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STATE OF NEW MEXICO
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION



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March 3, 1993

ARCO Oil and Gas Company
P.O. Box 1610
Midland, TX 79702

Attention: David K. Newell

Administrative Order NSP-1664(SD)

Dear Mr. Newell:

Reference is made to your application dated February 4, 1993 to divide an existing standard 640-acre Jalmat gas spacing and proration unit comprising all of Section 15, Township 22 South, Range 36 East, NMPM, Lea County, New Mexico, into two 320-acre stand-up non-standard gas spacing and proration units. It is our understanding the reason for this request is that ARCO is assigning its rights in the W/2 of said Section 15 to Marathon Oil Company as part of a mutual exchange agreement. ARCO will remain the operator of the E/2 of Section 15.

By authority granted me under the provisions of Rule 2(a)4 of the Special Rules and Regulations for the Jalmat Gas Pool, as promulgated by Division Order No. R-8170, as amended, the following described 320-acre non-standard gas spacing and proration units in Section 15, Township 22 South, Range 36 East, NMPM, Lea County, New Mexico are hereby approved:

- the W/2 is to be simultaneously dedicated to both the McDonald State "WN" Well Nos. 15 and 23, located at acceptable gas well locations (see Rule 2(b)2) in Units L and C, respectively; and,
- the E/2 is to be dedicated to the McDonald State "WN" Well No. 14 located at a standard gas well location in Unit G.