



STATE OF NEW MEXICO  
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION  
HOBBS DISTRICT OFFICE

11/3/97

GOVERNOR

POST OFFICE BOX 1980  
HOBBS, NEW MEXICO 88241-1980  
(505) 393-6161

NSP-1781(L)  
11/14/97

OIL CONSERVATION DIVISION  
P. O. BOX 2088  
SANTA FE, NEW MEXICO 87501

RE: Proposed:

MC	_____
DHC	_____
NSL	_____
NSP	_____ X _____
SWD	_____
WFX	_____
PMX	_____

Gentlemen:

I have examined the application for the:

<u>Permian Resources Inc</u>	<u>Harrison</u>	<u>#3-J</u>	<u>22-25s-37e</u>
Operator	Lease & Well No.	Unit	S-T-R

and my recommendations are as follows:

None

Yours very truly,

*Chris Williams*

Chris Williams  
Supervisor, District 1

/ed

**PERMIAN RESOURCES**  
INCORPORATED

October 28, 1997

New Mexico Oil Conservation Commission  
2040 S. Pacecho Street  
Santa Fe, NM 87505

ATTN: Mr. Michael Stogner

RE: Special Order Request  
Non Standard Proration Unit  
North Half of the Southeast Quarter (N/2 SE/4)  
Section 22, T25S, R37 E,  
Jalmat Gas Pool  
Lea County, New Mexico

Dear Mr. Stogner:

This letter will supplement our original letter dated October 16, 1997, and our telephone conversation on October 21, 1997 concerning the above captioned request.

Permian Resources, Inc. ("Permian") is the operator of the following well which currently produces out of the Langlie Mattix Queen zone:

Harrison #3, 1650' FSL, 1650' FWL  
Section 22, Township 25 South, Range 37 East,  
Lea County, New Mexico  
Perforations/Production: 3275-3377/ Langlie Mattix Pool  
Completed 9/15/38

This current Langlie Mattix zone has become marginal to operate. The company has identified potential gas pay in the upper Yates-Seven Rivers zones and would like to re-complete from that zone. This recompletion will require a new pool classification to the Jalmat Gas Pool, an unorthodox location exception, and a non-conforming acreage/spacing order.

Jalmat Gas Pool rules call for a 640-acre proration unit. Permian is asking the Oil Conservation Commission to amend that rule for a Non-Standard Proration Unit to encompass the 80 acres it owns as highlighted on the accompanying C-102. That proration unit will encompass the acreage below.

North Half of Southeast Quarter (N/2 SE/4) of Section 22,  
Township 25 South, Range 37 East,  
Lea County, New Mexico

P. O. BOX 590 • MIDLAND, TEXAS 79702-0590  
PHONE: (915) 685-0113 • FAX: (915) 685-3621

As indicated on my previous correspondence we have notified all current active Jalmat Gas Pool operators in the surrounding contiguous sections and included a list for your review.

There are 4 active Jalmat Gas Pool operators in Section 22. These are listed below with their OCD numbers:

1. Prime Operating #1(F) Mobil, 1980' FNL, 2180' FWL,  
NSP-R-8254 for 150 Acres, E/2 NW/4, NW/4 NE/4, and W/30 acres NE/4 NE/4  
Perforations 2805-2965
2. F&M Oil & Gas #2(N) Carlson Federal, 990' FSL, 2310' FWL,  
NSP-1297 for 80 acres, W/2 SW/4  
Perforations: 2822-2970
3. Prime Operating #1(D) Lanehart, 660' FWL, 660' FNL,  
NSL-2340 for 160 acres, W/2 NW/4 of Section 22 and E/2 NE/4 Section 21.  
Perforations: 2900-3040
4. Burlington #1(L) Carlson Federal, 1980' FSL, 660' FWL  
200 acres, No Orders Found, W/2 SW/4 of Section 22, Units D, E, and F of Section 27  
Perforations: 2822-2940  
  
Burlington #2(L) Carlson Federal, 1650' FSL, 660' FWL  
200 acres, No Orders Found, W/2 SW/4 of Section 22, Units D, E, and F of Section 27.  
Perforations: 2885-3267

All dedicated acreage is shown on the Form C-102 plat as reflected in a recent record check at the Hobbs District office done on October 24, 1997. As you can see there have been 2 Non-Standard Prorations Units in Section 22.

All Jalmat Gas Pool field operators that are contiguous to Section 22 have been notified in writing of this request. A list is provided for your review.

We appreciate your timely review of this matter since we would like to begin work on this well to satisfy time and work commitments which have been submitted to the BLM and OCD.

If you have any questions please feel free to call.

Sincerely,



Robert Marshall  
Vice President

cc: Mr. Chris Williams  
NM OCD  
Hobbs, NM

LISTING OF ACTIVE OFFSET OPERATORS  
JALMAT GAS FIELD  
Permian Resources, Inc.  
Township 25 South, Range 37 East  
Lea County, New Mexico  
9 Section Area Around Section 22

Saba Energy Inc.  
1603 S.E. 19th Street  
Suite 202  
Oklahoma City, OK 73013

Westbrook Oil Company  
P.O. Box 2264  
Hobbs, NM 88240

Burlington Resources Oil & Gas  
801 Cherry Street  
Suite 200  
Fort Worth, TX 76102-6842

Prime Operating Co.  
3300 North A Street  
Bldg. One  
Suite 238  
Midland, TX 79705

F&M Oil & Gas Co.  
Box 891  
Midland, TX 79702

ARCO Permian  
Box 1710  
Hobbs, NM 88240