



STATE OF NEW MEXICO
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT
OIL CONSERVATION DIVISION



BRUCE KING
GOVERNOR

ANITA LOCKWOOD
CABINET SECRETARY

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

May 27, 1993

ARCO Oil and Gas Company
P.O. Box 1610
Midland, TX 79702

Attention: David K. Newell

Administrative Order NSL-3205-A(SD)

Dear Mr. Newell:

Reference is made to your application dated March 18, 1993, for an unorthodox Jalmat gas well location in an existing non-standard 320-acre gas spacing and proration unit (GPU) for said Jalmat Gas Pool comprising the S/2 of Section 10, Township 22 South, Range 36 East, NMPM, Lea County, New Mexico. Said GPU was authorized by Division Order NSP-1544, dated September 27, 1988 and had dedicated thereon the H. S. Record WN Well No. 1 located in Unit P of said Section 10.

By Division Order SD-91-1, the H. S. Record WN Well No. 6 was recompleted to the subject GPU from the South Eunice Seven Rivers Queen Pool and located at a standard location 1980 feet from the South line and 2055 feet from the East line (Unit P) of said Section 10.

By Division Order NSL-3205(SD), dated December 4, 1992, an additional well, the H.S. Record "WN" Well No. 2 located in Unit M at an unorthodox gas well location 560 feet from the South line and 660 feet from the West line of said Section 10, was included in the 320-acre Jalmat spacing unit.

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, to be recompleted from the South Eunice-Seven Rivers-Queen Pool and located at an unorthodox gas well location is hereby approved:

*H.S. Record WN Well No. 3
1980' FSL - 660' FWL (Unit L) of said Section 10.*

Administrative Order NSL-3205-A(SD)

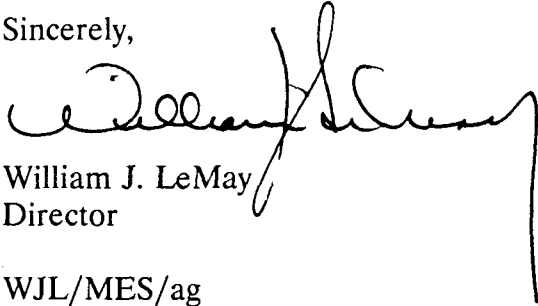
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Also, you are hereby authorized to simultaneously dedicate Jalmat Gas production from the H.S. Record WN Well No. 2 with the H.S. Record WN Well Nos. 1 and 6. Furthermore, you are hereby permitted to produce the allowable assigned the subject GPU from all of said wells in any proportion.

Sincerely,

A handwritten signature in black ink, appearing to read 'William J. LeMay', with a long, sweeping horizontal stroke extending to the right.

William J. LeMay
Director

WJL/MES/ag

cc: Oil Conservation Division - Hobbs
File: NSL-3205(SD)
NSP-1544
SD-91-1