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

June 28, 1990

Hal J. Rasmussen Operating Inc. Six Desta Drive Suite 5850 Midland, TX 79705

Attention: Jay Cherski

Administrative Order NSL-2816(SD)

Dear Mr. Cherski:

Reference is made to your application dated January 22, 1990 for three unorthodox Jalmat Gas Well locations in an existing standard 640-acre gas spacing and proration unit (GPU) for said Jalmat Gas Pool comprising all of Section 8, Township 22 South, Range 36 East, NMPM, Lea County, New Mexico. Said GPU was the subject, in part, of Division Order No. R-9073, dated December 14, 1989, which authorized Hal J. Rasmussen Operating, Inc. to simultaneously dedicate thereon State "A" A/C-2 Well Nos. 43, 49 and 56 located, respectively in Units H, C and J of said Section 8.

It is our understanding that the three subject wells in this application are either producing from or temporarily abandoned in the South Eunice Seven Rivers Queen Pool and that each well will be properly plugged back to the Jalmat Gas Pool.

By authority granted me under the provisions of Rule 2(c) of the Special Rules and Regulations for the Jalmat Gas Pool, as promulgated by Division Order No. R-8170, as amended, the following described wells located at unorthodox gas well locations are hereby approved:

State "A" A/C-2 Well No. 24 1980' FSL - 660' FEL (Unit I);

State "A" A/C-2 Well No. 26 660' FNL - 1980' FEL (Unit B); and (30-025-08835) Administrative Order NSL-2816(SD) Hal J. Rasmussen Operating, Inc. June 28, 1990 Page 2

> State "A" A/C-2 Well No. 53 660' FSL - 1980' FWL (Unit N). (30-025-08840)

Also, you are hereby authorized to simultaneously dedicate Jalmat Gas production from the State "A" A/C-2 Well Nos. 24, 26, 43, 49, 53 and 56 to said GPU. Furthermore, you are hereby permitted to produce the allowable assigned to the proration unit from all wells in any proportion.

All 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