STATE OF NEW MEXICO

ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION



BRUCE KING GOVERNOR

ANITA LOCKWOOD CABINET SECRETARY

December 4, 1992

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

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

Attention: Kevin D. Renfro

Administrative Order SD-92-8

Dear Mr. Renfro:

Per your application dated October 5, 1992, you are hereby authorized to simultaneously dedicate Jalmat Gas Pool production to the previously approved non-standard 160-acre gas spacing and proration unit comprising the SW/4 of Section 19, Township 23 South, Range 37 East, NMPM, Lea County, New Mexico (Division Order NSP-1217, dated November 5, 1980), from the existing E. L. Steeler WN Well No. 3 to be recompleted from the Langlie Mattix Seven Rivers Queen Grayburg Pool and located at a standard location 1980 feet from the South line and 660 feet from the West line (Unit L) of said Section 19 and to the E. L. Steeler WN Well No. 4 located at a standard gas well location 660 feet from the South East lines (Unit M) of said Section 19.

Further, you are permitted to produce the allowable assigned said 160-acre unit from both wells in any proportion.

Sincerely, William J. LeMay Director WJL/MES/amg

cc: Oil Conservation Division - Hobbs