



PKRVO-130946346

NSL-4665 (SD)

NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

BILL RICHARDSON

Governor

Joanna Prukop

Cabinet Secretary

April 26, 2005

Mark E. Fesmire, P.E.

Director

Oil Conservation Division

Doyle Hartman, Oil Operator**P. O. Box 10426****Midland, Texas 79702****Telefax No. (432) 682-7616****Attention: Steve Hartman, Engineer*****AMENDED Division Administrative Order NSP-1517-A (SD)***

Dear Mr. Hartman:

Reference is made to the following: (i) your letter of application submitted to the New Mexico Oil Conservation Division ("Division") in Santa Fe, New Mexico by telefax on April 12, 2005 (*administrative application reference No. pMES0-511564663*); (ii) your telephone conversations with Mr. Michael E. Stogner, Engineer with the Division in Santa Fe on Tuesday morning, April 12, 2005, and on Monday morning, April 25, 2005; and (iii) the records of the Division in Santa Fe, including the files on Division Administrative Orders NSP-516, 516-A, NSP-744, NSP-1193, NSP-1194, NSP-1517 (L) (SD), NSL-4665 (SD), SD-04-03, and NSP-1517-A (SD) and Division Case No. 6197 (see Division Order No. R-5701): all concerning your request on behalf of the operator Doyle Hartman, Oil Operator ("Hartman") to amend Division Administrative Order NSP-1517-A (SD), issued on November 5, 2004.

Division Administrative Order NSP-1517-A (SD) established the existing 240-acre non-standard gas spacing unit in the Jalmat Gas Pool (79240) that comprises the W/2 NE/4 and the NW/4 of Section 36, Township 23 South, Range 36 East, NMPM, Lea County, New Mexico. This Order further provided for the simultaneous dedication of this 240-acre unit to the following three wells:

- (1) State LM "T" Well No. 9 (API No. 30-025-26616), located at a standard gas well location 780 feet from the North line and 1860 feet from the West line (Unit C) of Section 36, which well was the subject of Division Administrative Orders NSP-1194, dated May 26, 1980, and NSP-1517 (L) (SD);
- (2) State LM "T" Well No. 11 (API No. 30-025-35366), located at an unorthodox infill gas well location (initially approved by Division Administrative Order NSL-4665 (SD), dated November 26, 2001) 1150 feet from the North line and 1750 feet from the East line (Unit B) of Section 36; and
- (3) the proposed State LM "T" Well No. 12, to be drilled at a standard infill gas well location, pursuant to Rule 3 (A) (2) of the "Special Pool Rules for the Jalmat Gas Pool," as promulgated by Division Order No. R-8170-P, issued in Case No. 12563 on December 14, 2001, within either the NW/4 NW/4 (Unit D) or the SW/4 NW/4 (Unit E) of Section 36.

It is the Division's understanding that Hartman, instead of drilling the proposed State LM "T" Well No. 12, now intends to re-enter and recomplete the existing OXY USA WTP Limited Partnership Myers Langlie Mattix Unit Well No. 66 (API No. 30-025-09480), which is to be re-designated by Hartman as the State "LMT" Well No. 8, located at a standard infill Jalmat gas well location 660 feet from the North and West lines (Unit D) of Section 36.

Division Administrative Order NSP-1517-A (SD) is hereby amended; all references to the State LM "T" Well No. 12 in the two ordering paragraphs on the third page of the order shall be substituted with the State "LMT" Well No. 8.

It is further ordered that all provisions applicable to the to this amendment not in conflict with this order, shall remain in full force and affect until further notice.

Jurisdiction of this matter shall be further retained for the entry of any such subsequent orders, as the Division may deem necessary.

Sincerely,



Mark E. Fesmire, P. E.
Director

MEF/ms

cc: New Mexico Oil Conservation Division – Hobbs
New Mexico State Land Office – Santa Fe
Mr. J. E. Gallegos, Legal Counsel for Doyle Hartman – Santa Fe
File: Division Administrative Order NSP-516
Division Administrative Order NSP-516-A
Division Administrative Order NSP-744
Division Administrative Order NSP-1193
Division Administrative Order NSP-1194
Division Administrative Order NSP-1517 (L) (SD)
Division Administrative Order NSP-1517-A (SD)
Division Administrative Order NSL-4665 (SD)
Division Administrative Order SD-04-03
Division Case No. 6197