

STATE OF NEW MEXICO

ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION



BRUCE KING
GOVERNOR

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SANTA FE, NEW MEXICO 87504
(505) 827-5800

June 28, 1991

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

Attention: Bonita Gilbert

Administrative Order NSL-2874-B(SD)

Dear Ms. Gilbert:

Reference is made to your application dated February 19, 1991 for an unorthodox Jalmat gas well location in an existing non-standard 640-acre gas spacing and proration unit (GPU) for said Jalmat Gas Pool comprising the N/2 and SW/4 of Section 13 and the NE/4 of Section 14, both in Township 23 South, Range 36 East, NMPM, Lea County, New Mexico. Said GPU was authorized by Division Order No. R-9073, dated December 14, 1989 (Paragraph No. (11) of Exhibit "A") and had decided thereon the State "A" A/C-1 Well Nos. 20, 21, and 22 located, respectively, in Units C, H, and N of said Section 13 and Well Nos. 77 and 13 located respectively in Units B and H of said Section 14 to this proration unit.

By Division Order R-9073-A, dated February 28, 1990, three additional wells, the State "A" A/C-1 Well Nos. 66, 71, and 75, located at unorthodox gas well locations in Units D, M, and L, respectively, of said Section 13 were approved for the subject GPU.

Further, by Division Administrative Orders NSL-2874 and NSL-2874-A, dated September 25, 1990 and January 18, 1991, respectively, three more wells, the State "A" A/C-1 Well Nos. 57, 106, and 122, located at unorthodox gas well locations in Units B, A, and L, respectively, of said Section 13 were approved for the subject GPU. Authorization was also given in said administrative order to simultaneously dedicate Jalmat Gas production from the State "A" A/C-1 Well Nos. 13, 20, 21, 22, 57, 66, 71, 75, 77, 106 and 122 to the subject GPU.

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It is our understanding that the three subject wells to be considered at this time are currently completed in the Langlie-Matrix Pool, however, said wells will be plugged back to the Jalmat Gas Pool upon issuance of this order.

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 well located at an unorthodox gas well location in said Section 15 is hereby approved:

State "A" A/C-1 Well No. 78
1980' FN & EL (Unit G)

Also, you are hereby authorized to simultaneously dedicate Jalmat Gas production from the State "A" A/C-1 Well No. 78 with the State "A" A/C-1 Well Nos. 13, 20, 21, 22, 57, 66, 71, 75, 77, 106, and 122; furthermore, you are hereby permitted to produce the allowable assigned the GPU from all of the said wells in any proportion.

All provisions of Division Order R-9073-A, dated February 28, 1990, Division Administrative Order NSL-2874, dated September 25, 1990, Division Administrative Order NSL-2874-A, dated January 28, 1991, 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/joc

cc: Oil Conservation Division - Hobbs
NM State Land Office - Santa Fe
File: Case No. 9775
Case No. 9874
NSL-2874
NSL-2874-A