



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



BRUCE KING
GOVERNOR

ANITA LOCKWOOD
CABINET SECRETARY

November 17, 1992

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

Chevron USA, Inc.
Attention: Richard E. Black
P.O. Box 1150
Midland, TX 79702

Administrative Order NSL-2999-B(SD)

Dear Mr. Black:

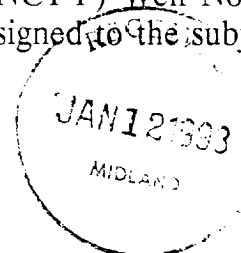
Reference is made your application dated October 19, 1992 to form a standard 640-acre, more or less, gas spacing and proration unit in the Jalmat Gas Pool to comprise all of Section 4, Township 22 South, Range 36 East, NMPM, Lea County, New Mexico, by combining an existing 600-acre, more or less, non-standard gas spacing and proration unit previously approved by Division Order No. R-5523, dated September 6, 1977, and a 40.03-acre tract consisting of Lot 3 (NE/4 NW/4 equivalent) of said Section 4.

The J.F. Janda (NCT-F) Well Nos. 13, 14 and 16 are all currently dedicated to the existing 600-acre, more or less, gas spacing and proration unit. Further, all three of the said wells were approved as unorthodox pursuant to Division Order No. R-5523, Administrative Orders NSL-2999-A(SD) and NSL-2999(SD), respectively.

It is our understanding at this time that Chevron is planning to recomplete its J.F. Janda (NCT-F) Well No. 8 in the Jalmat Gas Pool. Presently, the No. 8 well located 660 feet from the North line and 1980 feet from the West line (Unit C) is producing from the Eunice Monument Pool and Jalmat Oil Pool in which is currently dedicated the 40.03-acre tract.

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 unorthodox gas well location for the J.F. Janda (NCT-F) Well No. 8 is hereby approved.

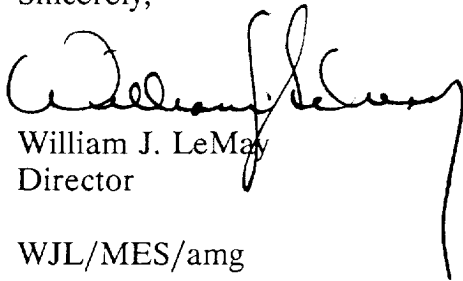
Also, you are hereby authorized to simultaneously dedicate Jalmat gas production from the J.F. Janda (NCT-F) Well Nos. 13, 14 and 16 with the J.F. Janda (NCT-F) Well No. 8. Furthermore, you are hereby permitted to produce the allowable assigned to the subject GPU from all of the said wells in any proportion.



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The provision of said Order No. R-5523 which approved the 600-acre, more or less, non-standard Jalmat GPU is hereby placed in abeyance until further notice. All other provisions of Order No. R-5523, Division Administrative Orders NSL-2999-A(SD) and NSL-2999(SD) 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: NSL-2999(SD)
NSL-2999-A(SD)