

STATE OF NEW MEXICO

ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION

GARREY CARRUTHERS

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

September 25, 1990

Hal J. Rasmussen Operating, Inc. Six Desta Drive Suite 2700 Midland, TX 79705

Attention: Jay Cherski

Amended Administrative Order NSL-2730

Dear Mr. Cherski:

Reference is made to your application dated February 1, 1990 made pursuant to the provisions of Division Administrative Order NSL-2730, dated December 7, 1989, which authorized an unorthodox Jalmat Gas well location for the State "A" A/C-1 Well No. 82 located 660 feet from the North line and 1980 feet from the East line (Unit B) of Section 15, Township 23 South, Range 36 East, NMPM, Lea County, New Mexico. Said Order NSL-2730 provided that the subject well be simultaneously dedicated with the State "A" A/C-1 Well No. 28 located in Unit F of Section 14 to the existing 240-acre non-standard Jalmat Gas spacing and proration unit (approved by Division Order No. R-4361, as amended) comprising the NW/4 of Section 14 and the N/2 NE/4 of Section 15, both in Township 23 South, Range 36 East, NMPM, Lea County, New Mexico.

Subsequent to the issuance of said Order NSL-2730, the Division issued Order No. R-9073, dated December 14, 1989, which authorized, in part, a 480-acre non-standard gas spacing and proration unit (Paragraph No. (12) of Exhibit "A") comprising the NW/4 of said Section 14 and the N/2 of Said Section 15, and had dedicated thereon, the State "A" A/C-1 Well Nos. 28, 31 and 33 located, respectively, in Unit F of said Section 14 and Units H and F of said Section 15.

At this time Order NSL-2730 should be amended to include the No. 82 well in the current 480-acre non-standard gas proration unit.

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Also, you are hereby authorized to simultaneously dedicate Jalmat Gas production from the State "A" A/C-1 Well No. 82 with the State "A" A/C-1 Well Nos. 28, 31 and 33; furthermore, you are hereby permitted to produce the allowable assigned the GPU from all the said wells in any proportion.

The unorthodox location portion of Division Administrative Order NSL-2730, dated December 7, 1989 and those provisions applicable to the subject GPU in Division Order No. R-9073 shall remain in full force and effect until further notice.

Sincerely,

William J. LeMay

Director

WJL/MES/ag

cc: Oil Conservation Division - Hobbs

NM State Land Office - Santa Fe

File: Case No. 9775