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-91-9

Dear Ms. Malik:

Per your application dated June 20, 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 10, Township 22 South, Range 36 East, NMPM, Lea County, New Mexico (Division Order R-520, dated August 12, 1954), from the existing

Mattie James Well No. 1 located at a standard gas well location 1980 feet from the North and East lines (Unit G) of said Section 10 and to your

Mattie James Well No. 2 to be drilled at a standard gas location 660 feet from the North and East lines (Unit A) of said Section 10.

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

Sincerely. William J. LeMay Director WJL/MES/joc

cc: Oil Conservation Division - Hobbs