



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



BRUCE KING  
GOVERNOR

ANITA LOCKWOOD  
CABINET SECRETARY

March 29, 1993

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

Tahoe Energy, Inc.  
3909 W. Industrial Avenue  
Midland, TX 79703

Attention: K.A. Freeman

*Administrative Order NSP-1646-A*

Dear Mr. Freeman:

By Division Order No. R-429, dated April 16, 1954, a 158.02-acre, more or less, non-standard Jalmat gas spacing and proration unit comprising Lots 1 through 4 (W/2 W/2 equivalent) of Section 19, Township 25 South, Range 37 East, NMPM, Lea County, New Mexico, was authorized to be dedicated to the Sholes "A" 19 Well No. 1 located 2340 feet from the South line and 300 feet from the West line (Unit L) of said Section 19.

By Division Administrative Order NSP-1646, dated May 1, 1992, the aforementioned 158.02-acre unit was reduced by the deletion of Lot No. 1 (NW/4 NW/4 equivalent, Unit D) of said Section 19, comprising 39.21 acres. Said 39.21-acre tract was subsequently dedicated a Jalmat oil spacing and proration unit to Tahoe's Junk Yard Dog Well No. 1 located 660 feet from the North line and 360 feet from the West line of said Section 19.

It is our understanding at this time, by your application dated February 22, 1993, that the Junk Yard Dog Well No. 1 has been classified as a "Jalmat gas well" and Tahoe seeks to establish the 39.21-acre tract a non-standard gas spacing and proration unit in the Jalmat Gas Pool.

By the 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, the above-described 39.21-acre non-standard gas spacing and proration unit in said Jalmat Gas Pool for the Junk Yard Dog Well No. 1, comprising Lot 1 of said Section 19 is hereby approved.

*Administrative Order NSP-1646-A*

*Tahoe Energy, Inc.*

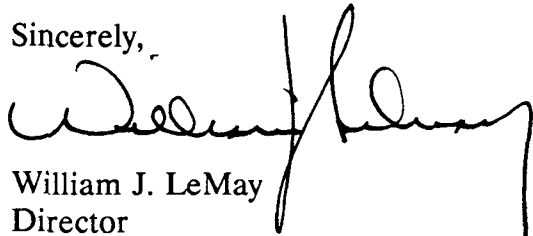
*March 29, 1993*

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All provisions of Division Administrative Order NSP-1646 shall remain in full force and effect until further notice.

Sincerely,

A handwritten signature in black ink, appearing to read "William J. LeMay". The signature is fluid and cursive, with a long, sweeping underline that extends down towards the distribution list.

William J. LeMay  
Director

WJL/MES/amg

cc: Oil Conservation Division - Hobbs  
File: NSP-1646