



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



BRUCE KING
GOVERNOR

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SANTA FE, NEW MEXICO 87504
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July 5, 1994

Chevron USA, Inc.
Attention: Alan W. Bohling
P.O. Box 1150
Midland, TX 79702

Administrative Order NSL-2994-C(SD)

Dear Mr. Bohling:

Reference is made to your application dated June 3, 1994, for an unorthodox Jalmat gas well location in an existing non-standard 480-acre gas spacing and proration unit (GPU) for said Jalmat Gas Pool comprising the NE/4 equivalent and S/2 of Section 3, Township 22 South, Range 36 East, NMPM, Lea County, New Mexico. Said GPU was authorized by Division Administrative Order NSP-68 and upheld by Division Order R-595, dated February 28, 1955 and had dedicated thereon the Harry Leonard NCT-D No. 3 (formerly the Harry Leonard State "D" No. 3) located in Unit K of said Section 3.

By Division Administrative Order NSL-2994(SD), dated March 8, 1991, an additional well was recompleted to the Jalmat Gas Pool from the South Eunice Pool, the Harry Leonard NCT-D Well No. 16, located at an unorthodox gas well location 660 feet from the South line and 1980 feet from the East line (Unit O) of said Section 3 was approved for said GPU.

By Division Administrative Order NSL-2994-A(SD), dated November 12, 1991, a third well was recompleted to the Jalmat Gas Pool from the South Eunice Pool, the Harry Leonard NCT-D Well No. 4 located at an unorthodox gas well location 1980 feet from the South line and 660 feet from the East line (Unit I) of said Section 3.

By Division Administrative Order NSL-2994-B(SD), dated November 30, 1992, a forth well was recompleted from the South Eunice Pool to the Jalmat GAs Pool in the subject GPU, the Harry Leonard NCT-D Well No. 13 located at an unorthodox gas well location 1980 feet from the North and East lines (Unit G) of said Section 3.

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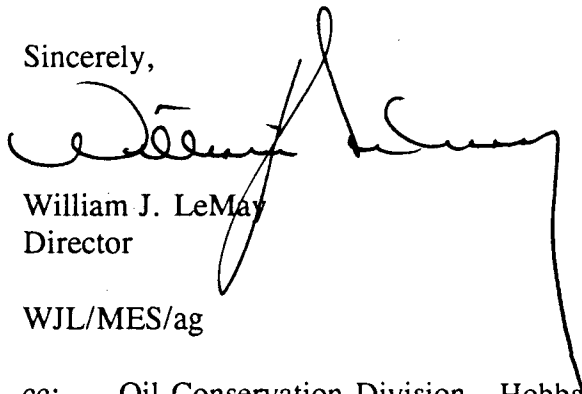
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By authority granted me under the provisions of Rule 2(c) of the Special Rules and Regulations for the Jalmat Gas Pool, as promulgated by Division Order No. R-8170 as amended, the following described well to be recompleted from the South Eunice Pool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

*Harry Leonard NCT-D Well No. 15
660' FNL & 1980' FEL (Unit B)*

Also, you are hereby authorized to simultaneously dedicate Jalmat Gas production from the No. 15 with the Harry Leonard NCT-D Well Nos. 3, 4, 13 and 16. Furthermore, you are hereby permitted to produce the allowable assigned the subject GPU from all of said wells in any proportion.

Sincerely,



William J. LeMay
Director

WJL/MES/ag

cc: Oil Conservation Division - Hobbs
NM State Land Office - Santa Fe
File: NSL-2994
NSL-2994-A
NSL-2294-B
NSP-68