



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

3-13-91
AWB

BRUCE KING
GOVERNOR

March 8, 1991

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

Chevron USA, Inc.
P.O. Box 1150
Midland, TX 79702

Attention: A. W. Bohling

Administrative Order NSL-2994(SD)

Dear Mr. Bohling:

Reference is made to your application dated February 7, 1991, for an unorthodox Jalmat gas well location in an existing non-standard 480.29-acre gas spacing and proration unit (GPU) for said Jalmat Gas Pool comprising Lots 1 and 2, S/2 NE/4 and S/2 of Section 3, Township 22 South, Range 36 East, NMPM, Lea County, New Mexico. Said GPU was authorized by Division Administrative Order NSP-68, dated December 31, 1954 and presently has dedicated thereon the Harry Leonard NCT-D Well No. 3 located in Unit K of said Section 3.

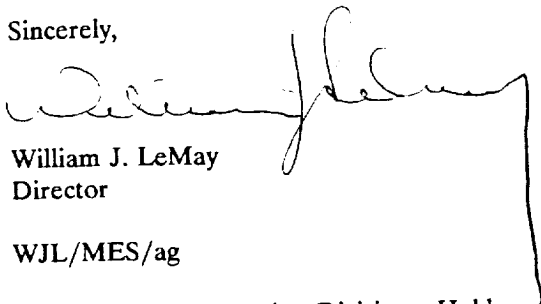
It is our understanding that the subject well in this application was recompleted from the South Eunice Pool.

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:

*Harry Leonard NCT-D Well No. 16
660' FSL - 1980' FEL (Unit O)*

Also, you are hereby authorized to simultaneously dedicate Jalmat Gas production from the Harry Leonard NCT-D Well No. 16 with the Harry Leonard NCT-D Well No. 3. Furthermore, you are hereby permitted to produce the allowable assigned the subject GPU from both of said wells in any proportion.

Sincerely,



William J. LeMay
Director

WJL/MES/ag

cc: Oil Conservation Division - Hobbs
NM State Land Office - Santa Fe