



NEW MEXICO ENERGY, MINERALS
& NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION
2040 South Pacheco Street
Santa Fe, New Mexico 87505
(505) 827-7131

November 25, 1999

Midland Operating, Inc.
3300 N. 'A' Street
Building Two - Suite 104
Midland, Texas 79705
Attention: Michael D. Prichard, Operations Engineer

Administrative Order NSP-1812

Dear Mr. Prichard:

Reference is made to: (i) your application dated November 1, 1999; and (ii) the records of the New Mexico Oil Conservation Division in Santa Fe: all concerning Midland Operating, Inc.'s request for a 160-acre non-standard gas spacing and proration unit ("GPU") consisting of the following acreage in the Jalmat Gas Pool:

LEA COUNTY, NEW MEXICO
TOWNSHIP 23 SOUTH, RANGE 36 EAST, NMPM
Section 34: NE/4.

It is my understanding that this unit is to be dedicated to the existing Stevens "A-34" Well No. 5 (API No. 30-025-27905), located at a standard gas well location 890 feet from the North line and 990 feet from the West line (Unit A) of Section 34.

By authority granted me under the provisions of **Rule 2(d)** of the "*General Rules for the Prorated Gas Pools of New Mexico/Special Rules and Regulations for the Jalmat Gas Pool*", as promulgated by Division Order No. R-8170, as amended, you are hereby authorized to operate the above-described non-standard GPU with allowable assigned thereto in accordance with Rule 5 of the applicable pool rules based upon the unit size of 160 acres.

Sincerely,

Lori Wrotenberg
Director

LW/MES/kv

cc: New Mexico Oil Conservation Division - Hobbs /
U. S. Bureau of Land Management - Carlsbad