, Range 36 East, NMPM, Lea County, New Mexico.

The rules and procedures currently governing the Jalmat Gas Pool (79240) include but are not necessarily limited to:

- (i) the "*Special Rules and Regulations for the Jalmat Gas Pool*," as promulgated by Division Order No. R-8170, as amended;
- (ii) Division Rule 605.B (2) (b);
- (iii) Division Rules 104.D (2) and 104.F, revised by Division Order No. R-11231, issued by the New Mexico Oil Conservation Commission in Case No. 12119 on August 12, 1999;
- (iv) Division Rules 1207.A (2) and (3); and
- (v) the amended Stipulated Declaratory Judgment of the First Judicial District Court in Santa Fe County, New Mexico issued on July 11, 2001 in Hartman vs. Oil Conservation Division, Cause No. D-0101-CV-9902927 ("Stipulated Declaratory Judgment").

The subject 320-acre GPU was established by Division Administrative Order NSP-1517(L)(SD), dated November 2, 1987 for the following two wells:

- (1) Apache Corporation's existing State LM "T" Well No. 9 (**API No. 30-025-26616**), located at a standard gas well location for this GPU 780 feet from the North line and 1860 feet from the West

line (Unit C) of Section 36, which was the subject of Division Administrative Orders NSP-1194, dated May 26, 1980, and NSP-1517(L)(SD); and

- (2) existing State LM "T" Well No. 10 (API No. 30-025-26617), located at an unorthodox gas well location for this 320-acre GPU 1860 feet from the North line and 780 feet from the East line (Unit H) of Section 36, which was the subject of Division Administrative Orders NSP-1193, dated May 26, 1980, and NSP-1517(L)(SD).

By the authority granted me under the provisions of the rules, regulations, and directives currently governing the Jalmat Gas Pool, the following described well recently drilled by Apache Corporation at an unorthodox infill gas well location within this 320-acre GPU is hereby approved:

**State LM "T" Well No. 11  
1150' FNL & 1750' FEL (Unit B)  
(API No. 30-025-35366)**

Also, Apache Corporation is hereby authorized to simultaneously dedicate Jalmat gas production from the State LM "T" Well No. 11 with the existing State LM "T" Wells No. 9 and 10. Furthermore, Apache Corporation is permitted to produce the allowable assigned the subject 320-acre GPU from all three wells in any proportion.

All provisions applicable to the subject GPU in Division Administrative Order NSP-1517(L)(SD), not in conflict with this order, shall remain in full force and affect until further notice.

Jurisdiction of this matter shall be further retained for the entry of any such subsequent orders, as the Division may deem necessary.

Sincerely,

  
Lori Wrotenbery  
Director

LW/MES/kv

cc: New Mexico Oil Conservation Division - Hobbs  
New Mexico State Land Office - Santa Fe  
File: NSP-1193  
NSP-1194  
NSP-1517(L)(SD)