

Application of Hal J. Rasmussen Operating, Inc. for two unorthodox gas well locations and simultaneous dedication, and to amend, in part, Division Order No. R-9073 and Administrative Order NSL-2728, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval to recomplete the following two unorthodox gas well locations to be included within the previously approved 640-acre non-standard Jalmat gas spacing and proration unit (Division Order No. R-9073, dated December 14, 1989) comprising the N/2 and SW/4 of Section 13, and NE/4 of Section 14, Township 23 South, Range 36 East:

State "A" A/C-1 Well No. 66  
660 feet from the North and  
West lines (Unit D); and,

State "A" A/C-1 Well No. 75  
1980 feet from the North and  
West lines (Unit F), both located  
in said Section 13.

Applicant also seeks to amend Division Administrative Order NSL-2728, dated December 7, 1989 to reflect the proper dedicated acreage for the State "A" A/C-1 Well No. 71, located at an unorthodox gas well location 660 feet from the South and West lines (Unit M) of said Section 13, to the current aforementioned 640-acre non-standard gas proration unit. Also to be considered is an amendment to said Order No. R-9073 to authorize the simultaneous dedication of the 640-acre unit to the State "A" A/C-1 Well Nos. 20, 21, 22, 66, 71 and 75 located in Units C, H, M, D, M, and F, respectively, in said Section 13 and to the State "A" A/C-1 Well Nos. 13 and 77 located in Units H and B, respectively, of said Section 14. Said unit is located approximately 4 miles north-northwest of the Old El Paso Natural Gas Company Jal Plant No. 4.

CASE 9819: (Continued from February 7, 1990, Examiner Hearing.)

Application of Blackwood & Nichols Co., Ltd. for compulsory pooling and an unorthodox gas well location, San Juan and Rio Arriba Counties, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests from the surface to the base of the Fruitland formation underlying Lots 7 and 8, the S/2 NW/4, and the SW/4 of Section 4, Township 30 North, Range 7 West, in both San Juan and Rio Arriba Counties, forming a 319.38-acre gas spacing and proration unit for any and all formations and/or pools within said vertical extent developed on 320-acre spacing, which presently includes the Basin-Fruitland Coal Gas Pool, to be dedicated to its Northeast Blanco Unit Well No. 424, to be drilled at an unorthodox coal gas well location 2075 feet from the North line and 1330 feet from the West line (Unit F) of said Section 4. Also to be considered will be the cost of drilling and completing said well and the allocation of the cost thereof as well as actual operating costs and charges for supervision, designation of applicant as operator of the well and a charge for risk involved in drilling said well. Said unit is approximately 3.5 miles north-northeast of the Navajo Reservoir Dam.

CASE 9875: Application of Explorers Petroleum Corporation for compulsory pooling, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests from the surface to the base of the Bone Spring formation underlying the NW/4 SE/4 (Unit J) of Section 1, Township 18 South, Range 31 East, forming a standard 40-acre oil spacing and proration unit for any and all formations and/or pools developed on 40-acre spacing within said vertical extent, which includes but is not limited to the Undesignated Maljamar Pool, Undesignated Shugart Pool, and Undesignated Tamano-Bone Spring Pool. Said unit is to be dedicated to a well to be drilled at a standard oil well location thereon. Also to be considered will be the cost of drilling and completing said well and the allocation of the cost thereof as well as actual operating costs and charges for supervision, designation of applicant as operator of the well and a charge for risk involved in drilling said well. Said unit is located approximately 5.5 miles south by west of New Mexico State Highway No. 529's intersection with the Lea/Eddy County line.

CASE 9876: Application of Explorers Petroleum Corporation for compulsory pooling, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests from the surface to the base of the Bone Spring formation underlying the SW/4 SE/4 (Unit O) of Section 1, Township 18 South, Range 31 East, forming a standard 40-acre oil spacing and proration unit for any and all formations and/or pools developed on 40-acre spacing within said vertical extent, which includes but is not limited to the Undesignated Maljamar Pool, Undesignated Shugart Pool, Undesignated Tamano-Bone Spring Pool, and Undesignated North Young-Bone Spring Pool. Said unit is to be dedicated to a well to be drilled at a standard oil well location thereon. Also to be considered will be the cost of drilling and completing said well and the allocation of the cost thereof as well as actual operating costs and charges for supervision, designation of applicant as operator of the well and a charge for risk involved in drilling said well. Said unit is located approximately 5.5 miles south by west of New Mexico State Highway No. 529's intersection with the Lea/Eddy County line.

CASE 9877: Application of Explorers Petroleum Corporation for compulsory pooling, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests from the surface to the base of the Bone Spring formation underlying the NE/4 SW/4 (Unit K) of Section 1, Township 18 South, Range 31 East, forming a standard 40-acre oil spacing and proration unit for any and all formations and/or pools developed on 40-acre spacing within said vertical extent, which includes but is not limited to the Undesignated Maljamar Pool, Undesignated Shugart Pool, Undesignated Tamano-Bone Spring Pool, and Undesignated North Young-Bone Spring Pool. Said unit is to be dedicated to a well to be drilled at a standard oil well location thereon. Also to be considered will be the cost of drilling and completing said well and the allocation of the cost thereof as well as actual operating costs and charges for supervision, designation of applicant as operator of the well and a charge for risk involved in drilling said well. Said unit is located approximately 5.5 miles south by west of New Mexico State Highway No. 529's intersection with the Lea/Eddy County line.

CASE 9878: Application of Chevron USA Inc. for a non-standard gas proration unit and simultaneous dedication, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval for a 160-acre non-standard gas proration unit comprising the W/2 NE/4, SE/4 NE/4, and SE/4 NW/4 of Section 8, Township 20 South, Range 37 East, Jalmat Gas Pool. Said unit is to be simultaneously dedicated to the Bertie Whitmire Well Nos. 1 and 2 located at standard gas well locations 1980 feet from the North and East lines (Unit G) and 660 feet from the North line and 1980 feet from the East line (Unit B) of said Section 8, respectively. Said area is located approximately 2.25 miles south of Monument, New Mexico.

Dockets Nos. 7-90 and 8-90 are tentatively set for March 7, 1990 and March 21, 1990. Applications for hearing must be filed at least 22 days in advance of hearing date.

**DOCKET: EXAMINER HEARING - WEDNESDAY - FEBRUARY 21, 1990  
8:15 A.M. - OIL CONSERVATION DIVISION CONFERENCE ROOM,  
STATE LAND OFFICE BUILDING  
SANTA FE, NEW MEXICO**

The following cases will be heard before Michael E. Stogner, Examiner, or David R. Catanach, Alternate Examiner:

**CASE 9869:** Application of Yates Petroleum Corporation for compulsory pooling, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests from the surface to the base of the Morrow formation underlying the following described acreage in Section 14, Township 20 South, Range 24 East, and in the following manner: the N/2 to form a standard 320-acre spacing and proration unit for any and all formations and/or pools developed on 320-acre spacing within said vertical extent, (which includes but is not limited to the Undesignated Cemetery-Morrow Gas Pool, Undesignated North Cemetery-Wolfcamp Gas Pool, Undesignated South Dagger Draw-Upper Pennsylvanian Associated Pool, and Middle Seven Rivers-Upper Pennsylvanian Gas Pool); the NW/4 to form a standard 160-acre gas spacing and proration unit for any and all formations developed on 160-acre spacing; and the NE/4 NW/4 to form a standard 40-acre oil spacing and proration unit for any and all formations developed on statewide 40-acre oil spacing. All of the above-described units are to be dedicated to a single well to be drilled at a standard location in the NE/4 NW/4 (Unit C) of said Section 14. Also to be considered will be the cost of drilling and completing said well and the allocation of the cost thereof as well as actual operating costs and charges for supervision, designation of applicant as operator of the well and a charge for risk involved in drilling said well. Said unit is located approximately 9.25 miles west by south of Seven Rivers, New Mexico.

**CASE 9870:** Application of Siete Oil & Gas Corporation for special pool rules, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks an order promulgating special pool rules for the Parkway-Bone Spring Pool including a provision for a limiting gas-oil ratio limitation of 10,000 cubic feet of gas per barrel of oil. Said pool is located in Section 34, Township 19 South, Range 29 East and Sections 2 and 3, Township 20 South, Range 29 East, which is located approximately 5.5 miles north by west of the junction of U.S. Highway 62/180 and old New Mexico State Highway 31.

**CASE 9871:** Application of Meridian Oil, Inc. for an unorthodox coal gas well location and a non-standard gas proration unit, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks approval for a 411.44-acre non-standard gas spacing and proration unit comprising Lots 5 through 13 of Section 9 and Lots 5 through 7 of Section 10, all in Township 32 North, Range 7 West, Basin-Fruitland Coal (Gas) Pool. Said unit is to be dedicated to its Allison Unit Well No. 123 to be drilled at an unorthodox coal gas well location 1015 feet from the South line and 1850 feet from the East line (Unit O) of said Section 9, which is approximately 1/2 mile south of Mile Post No. 249 located on the New Mexico/Colorado Stateline.

**CASE 9863:** (Continued from February 7, 1990, Examiner Hearing.)

Application of Hixon Development Company for compulsory pooling, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Basin-Fruitland Coal Gas Pool underlying Lots 1 through 4 and the E/2 W/2 of Section 7, Township 25 North, Range 12 West, forming a standard 317.28-acre gas spacing and proration unit for said pool, to be dedicated to a well to be drilled at a standard coal gas well location in the SW/4 of said Section 7. Also to be considered will be the cost of drilling and completing said well and the allocation of the cost thereof as well as actual operating costs and charges for supervision, designation of applicant as operator of the well and a charge for risk involved in drilling said well. Said unit is located approximately 5 miles south-southwest of El Paso Natural Gas Company's Chaco Plant.

**CASE 9864:** (Continued from February 7, 1990, Examiner Hearing.)

Application of Hixon Development Company for compulsory pooling and an unorthodox coal gas well location, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Basin-Fruitland Coal Gas Pool underlying the E/2 of Section 17, Township 25 North, Range 12 West, forming a standard 320-acre gas spacing and proration unit for said pool, to be dedicated to its existing New Mexico Federal "B" Well No. 1 located at an unorthodox coal gas well location 660 feet from the North and East lines (Unit A) of said Section 17. Also to be considered will be the cost of re-entering, recompleting, equipping and operating said well and the allocation of the cost thereof as well as actual operating costs and charges for supervision, designation of applicant as operator of the well and a charge for risk involved in re-entering and recompleting said well. Said unit is located approximately 6 miles south by west of El Paso Natural Gas Company's Chaco Plant.

**CASE 9872:** Application of Oxy USA, Inc. for termination of gas prorationing in the Burton Flat-Morrow Gas Pool, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks an order terminating gas prorationing in the Burton Flat-Morrow Gas Pool encompassing portions of Townships 20 and 21 South, Ranges 26, 27, and 28 East, which is located in an area approximately 6 miles north of Carlsbad, New Mexico.

**CASE 9873:** Application of Tahoe Energy, Inc. for an unorthodox gas well location, non-standard gas proration unit and simultaneous dedication, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval to redesignate acreage in the Jalmat Gas Pool to form a non-standard 160-acre gas spacing and proration unit comprising the S/2 NW/4 and N/2 SW/4 of Section 12, Township 23 South, Range 36 East. Said unit is to be simultaneously dedicated to the existing King Gas Com "WN" Well No. 1 located at a standard gas well location 2310 feet from the South line and 990 feet from the West line (Unit L) of said Section 12 and to the proposed Cochise Well No. 1 to be drilled at an unorthodox gas well location 1980 feet from the North line and 1600 feet from the West line (Unit F) of said Section 12. Said unit is located approximately 14 miles north by west of Jal, New Mexico.



STATE OF NEW MEXICO

ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION

GARREY CARRUTHERS  
GOVERNOR

POST OFFICE BOX 2086  
STATE LAND OFFICE BUILDING  
SANTA FE NEW MEXICO 87504  
(505) 827-5800

M E M O R A N D U M

TO: ALL INTERESTED PARTIES

FROM: WILLIAM J. LEMAY, DIVISION DIRECTOR *WJL*

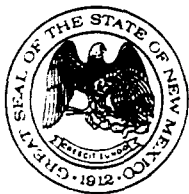
SUBJECT: EXHIBITS FOR COURT REPORTER

In the future all parties presenting testimony before the Oil Conservation Division or Commission will be required to provide a complete set of exhibits for the court reporter. This will aid the reporter in the timely and efficient completion of transcripts.

February 8, 1990  
fd/

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

September 16, 1993

Clayton Williams Energy, Inc.  
Claydesta Center  
Six Desta Drive - Suite 3000  
Midland, TX 79705

Attention: Greg Benton

*Administrative Order NSL-2874-C(SD)*

Dear Mr. Benton:

Reference is made to your application dated August 12, 1993 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, NSL-2874-A, and NSL-2874-B dated September 25, 1990, January 18, 1991, and November 4, 1992, respectively, five more wells, the State "A" A/C-1 Well Nos. 57, 60, 78, 106, and 122, located at unorthodox gas well locations in Units B, G, G, 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, 60, 66, 71, 75, 77, 78, 106 and 122 to the subject GPU.

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

*Administrative Order NSL-2874-B(SD)*

*Clayton W. Williams, Jr., Inc.*

*June 28, 1991*

*Page 2*

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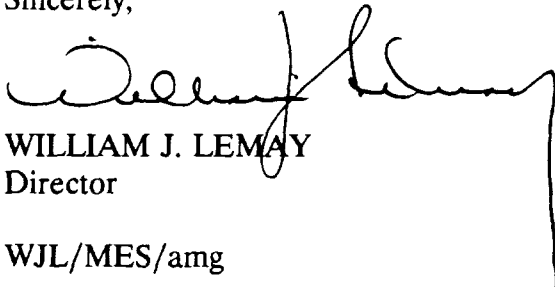
By authority granted me under the provisions of Rule 2(c) of the Special Rules and Regulations for the Jalmat Gas Pool, as promulgated by Division Order No. R-8170, as amended, the following described well located at unorthodox gas well locations are hereby approved:

State "A" A/C-1 Well No. 76  
660' FN & EL (Unit A), Section 14

Also, you are hereby authorized to simultaneously dedicate Jalmat Gas production from the State "A" A/C-1 Well No. 76 with the State "A" A/C-1 Well Nos. 13, 20, 21, 22, 57, 60, 66, 71, 75, 77, 78, 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, Division Administrative Order NSL-2874-B, dated November 4, 1992 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/amg

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



STATE OF NEW MEXICO

ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION



BRUCE KING  
GOVERNOR

ANITA LOCKWOOD  
CABINET SECRETARY

November 4, 1992

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

Clayton W. Williams, Jr., Inc.  
3000 Claydesta National Bank Building  
Six Desta Drive  
Midland, TX 79705

Attention: David G. Grafe

*Administrative Order NSL-2874-B(SD)*

Dear Mr. Grafe:

Reference is made to your application dated October 13, 1992 for two unorthodox Jalmat gas well locations 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.

It is our understanding that the two 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.

*Administrative Order NSL-2874-B(SD)*

*Clayton W. Williams, Jr., Inc.*

*June 28, 1991*

*Page 2*

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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 two described wells located at unorthodox gas well locations are hereby approved:

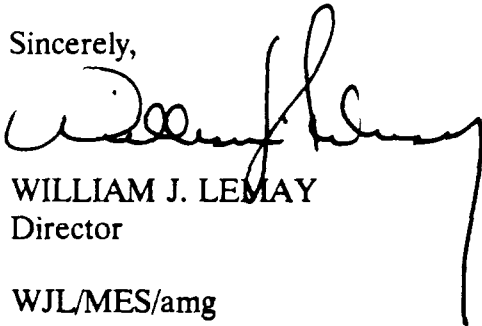
State "A" A/C-1 Well No. 60  
1980' FN & EL (Unit G), Section 13

State "A" A/C-1 Well No. 78  
1980' FN & EL (Unit G), Section 14

Also, you are hereby authorized to simultaneously dedicate Jalmat Gas production from the State "A" A/C-1 Well Nos. 60 and 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/amg

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



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

BRUCE KING  
GOVERNOR

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

January 18, 1991

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

Attention: Jay Cherski

*Administrative Order NSL-2874-A*

Dear Mr. Cherski:

Reference is made to your applications dated October 3, 1990 for two unorthodox Jalmat gas well locations 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 dedicated 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.

By Division Administrative Order NSL-2874, dated September 25, 1990, an additional well for said GPU, the State "A" A/C-1 Well No. 106 located at an unorthodox gas well location 660 feet from the North and East lines (Unit A) of said Section 13 was approved. 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, 66, 71, 75, 77 and 106 to the subject GPU.



*Administrative Order NSL-2874-A*  
*Hal J. Rasmussen Operating, Inc.*  
*January 18, 1991*  
*Page 2*

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 two wells located at unorthodox gas well locations in said Section 13 are hereby approved:

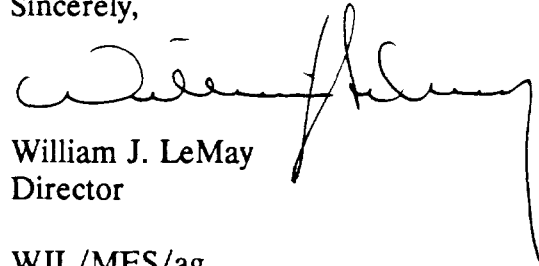
State "A" A/C-1 Well No. 57  
660' FNL & 1980' FEL (Unit B)

State "A" A/C-1 Well No. 122  
2100' FSL & 660' FWL (Unit L)

Also, you are hereby authorized to simultaneously dedicate Jalmat Gas production from the State "A" A/C-1 Well No. 57 and 122 with the State "A" A/C-1 Well Nos. 13, 20, 21, 22, 66, 71, 75, 77 and 106; 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, 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/ag

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



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

September 25, 1990

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

Attention: Jay Cherski

*Administrative Order NSL-2874*

Dear Mr. Cherski:

Reference is made to your application dated July 25, 1990 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 dedicated 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.

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 is hereby approved:

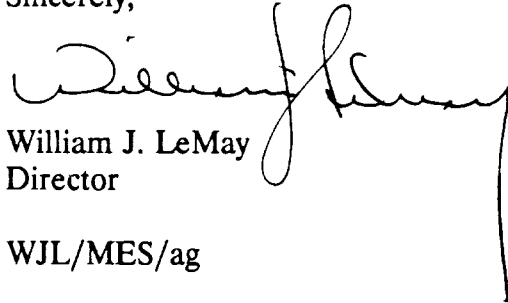
State "A" A/C-1 Well No. 106  
660' FN & EL (Unit A) of said  
Section 13.

*Administrative Order NSL-2874*  
*Hal J. Rasmussen Operating, Inc.*  
*September 25, 1990*  
*Page 2*

Also, you are hereby authorized to simultaneously dedicate Jalmat Gas production from the State "A" A/C-1 Well No. 106 with the State "A" A/C-1 Well Nos. 13, 20, 21, 22, 66, 71, 75 and 77; 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 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,

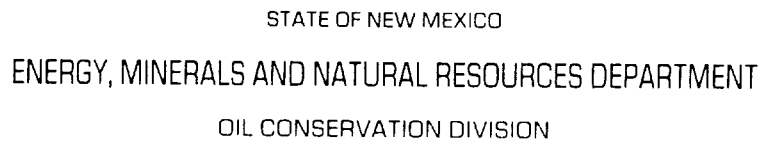
A handwritten signature in dark ink, appearing to read 'William J. LeMay', with a long vertical line extending downwards from the end of the signature.

William J. LeMay  
Director

WJL/MES/ag

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

~~Case No. 9874~~



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

Mr. James Bruce  
Hinkle, Cox, Eaton,  
Coffield & Hensley  
Attorneys at Law  
500 Marquette, N.W.  
Suite 740  
Albuquerque, New Mexico 87102-2121

Re: CASE NO. 9874  
ORDER NO. R-9073-A

Applicant:

~~Hal J. Rasmussen Operating, Inc~~

Dear Sir:

Enclosed herewith are two copies of the above-referenced Division order recently entered in the subject case.

Sincerely,

Florene Davidson

FLORENE DAVIDSON  
OC Staff Specialist

Copy of order also sent to:

Hobbs OCD	<u>x</u>
Artesia OCD	<u>x</u>
Aztec OCD	

Other \_\_\_\_\_

**HAL J. RASMUSSEN OPERATING, INC.**  
SIX DESTA DRIVE, SUITE 5850  
MIDLAND, TEXAS 79705  
(915) 687-1664

February 1, 1990

Mr. William J. LeMay, Director  
New Mexico Oil Conservation Division  
P. O. Box 2088  
Sante Fe, New Mexico 87504

RE: Hearing Scheduled for February 21, 1990

Dear Mr. Lemay,

In accordance with New Mexico Oil Conservation Division General Rule 1207 (a) 2, all offset operators affected by the aforementioned hearing have been notified by certified mail. The certified mail return receipts will be forwarded to Sante Fe when they are received by our office.

A list of offset operators has been attached for your records.

Thank-you for your consideration in this matter and if you have any questions please call me at 915-687-1664.

Sincerely,

  
Jay Cherski

CC: New Mexico Oil Conservation Division District 1 Office  
P.O. Box 1980  
Hobbs, New Mexico 88240

State "A" a/c 1 well # 66, 71, 75  
Offset Operators

Conoco  
Mr. Hugh Ingram  
P.O. Box 460  
Hobbs, New Mexico 88240

Meridian  
Mr. Jim Cramer  
21 Desta Drive  
Midland Texas 79705

Parker and Parsley  
Mr. Jim Moring  
P. O. Box 3179  
Midlan, Texas 79702

Chevron  
Mr. Al Bohling  
P. O. Box 670  
Hobbs, New Mexico 88240

**HAL J. RASMUSSEN OPERATING, INC.**

SIX DESTA DRIVE, SUITE 5850  
MIDLAND, TEXAS 79705  
(915) 687-1664

February 1, 1990

Conoco  
Attn: Mr. Hugh Ingram  
P. O. Box 460

Hobbs, New Mexico 88240

Re: Notification of Hearing

Dear Mr. Ingram:

In accordance with New Mexico Oil Conservation Division regulations, you, as an offset operator, are hereby notified of a hearing before the Division Examiner set for February 21, 1990. The call of this case will be as follows:

"Application of Hal J Rasmussen Operating Inc. for two unorthodox well locations, simultaneous dedication, and to amend, in part, Division Order No. R-9073 and Administrative Order NSL-2728, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval for the following two unorthodox gas well locations to be included within the previously approved 640 acre non-standard Jalmat gas spacing and proration unit (Division Order No. R-9073, dated December 14, 1989) comprising the N 1/2 and the SW 1/4 of section 13 and the NE 1/4 of section 14, T23S R36E:

State "A" a/c 1 Well No. 66  
660' FN & WL (Unit D); and

State "A" a/c 1 Well No. 75  
1980' FN & WL (Unit F),


both located in said Section 13.

Applicant also seeks to amend Division Administrative Order NSL-2728 dated December 7, 1989 to reflect the proper dedicated acreage for the State "A" a/c 1 Well No. 71, located at an unorthodox gas well location 660' from the South and West lines (Unit M) of said Section 13, to the current aforementioned 640-acre non-standard gas proration unit. Also to be considered is an amendment to said Order No. R-9073 to authorize the simultaneous dedication of the 640-acre unit to the State "A" a/c 1 Well Nos. 20,21,22,66,71 and 75 located in Units C,H,N,D,M,and F respectively in said Section 13 and to the State "A" a/c 1 Well Nos. 13 and 77 located in Units H and B, respectively of said Section 14."

If you have any questions, please contact Jay Cherski at (915) 687-1664.

Sincerely,

Hal J Rasmussen Operating, Inc.

  
Jay Cherski

**HAL J. RASMUSSEN OPERATING, INC.**

SIX DESTA DRIVE, SUITE 5850

MIDLAND, TEXAS 79705

(915) 687-1664

February 1, 1990

Chevron

Attn: Mr. Al Bohling

P.O. Box 670

Hobbs, New Mexico 88240

Re: Notification of Hearing

Dear Mr. Bohling:

In accordance with New Mexico Oil Conservation Division regulations, you, as an offset operator, are hereby notified of a hearing before the Division Examiner set for February 21, 1990. The call of this case will be as follows:

"Application of Hal J Rasmussen Operating Inc. for two unorthodox well locations, simultaneous dedication, and to amend, in part, Division Order No. R-9073 and Administrative Order NSL-2728, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval for the following two unorthodox gas well locations to be included within the previously approved 640 acre non-standard Jalmat gas spacing and proration unit (Division Order No. R-9073, dated December 14, 1989) comprising the N 1/2 and the SW 1/4 of section 13 and the NE 1/4 of section 14, T23S R36E:

State "A" a/c 1 Well No. 66  
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1980' FN & WL (Unit F),

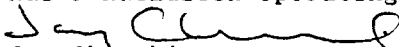
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Applicant also seeks to amend Division Administrative Order NSL-2728 dated December 7, 1989 to reflect the proper dedicated acreage for the State "A" a/c 1 Well No. 71, located at an unorthodox gas well location 660' from the South and West lines (Unit M) of said Section 13, to the current aforementioned 640-acre non-standard gas proration unit. Also to be considered is an amendment to said Order No. R-9073 to authorize the simultaneous dedication of the 640-acre unit to the State "A" a/c 1 Well Nos. 20,21,22,66,71 and 75 located in Units C,H,N,D,M,and F respectively in said Section 13 and to the State "A" a/c 1 Well Nos. 13 and 77 located in Units H and B, respectively of said Section 14."

If you have any questions, please contact Jay Cherski at (915) 687-1664.

Sincerely,

Hal J Rasmussen Operating, Inc.

  
Jay Cherski



**HAL J. RASMUSSEN OPERATING, INC.**

SIX DESTA DRIVE, SUITE 5850

MIDLAND, TEXAS 79705

(915) 687-1664

February 1, 1990

Parker and Parsley  
Attn: Mr. Jim Moring  
P. O. Box 3178  
Midland, Texas 79702

Re: Notification of Hearing

Dear Mr. Moring:

In accordance with New Mexico Oil Conservation Division regulations, you, as an offset operator, are hereby notified of a hearing before the Division Examiner set for February 21, 1990. The call of this case will be as follows:

"Application of Hal J Rasmussen Operating Inc. for two unorthodox well locations, simultaneous dedication, and to amend, in part, Division Order No. R-9073 and Administrative Order NSL-2728, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval for the following two unorthodox gas well locations to be included within the previously approved 640 acre non-standard Jalmat gas spacing and proration unit (Division Order No. R-9073, dated December 14, 1989) comprising the N 1/2 and the SW 1/4 of section 13 and the NE 1/4 of section 14, T23S R36E:

State "A" a/c 1 Well No. 66  
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both located in said Section 13.

Applicant also seeks to amend Division Administrative Order NSL-2728 dated December 7, 1989 to reflect the proper dedicated acreage for the State "A" a/c 1 Well No. 71, located at an unorthodox gas well location 660' from the South and West lines (Unit M) of said Section 13, to the current aforementioned 640-acre non-standard gas proration unit. Also to be considered is an amendment to said Order No. R-9073 to authorize the simultaneous dedication of the 640-acre unit to the State "A" a/c 1 Well Nos. 20,21,22,66,71 and 75 located in Units C,H,N,D,M,and F respectively in said Section 13 and to the State "A" a/c 1 Well Nos. 13 and 77 located in Units H and B, respectively of said Section 14."

If you have any questions, please contact Jay Cherski at (915) 687-1664.

Sincerely,

Hal J Rasmussen Operating, Inc.

  
Jay Cherski

**HAL J. RASMUSSEN OPERATING, INC.**

SIX DESTA DRIVE, SUITE 5850  
MIDLAND, TEXAS 79705  
(915) 687-1664

February 1, 1990

Meridian  
Attn: Mr. Jim Cramer  
21 Desta Drive  
Midland, Texas 79705

Re: Notification of Hearing

Dear Mr. Cramer:

In accordance with New Mexico Oil Conservation Division regulations, you, as an offset operator, are hereby notified of a hearing before the Division Examiner set for February 21, 1990. The call of this case will be as follows:

"Application of Hal J Rasmussen Operating Inc. for two unorthodox well locations, simultaneous dedication, and to amend, in part, Division Order No. R-9073 and Administrative Order NSL-2728, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval for the following two unorthodox gas well locations to be included within the previously approved 640 acre non-standard Jalmat gas spacing and proration unit (Division Order No, R-9073, dated December 14, 1989) comprising the N 1/2 and the SW 1/4 of section 13 and the NE 1/4 of section 14, T23S R36E:

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Applicant also seeks to amend Division Administrative Order NSL-2728 dated December 7, 1989 to reflect the proper dedicated acreage for the State "A" a/c 1 Well No. 71, located at an unorthodox gas well location 660' from the South and West lines (Unit M) of said Section 13, to the current aforementioned 640-acre non-standard gas proration unit. Also to be considered is an amendment to said Order No. R-9073 to authorize the simultaneous dedication of the 640-acre unit to the State "A" a/c 1 Well Nos. 20,21,22,66,71 and 75 located in Units C,H,N,D,M,and F respectively in said Section 13 and to the State "A" a/c 1 Well Nos. 13 and 77 located in Units H and B, respectively of said Section 14."

If you have any questions, please contact Jay Cherski at (915) 687-1664.

Sincerely,

Hal J Rasmussen Operating, Inc.

  
Jay Cherski

● **SENDER:** Complete items 1 and 2 when additional services are desired, and complete items 3 and 4.  
Put your address in the "RETURN TO" Space on the reverse side. Failure to do this will prevent this card from being returned to you. The return receipt fee will provide you the name of the person delivered to and the date of delivery. For additional fees the following services are available. Consult postmaster for fees and check box(es) for additional service(s) requested.

1. ☐ Show to whom delivered, date, and addressee's address. (Extra charge) 2. ☐ Restricted Delivery (Extra charge)

<b>3. Article Addressed to:</b>  Mr. William J. LeMay, Director Oil Conservation Division P.O. Box 2083 Santa Fe, New Mexico 87504	<b>4. Article Number</b> P 046 611 975  <b>Type of Service:</b> <input type="checkbox"/> Registered <input type="checkbox"/> Insured <input type="checkbox"/> Certified <input type="checkbox"/> COD <input type="checkbox"/> Express Mail <input type="checkbox"/> Return Receipt for Merchandise  Always obtain signature of addressee or agent and <b>DATE DELIVERED.</b>
<b>5. Signature — Address</b> X	<b>8. Addressee's Address (ONLY if requested and fee paid)</b>
<b>6. Signature — Agent</b> X	
<b>7. Date of Delivery</b>	

PS Form 3811, Mar. 1988 \* U.S.G.P.O. 1988-212-865 DOMESTIC RETURN RECEIPT

UNITED STATES POSTAL SERVICE  
OFFICIAL BUSINESS

**SENDER INSTRUCTIONS**

Print your name, address and ZIP Code in the space below.

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- Attach to front of article if space permits, otherwise affix to back of article.
- Endorse article "Return Receipt Requested" adjacent to number.



PENALTY FOR PRIVATE  
USE, \$300

RETURN  
TO



Print Sender's name, address, and ZIP Code in the space below.

HAL J. RASMUSSEN OPERATING INC.  
Six Dosta Drive, Suite 5850  
Midland, Texas 79705



● **SENDER:** Complete items 1 and 2 when additional services are desired, and complete items 3 and 4.

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1. ☐ Show to whom delivered, date, and addressee's address. 2. ☐ Restricted Delivery (Extra charge)

<p>Article Addressed to:</p> <p>Conoco Attn: Mr. Hugh Ingram P.O. Box 460 Hobbs, New Mexico 38240</p>	<p>4. Article Number P 046 611 974</p> <p>Type of Service:</p> <p><input type="checkbox"/> Registered <input type="checkbox"/> Insured  <input checked="" type="checkbox"/> Certified <input type="checkbox"/> COD  <input type="checkbox"/> Express Mail <input checked="" type="checkbox"/> Return Receipt for Merchandise</p> <p>Always obtain signature of addressee or agent and <b>DATE DELIVERED</b>.</p>
<p>5. Signature - Address X</p>	<p>8. Addressee's Address (ONLY if requested and fee paid)</p>
<p>6. Signature - Agent X <i>[Signature]</i></p>	
<p>7. Date of Delivery 2-5-90 <i>[Signature]</i></p>	

PS Form 3811, Mar. 1988

\* U.S.G.P.O. 1988-212-865

DOMESTIC RETURN RECEIPT

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Six Desta Drive, Suite 5850  
Midland, Texas 79705



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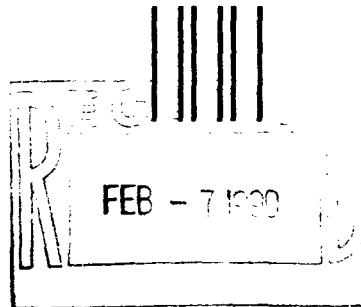
<p>3. Article Addressed to:</p> <p>Chevron Attn: Mr. Al Bohling P.O. Box 670 Hobbs, New Mexico 88240</p>	<p>4. Article Number</p> <p>P 046 611 973</p> <p>Type of Service:</p> <p><input type="checkbox"/> Registered    <input type="checkbox"/> Insured  <input checked="" type="checkbox"/> Certified    <input type="checkbox"/> COD  <input type="checkbox"/> Express Mail    <input checked="" type="checkbox"/> Return Receipt for Merchandise</p> <p>Always obtain signature of addressee or agent and <u>DATE DELIVERED</u>.</p>
<p>5. Signature - Address</p> <p>X </p>	<p>8. Addressee's Address (ONLY if requested and fee paid)</p>
<p>6. Signature - Agent</p> <p>X</p>	
<p>7. Date of Delivery</p>	<p>FEB 7 1990</p>

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Six Desta Drive, Suite 5850  
Midland, Texas 79705





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2. ☐ Restricted Delivery (Extra charge)

<b>3. Article Addressed to:</b>  Parker & Parsley Attn: Mr. Jim Moring P.O. Box 3178 Midland, Texas 79702	<b>4. Article Number</b> P 046 611 972  <b>Type of Service:</b> <input type="checkbox"/> Registered <input type="checkbox"/> Insured <input checked="" type="checkbox"/> Certified <input type="checkbox"/> COD <input type="checkbox"/> Express Mail <input checked="" type="checkbox"/> Return Receipt for Merchandise  Always obtain signature of addressee or agent and <b>DATE DELIVERED.</b>
<b>5. Signature — Address</b> X	<b>8. Addressee's Address (ONLY if requested and fee paid)</b>
<b>6. Signature — Agent</b> X	
<b>7. Date of Delivery</b> FEB 5 1990	

UNITED STATES POSTAL SERVICE  
OFFICIAL BUSINESS

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Midland, Texas 79705

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1. ☐ Show to whom delivered, date, and addressee's address. (Extra charge) 2. ☐ Restricted Delivery (Extra charge)

<p>3. Article Addressed to:</p> <p>Meridian Attn: Mr. Jim Cramer 21 Desta Drive Midland, Texas 79705</p>	<p>4. Article Number</p> <p>P 046 611 971</p> <p>Type of Service:</p> <p><input type="checkbox"/> Registered <input type="checkbox"/> Insured  <input checked="" type="checkbox"/> Certified <input type="checkbox"/> COD  <input type="checkbox"/> Express Mail <input checked="" type="checkbox"/> Return Receipt for Merchandise</p> <p>Always obtain signature of addressee or agent and <b>DATE DELIVERED.</b></p>
<p>5. Signature - Address</p> <p>X</p>	<p>8. Addressee's Address (ONLY if requested and fee paid)</p>
<p>6. Signature - Agent</p> <p>X <i>W. Wells</i></p>	
<p>7. Date of Delivery</p> <p><i>2-5-90</i></p>	

UNITED STATES POSTAL SERVICE  
OFFICIAL BUSINESS

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HAL J. RASMUSSEN OPERATING INC.  
Six Desta Drive, Suite 5850  
Midland, Texas 79705



Hobbs Division  
Exploration and Production, North America

Conoco Inc.  
726 East Michigan  
P.O. Box 460  
Hobbs, NM 88241  
(505) 397-5800

RECEIVED  
'90 JAN 19 AM 9 28

January 16, 1990


Mr. Jay Cherski  
Hal J. Rasmussen Operating, Inc.  
Six Desta Drive, Suite 5850  
Midland, Texas 79705

Dear Mr. Cherski:

In regard to your waiver letters addressed to Conoco dated December 20, 1989 and pertaining to the recompletion of certain wells to the Jalmat, we have approved all waivers except one. Please be advised however, that Conoco does not offset every one of the wells listed for recompletion.

The one waiver which we have withheld approval is for your State "A" a/c Well No. 66. The reason for this is that the completion of Well Nos. 66 and 75, in addition to the already completed Well No. 20 makes three Jalmat completions in the NW/4 of Section 13, and there is no mention of the size proration unit that you propose to assign to these wells. If, for example, you intend to assign 320 or even 480 acres to these three wells, any one of which would be allowed to produce that much allowable under simultaneous dedication, then Well No. 66 could drain Conoco's acreage in the S/2 SW/4 of Section 12. On the other hand, if you only dedicate the NW/4 to these wells, then Conoco would not have any concern for completing Well No. 66 in the Jalmat Pool.

Yours very truly,

  
Hugh Ingram  
Conservation Coordinator

/tm  
4.

**HAL J. RASMUSSEN OPERATING, INC.**

SIX DESTA DRIVE, SUITE 5850

MIDLAND, TEXAS 79705

(915) 687-1664

Mr. Hugh Ingram  
Conoco, Inc.  
P.O. Box 460  
Hobbs, New Mexico 88240

12/20/89

Dear Mr. Ingram,

In accordance with New Mexico Oil Conservation Division regulations, you, as an offset operator, are hereby notified of Hal J Rasmussen Operating Inc.'s application to recomplete the State "A" a/c 1 well no. 66, a proposed producing well in the Jalmat Pool, as a non-standard location. The well is located 660 feet FNL and 660 feet FWL of Section 13, T23S R36E, Lea County, New Mexico and is currently a TA'd Langlie Mattix well.

If you have no objections, please execute one copy of this letter and return it in the enclosed self addressed stamped envelope to the attention of Jay Cherski. The second copy may be retained for your files.

Thank you for your cooperation in this matter. If you have any questions, please contact Jay Cherski at (915) 687-1664.

Sincerely,

Hal J Rasmussen Operating, Inc.

  
Jay Cherski

EXECUTED THE \_\_\_\_\_ DAY OF \_\_\_\_\_ 1989

BY \_\_\_\_\_

