



# NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

**GARY E. JOHNSON**  
Governor  
**Jennifer A. Salisbury**  
Cabinet Secretary

August 28, 2000

**Lori Wrotenbery**  
Director  
Oil Conservation Division

**OGS Operating Company, Inc.**  
550 West Texas - Suite 1140  
Midland, Texas 79701  
Attention: **Thom O'Brien, President**

Telefax No. (915) 682-4634

*Administrative Order NSL-4504*

Dear Mr. O'Brien:

Reference is made to the following: (i) your application dated August 3, 2000; and (ii) the records of the New Mexico Oil Conservation Division ("Division") in Santa Fe: all concerning OGS Operating Company, Inc.'s ("OGS") request for exceptions to Rule 2 (b) of the "*General Rules and Regulations for the Associated Oil and Gas Pools of Northwest and Southeast New Mexico/Special Rules and Regulations for the Bluit-San Andres Associated Pool*," as promulgated by Division Order No. R-5353, as amended, for two non-standard Bluit-San Andres gas well locations within a standard 320-acre lay-down gas spacing and proration unit for the Bluit-San Andres Associated Pool comprising the S/2 of Section 8, Township 8 South, Range 37 East, NMPM, Roosevelt County, New Mexico.

This application has been duly filed under the provisions of Division Rule 104.F, revised by Division Order No. R-11231, issued by the New Mexico Oil Conservation Commission in Case No. 12119 on August 12, 1999, and the applicable provisions of the rules governing the Bluit-San Andres Associated Pool.

By the authority granted me under the provisions of: (i) Rule 2 (c) of these special pool rules; and (ii) Division Rule 104.F (2), as revised, the following two described wells to be drilled at unorthodox gas well locations within the S/2 of Section 8, are hereby approved:

**Bluit "8" Federal Well No. 1**  
**900' FSL & 1980' FWL (Unit N)**  
and  
**Bluit "8" Federal Well No. 2**  
**685' FSL & 835' FEL (Unit P).**

Further, the above-described wells and 320-acre gas spacing and proration unit will be subject to all existing rules, regulations, policies, and procedures applicable to the Associated Oil and Gas Pools and to the Bluit-San Andres Associated Pool.

Sincerely,

Lori Wrotenbery  
Director

LW/MES/kv

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