STATE OF NEW MEXICO



ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION

2040 S. PACHECO SANTA FE, NEW MEXICO 87505 (505) 827-7131

November 22, 1995

Texaco Exploration & Production Inc. P. O. Box 730 Hobbs, New Mexico 88240-0730

Attention: Darrell J. Carriger

Administrative Order NSL-3600

Dear Mr. Carriger:

Reference is made to your application dated October 31, 1995 for an unorthodox Jalmat gas well location in an existing non-standard 168.02-acre gas spacing and proration unit ("GPU") for said Jalmat Gas Pool comprising Lots 1 and 2 and the S/2 NE/4 (NE/4 equivalent) of Section 1, Township 23 South, Range 36 East, NMPM, Lea County, New Mexico. Said GPU was established by Division Order No. R-520, dated August 12, 1954 and currently has dedicated thereon the King "C" Well No. 1 (API No. 30-025-09199) located 2117 feet from the North line and 1980 feet from the East line (Unit G) of said Section 1.

It is our understanding that the subject well in this application, the King "C Well No. 5 API No. 30-025-09203), was drilled in 1959 to a total depth of 3,700 feet and completed in the Langlie-Mattix Pool at a standard oil well location for said pool 1123 feet from the North line and 990 feet from the East line (Lot 1/Unit A) of said Section 1. It is further understood that the Langlie-Mattix zone is to be properly plugged back at this time and that said well will be recompleted to the Jalmat Gas Pool upon issuance of this order.

By the 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 above-described King "C" Well No. 5, located at an unorthodox Jalmat gas well location is hereby approved.

Also, you are hereby authorized to simultaneously dedicate Jalmat Gas production from the King "C" Well No. 5 with the King "C" Well No. 1. Furthermore, you are hereby permitted to produce the allowable assigned the subject GPU from both wells in any proportion.

Sincerely.

William J. LeMay

Director

WJL/MES/kv

cc: Oil Conservation Division - Hobbs