



STATE OF NEW MEXICO
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION

2040 S. PACHECO
SANTA FE, NEW MEXICO 87505
(505) 827-7131

June 18, 1997

Seay Exploration, Inc.
c/o Downs Oil and Gas Research
1424 West Paige Drive
Hobbs, New Mexico 88240
Attention: Evelyn F. Downs

Administrative Order NSP-1773

Dear Ms. Downs:

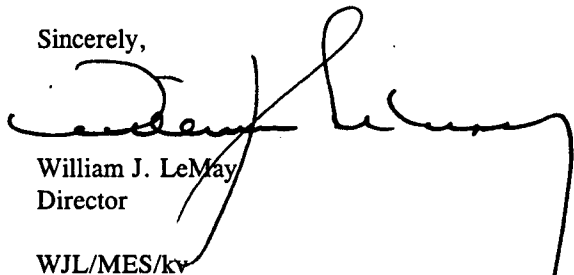
Reference is made to your application dated May 16, 1997 on behalf of the operator, Seay Exploration, Inc., for a 160-acre non-standard gas spacing and proration unit consisting of the following acreage in the Jalmat Gas Pool:

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

It is my understanding that this unit is to be dedicated to the existing C. C. Cagle "C" Well No. 1 (API No. 30-025-11935), located at a standard gas well location 990 feet from the North and West lines (Unit D) of said Section 3.

By the authority granted me under the provisions of Rule 2(a)4 of the "General Rules for the Prorated Gas Pools of New Mexico/Special Rules and Regulations for the Jalmat Gas Pool", as promulgated by Division Order No. R-8170, as amended, Seay Exploration, Inc. is hereby authorized to operate the above-described non-standard gas spacing and proration unit, with allowable assigned thereto in accordance with Rule 5 of said special pool rules based upon the unit size of 160 acres.

Sincerely,



William J. LeMay
Director

WJL/MES/kv

cc: Oil Conservation Division - Hobbs
U.S. Bureau of Land Management - Carlsbad

REMARKS:

The previously approved Division Order R-957, dated March 8, 1957, which order authorized the 320-acre non-standard Jalmat gas spacing and proration unit comprising the N/2 of said Section 3 and had dedicated to it the aforementioned C. C. Cagle "C" Well No. 1, is hereby placed in abeyance until further notice.