



STATE OF NEW MEXICO
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT
OIL CONSERVATION DIVISION

GARREY CARRUTHERS
GOVERNOR

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

September 25, 1990

Hal J. Rasmussen Operating Inc.
Six Desta Drive
Suite 5850
Midland, TX 79705

Attention: Jay Cherski

Administrative Order NSL-2816(SD)-A

Dear Mr. Cherski:

Reference is made to your applications dated July 25, 1990 for two unorthodox Jalmat Gas Well locations in an existing standard 640-acre gas spacing and proration unit (GPU) for said Jalmat Gas Pool comprising all of Section 8, Township 22 South, Range 36 East, NMPM, Lea County, New Mexico. Said GPU was the subject, in part, of Division Order No. R-9073, dated December 14, 1989 (Paragraph No. (3) of Exhibit "A"), which authorized Hal J. Rasmussen Operating, Inc. to simultaneously dedicate thereon State "A" A/C-2 Well Nos. 43, 49 and 56 located, respectively in Units H, C and J of said Section 8 to this proration unit.

By Division Administrative Order NSL-2816(SD), dated June 28, 1990, three additional wells, the State "A" A/C-2 Well Nos. 24, 26 and 53, located at unorthodox gas well locations in Units I, B and N, respectively, were approved for the subject GPU. Authorization was also given in said NSL-2816(SD) to simultaneously dedicate Jalmat Gas production from the State "A" A/C-2 Well Nos. 24, 26, 43, 49, 53 and 56 to the subject GPU.

It is our understanding that the two subject wells in this application are either producing from or temporarily abandoned in the South Eunice Seven Rivers Queen Pool and that each well will be properly plugged back to the Jalmat Gas Pool.

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 are hereby approved:

Administrative Order NSL-2816(SD)-A
Hal J. Rasmussen Operating, Inc.
September 25, 1990
Page 2

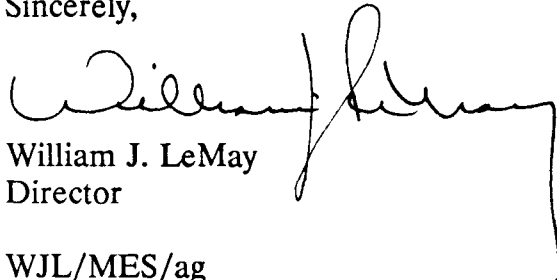
State "A" A/C-2 Well No. 55
660' FS & EL (Unit P); and

State "A" A/C-2 Well No. 58
2030' FSL - 680' or 660'FWL (Unit L).

Also, you are hereby authorized to simultaneously dedicate Jalmat Gas production from the State "A" A/C-2 Well Nos. 24, 26, 43, 49, 53, 55, 56 and 58 to said GPU. Furthermore, you are hereby permitted to produce the allowable assigned to the proration unit from all wells in any proportion.

All of Division Administrative Order NSL-2816(SD), dated June 28, 1990 and those provisions applicable to the subject GPU in Division Order No. R-9073 shall remain in full force and effect until further notice.

Sincerely,



William J. LeMay
Director

WJL/MES/ag

cc: Oil Conservation Division - Hobbs
NM State Land Office - Santa Fe
File: Case No. 9775