



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

BRUCE KING
GOVERNOR

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

September 17, 1991

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

Attention: Maria L. Perez

Administrative Order NSL-3050(SD)

Dear Ms. Perez:

Reference is made to your application dated August 15, 1991, for an unorthodox Jalmat gas well location in an existing non-standard 160-acre gas spacing proration unit (GPU) for said Jalmat Gas Pool comprising the SE/4 of Section 1, Township 23 South, Range 36 East, NMPM, Lea County, New Mexico. Said GPU was authorized by Division Order No. R-520, dated August 12, 1954 and presently has dedicated thereon the Emery King SE Well No. 1 located at a standard gas well location 660 feet from the South line and 1980 feet from the East line (Unit O) of said Section 1.

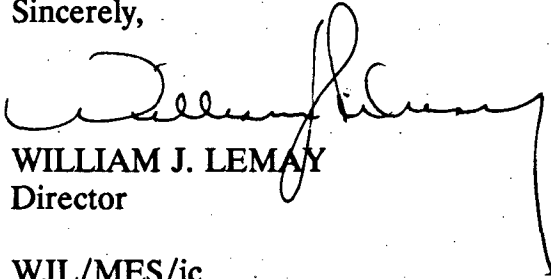
It is our understanding that the subject well to be considered at this time is temporarily abandoned in the Langlie Mattix Pool; however, said well will be plugged back and recompleted to the Jalmat Gas Pool upon issuance of this order.

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 above described unorthodox gas well location is hereby approved:

Emery King SE Well No. 3
2310' FSL & 1650' FEL (Unit J)

Also, you are hereby authorized to simultaneously dedicate Jalmat Gas production from the Emery King SE Well No. 1 with the Emery King SE Well No. 3. Furthermore, you are hereby permitted to produce the allowable assigned the subject GPU from both of said wells in any proportion.

Sincerely,

A handwritten signature in black ink, appearing to read 'William J. Lemay', written over the printed name and title.

WILLIAM J. LEMAY
Director

WJL/MES/jc

cc: Oil Conservation Division - Hobbs