

STATE OF NEW MEXICO

ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION



GARREY CARRUTHERS  
GOVERNOR

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

February 10, 1989

Penrocc Oil Corporation  
P.O. Box 5970  
Hobbs, NM 88241

Attention: M.Y. Merchant,  
President

Administrative Order NSP-1556

Dear Mr. Merchant:

Reference is made to your application of January 17, 1989 for a 280-acre non-standard gas proration unit consisting of the following acreage in the Jalmat Gas Pool:

LEA COUNTY, NEW MEXICO  
TOWNSHIP 23 SOUTH, RANGE 37 EAST, NMPM  
Section 20: NE/4, W/2 NW/4, AND SE/4 NW/4

It is my understanding that this unit is to be dedicated to your J.C. Johnson Well No. 4 located at a previously authorized unorthodox gas well location (pursuant to RULE 2(b)2 of the Special Rules and Regulations for the Jalmat Gas Pool as promulgated by Division Order No. R-8170, as amended 660 feet from the North and West lines (Unit D) of said Section 20.

By authority granted me under the provisions of the Special Rules and Regulations for the Jalmat Gas Pool, you are hereby authorized to operate the above-described acreage as a non-standard gas proration unit, with allowable to be assigned thereto in accordance with the pool rules, based upon the unit size of 280 acres.

Sincerely,

A handwritten signature in cursive script, appearing to read "William J. LeMay".

William J. LeMay  
Director

WJL/MES/ag

cc: Oil Conservation Division - Hobbs  
NM Oil and Gas Engineering Committee - Hobbs  
Order Files: ~~NSP-5559~~ SD-87-1

Administrative Order NSP-1556  
Penroc Oil Corporation  
February 10, 1989  
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REMARKS: By Division Administrative Order NSP-559, dated August 28, 1961, authorization was given for the above-described well to be dedicated to a 320-acre non-standard gas spacing and proration unit in the Jalmat Gas Pool comprising the entire N/2 of said Section 20. On December 1, 1987, authorization was obtained by Order No. SD-87-1 to simultaneously dedicate Jalmat Gas Production from this 320-acre unit to both the J.C. Johnson Well Nos. 4 and 5 located in Units D and C, respectively, of said Section 20. Recently the No. 5 well was reclassified to an oil well in the Jalmat Gas Pool and was therefore reassigned a 40-acre oil spacing and proration unit, which has resulted in the necessity of this order. Both Division Administrative Orders NSP-559 and SD-87-1 are hereby held in abeyance until further notice.



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GARREY CARRUTHERS  
GOVERNOR

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

December 1, 1987

Penroc Oil Corporation  
P.O. Box 5970  
Hobbs, NM 88241

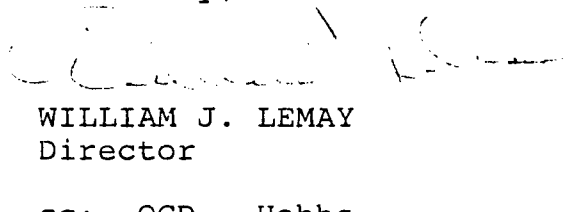
Attention: M. Y. Merchant, President

Administrative Order SD-87-1

Dear Mr. Merchant:

Per your application dated November 20, 1987, Penroc Oil Corporation is hereby authorized to simultaneously dedicate a previously approved 320-acre non-standard gas spacing and proration unit (Division Administrative Order NSP-559, dated August 28, 1961) comprising the N/2 of Section 20, Township 23 South, Range 37 East, NMPM, Jalmat Gas Pool, Lea County, New Mexico, to your J.C. Johnson Wells No. 4 and 5 located in Units D and C, respectively, of said Section 20.

Sincerely,

  
WILLIAM J. LEMAY  
Director

cc: OCD - Hobbs  
NMO&GEC  
Order File: NSP-559