



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



BRUCE KING
GOVERNOR

January 9, 1992

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

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

Attention: Connie L. Malik

Administrative Order NSP-1642

Dear Ms. Malik:

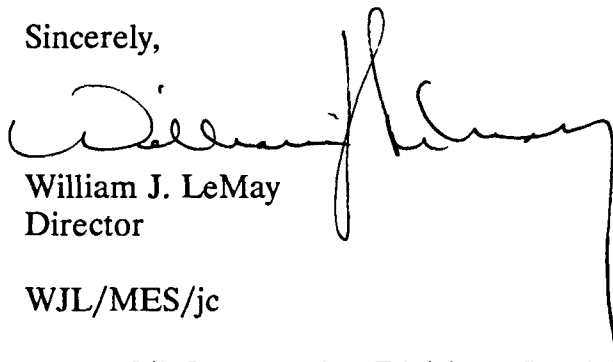
Reference is made to your application dated December 18, 1991 for a 160-acre non-standard gas proration unit consisting of the following acreage in the Jalmat Gas Pool:

LEA COUNTY, NEW MEXICO
TOWNSHIP 26 SOUTH, RANGE 37 EAST, NMPM
Section 3: SW/4

It is my understanding that this unit is to be dedicated to your C.C. Cagle "C" Well No. 4 to be drilled at a standard gas well location in Unit L of said Section 3.

By authority granted me under the provisions of Rule 2(a)4 of the Special Rules and Regulations for the Jalmat Gas Pool, as promulgated by Division Order No. R-8170, as amended, you are hereby authorized to operate the above-described acreage as a non-standard gas proration unit, with allowable to be assigned thereto in accordance with Rule 5 of said pool rules based upon the unit size of 160 acres.

Sincerely,



William J. LeMay
Director

WJL/MES/jc

cc: Oil Conservation Division - Hobbs
U.S. BLM - Carlsbad



**NEW MEXICO ENERGY, MINERALS
& NATURAL RESOURCES DEPARTMENT**

OIL CONSERVATION DIVISION
2040 South Pacheco Street
Santa Fe, New Mexico 87505
(505) 827-7131

November 22, 1999

Gruy Petroleum Management Company
P. O. Box 140907
Irving, Texas 75014-0907
Attention: Zeno Farris

Telefax No. (972) 443-6450

Administrative Order SD-99-16

Dear Mr. Farris:

Reference is made to your letter dated November 2, 1999. Gruy Petroleum Management Company ("Gruy") is hereby authorized to simultaneously dedicate gas production from the Jalmat Gas Pool to the previously approved non-standard 160-acre gas spacing and proration unit ("GPU") comprising the SW/4 of Section 3, Township 26 South, Range 37 East, NMPM, Lea County, New Mexico (approved by Division Administrative Order NSP-1642, dated January 8, 1992) from the: (i) existing Cagle "C" Well No. 4 (API No. 30-025-31324) located at a standard gas well location 1980 feet from the South line and 660 feet from the West line (Unit L) of Section 3; and (ii) proposed Cagle "C" Well No. 5 (API No. 30-025-34450) to be drilled at a standard gas well location 990 feet from the South line and 1980 feet from the West line (Unit N) of Section 3.

Gruy is hereby authorized to simultaneously dedicate Jalmat gas production from the proposed Cagle "C" Well No. 5 with the existing Cagle "C" Well No. 4. Furthermore, Gruy is hereby permitted to produce the allowable assigned the subject 160-acre GPU from both wells in any proportion

Further, all provisions of Division Administrative Order NSP-1642 shall remain in full force and affect until further notice.

Sincerely,

Lori Wrotenbery
Director

LW/MES/kv

cc: New Mexico Oil Conservation Division - Hobbs
U. S. Bureau of Land Management - Carlsbad
File: NSP-1642 /