

Nearburg Producing Company

Exploration and Production
401 E. Illinois, Suite 300
Midland, Texas 79701
915 686-8235

October 4, 1989

Mr. William LeMay
New Mexico Oil Conservation Division
P. O. Box 2088
Santa Fe, New Mexico 87501

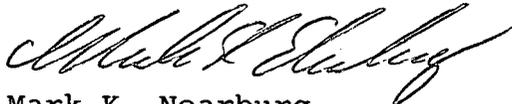
Re: Buffalo Fed. 1K Com. #1
1980' FSL & 1980' FWL
W/2 Proration Unit
Section 1-19S-33E
Lea County, New Mexico

Dear Mr. LeMay:

The captioned well has been completed in the Morrow formation as a natural gas producer, however, the W/2 proration unit contains governmental lots 3 & 4, comprising the N/2 NW/4, which due to survey error add an additional 9.35 acres to what would be a standard 320 acre proration unit. This letter is a request for administrative approval to produce this well on a non-standard 329.35 acre proration unit consisting of the W/2 of the captioned section.

Attached are waivers from all offset operators, being Oryx Energy Company, Amoco Production Company, Conoco, Inc. and Pogo Producing Company.

Yours very truly,



Mark K. Nearburg
Vice President

MKN/my
Enc.

Handwritten calculations and notes:
44.54
44.81
89.35
240
329.35

43 34
43 45
87.38
16
320
329.35
329.38

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OCT - 6 1989

OIL CONSERVATION DIV.
SANTA FE

Nearburg Producing Company

Exploration and Production
401 E. Illinois, Suite 300
Midland, Texas 79701
915 686-8235

September 19, 1989

Pogo Producing Company
P. O. Box 10340
Midland, Texas 79702

Attention: Mr. Jerry Cooper

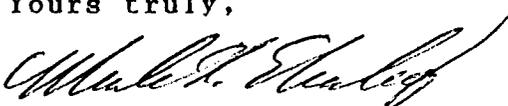
Re: Buffalo Fed 1K Com #1
1980' FSL and 1980' FWL
Section 1-19S-33E, W/2 proration unit
Lea County, New Mexico

Dear Mr. Cooper:

The captioned proration unit is oversized due to geological survey error in the N/2 NW/4. Nearburg Producing Company has drilled and completed the captioned well in the Morrow formation, but the New Mexico Oil Conservation Division rules require approval of an oversize unit. This unit is +9 acres larger than the 320 acre standard state spacing due to the survey error. The NMOCD will grant administrative approval of the unit if you, as an offset operator, waive objection to the unit. Rather than necessitating the expense and time delays of a hearing, if you would please indicate your waiver of objection to this proration unit, Nearburg will be able to timely produce this well with administrative approval rather than having the time delay and expense of attending a hearing.

Your cooperation will be appreciated. As time is of the essence, please call me if you have any questions.

Yours truly,


Mark K. Nearburg
Vice President

MKN/my

The undersigned hereby waives objection to the captioned proration unit.

BY: Jerry A. Cooper COMPANY: Pogo Producing Company
Jerry A. Cooper
Attorney-in-Fact
DATE: September 20, 1989

Nearburg Producing Company

Exploration and Production
401 E. Illinois, Suite 300
Midland, Texas 79701
915 686-8235

September 19, 1989



Conoco Inc.
726 E. Michigan
Hobbs, New Mexico 88240

Attention: Mr. Tim McGhee

Re: Buffalo Fed 1K Com #1
1980' FSL and 1980' FWL
Section 1-19S-33E, W/2 proration unit
Lea County, New Mexico

Dear Mr. McGhee:

The captioned proration unit is oversized due to geological survey error in the N/2 NW/4. Nearburg Producing Company has drilled and completed the captioned well in the Morrow formation, but the New Mexico Oil Conservation Division rules require approval of an oversize unit. This unit is +9 acres larger than the 320 acre standard state spacing due to the survey error. The NMOCD will grant administrative approval of the unit if you, as an offset operator, waive objection to the unit. Rather than necessitating the expense and time delays of a hearing, if you would please indicate your waiver of objection to this proration unit, Nearburg will be able to timely produce this well with administrative approval rather than having the time delay and expense of attending a hearing.

Your cooperation will be appreciated. As time is of the essence, please call me if you have any questions.

Yours truly,

A handwritten signature in cursive script, appearing to read "Mark K. Nearburg".

Mark K. Nearburg
Vice President

MKN/my

The undersigned hereby waives objection to the captioned proration unit.

BY: David C. Stup COMPANY: Conoco Inc
LAND SUPERVISOR

DATE: 9/21/89

Nearburg Producing Company

Exploration and Production
401 E. Illinois, Suite 300
Midland, Texas 79701
915 686-8235

September 19, 1989

Amoco Production Company
501 Westlake Park Blvd.
Houston, Texas 77079

Attention: Mr. Tim Custer

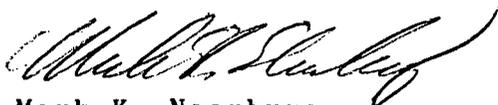
Re: Buffalo Fed 1K Com #1
1980' FSL and 1980' FWL
Section 1-19S-33E, W/2 proration unit
Lea County, New Mexico

Dear Mr. Custer:

The captioned proration unit is oversized due to geological survey error in the N/2 NW/4. Nearburg Producing Company has drilled and completed the captioned well in the Morrow formation, but the New Mexico Oil Conservation Division rules require approval of an oversize unit. This unit is +9 acres larger than the 320 acre standard state spacing due to the survey error. The NMOCD will grant administrative approval of the unit if you, as an offset operator, waive objection to the unit. Rather than necessitating the expense and time delays of a hearing, if you would please indicate your waiver of objection to this proration unit, Nearburg will be able to timely produce this well with administrative approval rather than having the time delay and expense of attending a hearing.

Your cooperation will be appreciated. As time is of the essence, please call me if you have any questions.

Yours truly,



Mark K. Nearburg
Vice President

MKN/my

The undersigned hereby waives objection to the captioned proration unit.

BY: J. J. Brickette COMPANY: Amoco Production Co.
DATE: 9/21/89

Nearburg Producing Company

Exploration and Production
401 E. Illinois, Suite 300
Midland, Texas 79701
915 686-8235

September 19, 1989

Oryx Energy Company
8150 N. Central Expressway
Dallas, Texas 75206

Attention: Mr. Alan Beers
Land Department

Re: Buffalo Fed 1K Com #1
1980' FSL and 1980' FWL
Section 1-19S-33E, W/2 proration unit
Lea County, New Mexico

Dear Mr. Beers:

The captioned proration unit is oversized due to geological survey error in the N/2 NW/4. Nearburg Producing Company has drilled and completed the captioned well in the Morrow formation, but the New Mexico Oil Conservation Division rules require approval of an oversize unit. This unit is +9 acres larger than the 320 acre standard state spacing due to the survey error. The NMOCD will grant administrative approval of the unit if you, as an offset operator, waive objection to the unit. Rather than necessitating the expense and time delays of a hearing, if you would please indicate your waiver of objection to this proration unit, Nearburg will be able to timely produce this well with administrative approval rather than having the time delay and expense of attending a hearing.

Your cooperation will be appreciated. As time is of the essence, please call me if you have any questions.

Yours truly,


Mark K. Nearburg
Vice President

MKN/my

The undersigned hereby waives objection to the captioned proration unit.

BY: J. S. Ruppel

COMPANY: Oryx Energy

DATE: 9/28/89

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

SUBMIT IN TRIPLICATE*
(Other instructions on re-
verse side)

Budget Bureau No. 1004-0133
Expires August 31, 1985

SUNDRY NOTICES AND REPORTS ON WELLS

(Do not use this form for proposals to drill or to deepen or plug back to a different reservoir.
Use "APPLICATION FOR PERMIT—" for such proposals.)

1. OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER		5. LEASE DESIGNATION AND SERIAL NO. NM 58941	
2. NAME OF OPERATOR Nearburg Producing Company		6. IF INDIAN, ALLOTTEE OR TRIBE NAME	
3. ADDRESS OF OPERATOR P. O. Box 31405, Dallas, Texas 75231		7. UNIT AGREEMENT NAME	
4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.* See also space 17 below.) At surface 1980' FSL & 1980' FWL, Sec. 1-T19S-R33E		8. FARM OR LEASE NAME Buffalo 1K Federal Com.	
14. PERMIT NO. 30-025-30635		9. WELL NO. 1	
15. ELEVATIONS (Show whether DF, RT, OR, etc.) 3767.5' GR		10. FIELD AND POOL, OR WILDCAT Quail Ridge Morrow N.	
		11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA Sec. 1-T19S-R33E	
		12. COUNTY OR PARISH Lea	18. STATE NM

16. Check Appropriate Box To Indicate Nature of Notice, Report, or Other Data

NOTICE OF INTENTION TO:		SUBSEQUENT REPORT OF:	
TEST WATER SHUT-OFF <input type="checkbox"/>	PULL OR ALTER CASING <input type="checkbox"/>	WATER SHUT-OFF <input type="checkbox"/>	REPAIRING WELL <input type="checkbox"/>
FRACTURE TREAT <input type="checkbox"/>	MULTIPLE COMPLETE <input type="checkbox"/>	FRACTURE TREATMENT <input type="checkbox"/>	ALTERING CASING <input type="checkbox"/>
BHOOT OR ACIDIZE <input type="checkbox"/>	ABANDON* <input type="checkbox"/>	BHOOTING OR ACIDIZING <input type="checkbox"/>	ABANDONMENT* <input type="checkbox"/>
REPAIR WELL <input type="checkbox"/>	CHANGE PLANS <input type="checkbox"/>	(Other) <u>Activity</u>	<input checked="" type="checkbox"/>
(Other) <input type="checkbox"/>		(NOTE: Report results of multiple completion on Well Completion or Recompletion Report and Log form.)	

17. DESCRIBE PROPOSED OR COMPLETED OPERATIONS (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)*

08/13/89: Reach TD of 13,563'.

08/14/89: Logging

08/15/89: Circulating and conditioning hole.

08/16/89: Ran 13,563' of 5-1/2" casing. DV tool set @ 8495'. Cemented first stage w/1100 sacks 50/50 Poz-mix. Cemented through DV tool w/875 Lite and tailed in with 150 sacks premium.

08/17/89: Ran temperature survey, top of cement @ 3700'.

08/18/89: WO completion rig.

RECEIVED

OCT - 6 1989

OIL CONSERVATION DIV.
SANTA FE

SEP 1 11 59 AM '89

RECEIVED

18. I hereby certify that the foregoing is true and correct

SIGNED Eddie J. Schwick TITLE Operations Coordinator DATE 8/29/89

(This space for Federal or State office use)

APPROVED BY _____ TITLE _____ DATE _____
CONDITIONS OF APPROVAL, IF ANY:

ACCEPTED FOR RECORD

*See Instructions on Reverse Side

SEP 2 7 1989

Submit 5 Copies
Appropriate District Office
DISTRICT I
P.O. Box 1980, Hobbs, NM 88240

DISTRICT II
P.O. Drawer DD, Artesia, NM 88210

DISTRICT III
1000 Rio Brazos Rd., Aztec, NM 87410

State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-104
Revised 1-1-89
See Instructions
at Bottom of Page

OIL CONSERVATION DIVISION **RECEIVED**

P.O. Box 2088
Santa Fe, New Mexico 87504-2088

SEP 11 1989

REQUEST FOR ALLOWABLE AND AUTHORIZATION
TO TRANSPORT OIL AND NATURAL GAS OIL CONSERVATION DIV.

Operator Nearburg Producing Company	Well API Number 30-025-30635
Address P. O. Box 31405, Dallas, Texas 75231-0405	
Reason(s) for Filing (Check proper box) <input checked="" type="checkbox"/> Other (Please explain)	
New Well <input checked="" type="checkbox"/>	Change in Transporter of: <input checked="" type="checkbox"/>
Recompletion <input type="checkbox"/>	Oil <input type="checkbox"/> Dry Gas <input type="checkbox"/>
Change in Operator <input type="checkbox"/>	Casinghead Gas <input type="checkbox"/> Condensate <input type="checkbox"/>
If change of operator give name and address of previous operator	
Test allowable for September, 1989 in the amount of 1,000 bbls. <i>Condensate</i>	

II. DESCRIPTION OF WELL AND LEASE

Lease Name Buffalo 1K Federal Com	Well No. 1	Pool Name, Including Formation Quail Ridge Morrow, North	Kind of Lease State (Federal) Lease	Lease No. NM58941
Location Unit Letter <u>K</u> : <u>1,980</u> Feet From The <u>south</u> Line and <u>1,980</u> Feet From The <u>west</u> Line Section <u>1</u> Township <u>19S</u> Range <u>33E</u> , NMPM, Lea County				

III. DESIGNATION OF TRANSPORTER OF OIL AND NATURAL GAS

Name of Authorized Transporter of Oil <input type="checkbox"/> or Condensate <input checked="" type="checkbox"/>	Address (Give address to which approved copy of this form is to be sent)
Koch Oil Co., Div. of Koch Industries, Inc.	P. O. Box 1558, Breckenridge, Texas 76024
Name of Authorized Transporter of Casinghead Gas <input type="checkbox"/> or Dry Gas <input type="checkbox"/>	Address (Give address to which approved copy of this form is to be sent)
If well produces oil or liquids, give location of tanks.	Unit Sec. Twp. Rge. Is gas actually connected? When ?
	K 1 19S 33E No

If this production is commingled with that from any other lease or pool, give commingling order number:

IV. COMPLETION DATA

Designate Type of Completion - (X)	Oil Well	Gas Well	New Well	Workover	Deepen	Plug Back	Same Res'v	Diff Res'v
Date Spudded	Date Compl. Ready to Prod.	Total Depth	P.B.T.D.					
Elevations (DF, RKB, RT, GR, etc.)	Name of Producing Formation	Top Oil/Gas Pay	Tubing Depth					
Perforations 13,353' - 13,368'	Depth Casing Shoe							
TUBING, CASING AND CEMENTING RECORD								
HOLE SIZE	CASING & TUBING SIZE		DEPTH SET			SACKS CEMENT		

V. TEST DATA AND REQUEST FOR ALLOWABLE

OIL WELL (Test must be after recovery of total volume of load oil and must be equal to or exceed top allowable for this depth or be for full 24 hours.)

Date First New Oil Run To Tank	Date of Test	Producing Method (Flow, pump, gas lift, etc.)	
Length of Test	Tubing Pressure	Casing Pressure	Choke Size
Actual Prod. During Test	Oil - Bbls.	Water - Bbls.	Gas - MCF

GAS WELL

Actual Prod. Test - MCF/D	Length of Test	Bbls. Condensate/MMCF	Gravity of Condensate
Testing Method (pilot, back pr.)	Tubing Pressure (Shut-in)	Casing Pressure (Shut-in)	Choke Size

VI. OPERATOR CERTIFICATE OF COMPLIANCE

I hereby certify that the rules and regulations of the Oil Conservation Division have been complied with and that the information given above is true and complete to the best of my knowledge and belief.

Mildred Simpkins
Signature
Mildred Simpkins, Production Analyst
Printed Name
September 7, 1989
Date
214/739-1778
Telephone No.

OIL CONSERVATION DIVISION

Date Approved **SEP 8 1989**
By *[Signature]*
Title **Geologist**

INSTRUCTIONS: This form is to be filed in compliance with Rule 1104

- 1) Request for allowable for newly drilled or deepened well must be accompanied by tabulation of deviation tests taken in accordance with Rule 111.
- 2) All sections of this form must be filled out for allowable on new and recompleted wells.
- 3) Fill out only Sections I, II, III, and VI for changes of operator, well name or number, transporter, or other such changes.
- 4) Separate Form C-104 must be filed for each pool in multiply completed wells.

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT
N. M. OIL CONS. COMMISSION

Expires August 31, 1985

5. LEASE DESIGNATION AND SERIAL NO.

NM 58941

6. IF INDIAN, ALLOTTEE OR TRIBE NAME

7. UNIT AGREEMENT NAME

8. FARM OR LEASE NAME

BUFFALO 1K FEDERAL COM

9. WELL NO.

1

10. FIELD AND POOL, OR WILDCAT

Quail Ridge Morrow N.

11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA

Sec. 1-T19S-R33E

12. COUNTY OR PARISH 13. STATE

Lea

N M

SUNDRY NOTICES AND REPORTS ON WELLS

(Do not use this form for proposals to drill or to deepen or plug back to a different reservoir. 88240
Use "APPLICATION FOR PERMIT—" for such proposals.)

1. OIL WELL GAS WELL OTHER

2. NAME OF OPERATOR
NEARBURG PRODUCING COMPANY

3. ADDRESS OF OPERATOR
P.O. Box 31405, Dallas, Texas 75231

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements. See also space 17 below.)
At surface 1980' FSL & 1980' FWL, Sec. 1-T19S-R33E

14. PERMIT NO.
30-025-30635

15. ELEVATIONS (Show whether DF, RT, GR, etc.)
3767.5'

16. Check Appropriate Box To Indicate Nature of Notice, Report, or Other Data

NOTICE OF INTENTION TO:

TEST WATER SHUT-OFF
FRACTURE TREAT
SHOOT OR ACIDIZE
REPAIR WELL
(Other)

PULL OR ALTER CASING
MULTIPLE COMPLETE
ABANDON*
CHANGE PLANS

SUBSEQUENT REPORT OF:

WATER SHUT-OFF
FRACTURE TREATMENT
SHOOTING OR ACIDIZING
(Other) ACTIVITY

REPAIRING WELL
ALTERING CASING
ABANDONMENT*

(NOTE: Report results of multiple completion on Well Completion or Recompletion Report and Log form.)

17. DESCRIBE PROPOSED OR COMPLETED OPERATIONS (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)

6-30-89: Spudded well at 6:00 PM (MST), 6-30-89. Drilled 17-1/2" hole to 365'.

7-01-89: Ran 9 jts. (364') of 13-3/8", 61# casing. Cemented with 375 sacks cement. Circulated 100 sacks to pit. W.O.C. 18 hours, tested casing to 1500# for 30 min. - held OK. Drilled 11" hole to 5202'.

7-13-89: Ran 121 jts (5200') of 8-5/8", 24, 28 & 32# casing. Cemented with 1800 sacks HOWCO Lite, 600 sacks Class 'C' with 4% gel and 300 sacks Class 'C' Neat. (total 2700 sacks) Circulated 389 sacks to pit. WOC 18 hours. Tested casing to 1500# for 30 minutes. Held OK.

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AUG 3 1989

OIL CONSERVATION DIV.
SANTA FE

JUL 17 10 45 AM '89

RECEIVED

18. I hereby certify that the foregoing is true and correct

SIGNED

Eddie J. Belmont

TITLE

Operations Coordinator

DATE

July 14, 1989

(This space for Federal or State office use)

APPROVED BY

TITLE

DATE

CONDITIONS OF APPROVAL, IF ANY:

ACCEPTED FOR RECORD

JUL 28 1989

*See Instructions on Reverse Side

SJS
CARLSBAD, NEW MEXICO

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT
P.O. BOX 1800

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

5. LEASE DESIGNATION AND SERIAL NO. NM58941
6. IF INDIAN, ALLOTTEE OR TRIBE NAME
7. UNIT AGREEMENT NAME
8. FARM OR LEASE NAME Buffalo 1K Federal Com
9. WELL NO. 1
10. FIELD AND POOL, OR WILDCAT Quail Ridge Morrow, N.
11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA Section 1-T19S-R33E
12. COUNTY OR PARISH Lea 13. STATE NM
14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE* 27 miles west of Hobbs, New Mexico
15. DISTANCE FROM PROPOSED* LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. 660' (Also to nearest drig. unit line, if any)
16. NO. OF ACRES IN LEASE 280.00
17. NO. OF ACRES ASSIGNED TO THIS WELL 320.00
18. DISTANCE FROM PROPOSED* LOCATION TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT. N/A
19. PROPOSED DEPTH 15,000'
20. ROTARY OR CABLE TOOLS Rotary
21. ELEVATIONS (Show whether DF, RT, GR, etc.) 3,767.5' GR
22. APPROX. DATE WORK WILL START* 6/25/89

23. PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
17-1/2"	13-3/8"	48	350'	375 sx. circulate
12-1/4" - 11"	8-5/8"	24 - 32	5,200'	2,500 sx. circulate
7-7/8"	4-1/2"	17 20.6-13.5	15,000'	1,200 sx.

Changes as per telecon w/E. Gelwick SJS

Propose to drill the well to a sufficient depth to evaluate the Morrow and Devonian formations. After reaching TD, logs will be run and if evaluation is positive, casing will be run.

Surface Use Plan and Supplemental Drilling Data attached.

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APPROVAL SUBJECT TO
GENERAL REQUIREMENTS AND
SPECIAL STIPULATIONS
ATTACHED

JUN 30 1989

OIL CONSERVATION DIV.
SANTA FE

RECEIVED
JUN 5 10 54 AM '89
CARLSBAD RESOURCE AREA

IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: If proposal is to deepen or plug back, give data on present productive zone and proposed new productive zone. If proposal is to drill or deepen directionally, give pertinent data on subsurface locations and measured and true vertical depths. Give blowout preventer program, if any.

24. SIGNED Eddie J. Schuch TITLE Operations Coordinator DATE 6/2/89

(This space for Federal or State office use)

PERMIT NO. _____ APPROVAL DATE _____
APPROVED BY Orig. Signed by Richard L. Manus TITLE AREA MANAGER
CARLSBAD RESOURCE AREA DATE 6.23.89
CONDITIONS OF APPROVAL, IF ANY:

*See Instructions On Reverse Side

OIL CONSERVATION DIVISION

P.O. Box 2088
Santa Fe, New Mexico 87504-2088

Appropriate
Office
Lease - 3 copies
Lease - 3 copies
DISTRICT I
P.O. Box 1980, H-698, NM 88240

DISTRICT II
P.O. Drawer 110, Artesia, NM 88210

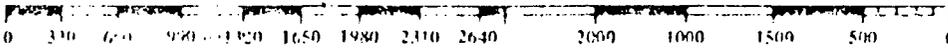
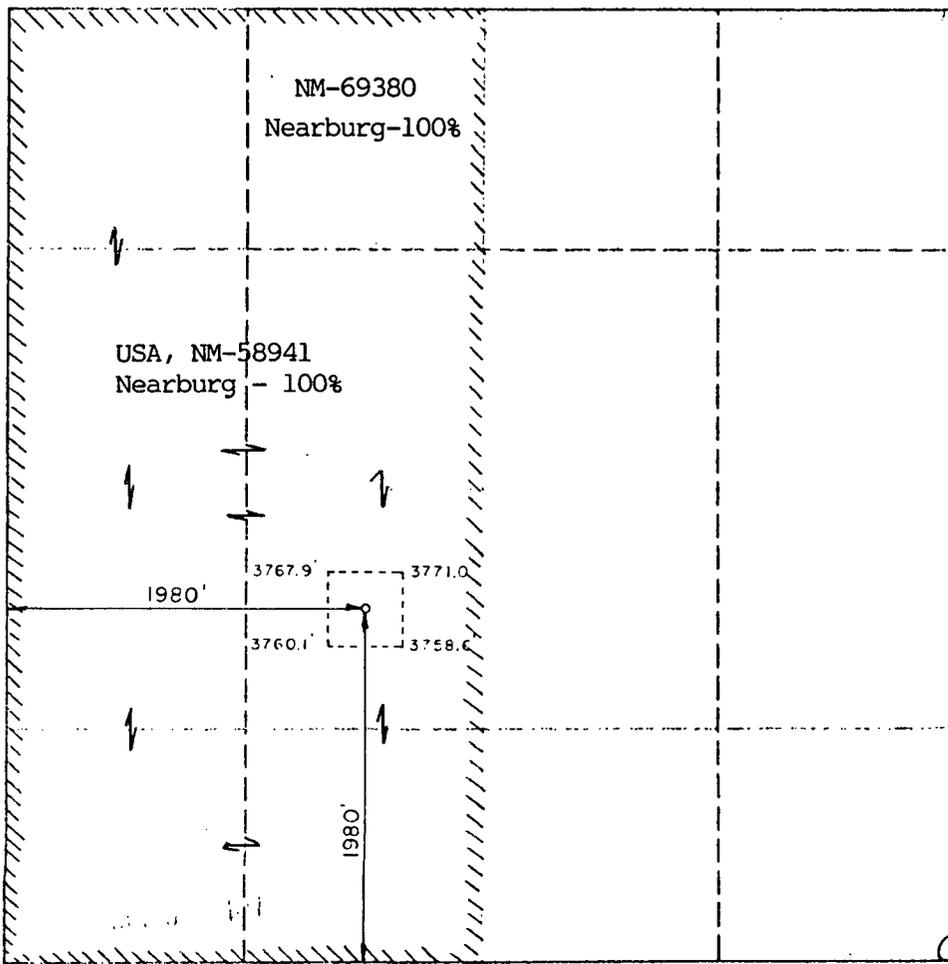
DISTRICT III
1000 Rio Brazos Rd., Aztec, NM 87410

WELL LOCATION AND ACREAGE DEDICATION PLAT

All Distances must be from the outer boundaries of the section

Operator Nearburg Producing Company			Lease Buffalo 1K Fed. Com.			Well No. 1		
Unit Letter K	Section 1	Township 19 South	Range 33 East	County NMPM	Lea			
Actual Footage Location of Well:								
1980 feet from the South line and			1980 feet from the West line			Dedicated Acreage:		
Ground level Elev 3767.5			Producing Formation Morrow/Devonian			Pool North Quail Ridge Morrow		
						320.00 Acres		

- Outline the acreage dedicated to the subject well by colored pencil or hachure marks on the plat below.
- If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).
- If more than one lease of different ownership is dedicated to the well, have the interest of all owners been consolidated by communitization, unitization, force-pooling, etc.?
 Yes No If answer is "yes" type of consolidation Communitization
 If answer is "no" list the owners and tract descriptions which have actually been consolidated. (Use reverse side of this form if necessary)
 No allowable will be assigned to the well until all interests have been consolidated (by communitization, unitization, forced-pooling, or otherwise) or until a non-standard unit, eliminating such interest, has been approved by the Division.



OPERATOR CERTIFICATION

I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.

Signature: *Kathie Craft*
 Printed Name: Kathie Craft
 Position: Land Administrator
 Company: Nearburg Producing Co.
 Date: May 30, 1989

SURVEYOR CERTIFICATION

I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my knowledge and belief.

Date Surveyed: May 25, 1989

Signature & Seal: [Signature]



OIL CONSERVATION DIVISION
RECEIVED

'89 NOV 27 AM 9 21

RE: Non-Standard Proration
Unit Request
Hinton No. 3, Blinebry Gas Pool
S/2 SW/4 Section 12, T22S - R37E
Lea County, New Mexico

Mr. William J. LeMay, Director
New Mexico Oil Conservation Division
P. O. Box 2088
Santa Fe, New Mexico 87504-2088

Attention: David R. Catanach

As an offset operator, the undersigned has no objection to the Hendrix application to dedicate the non-standard proration unit to the Hinton No. 3 in the Blinebry Gas Pool.

Approved By: _____

Representing: _____

Date: _____

J. M. Archary
Lea County Oil
11-16-89



STATE OF NEW MEXICO
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION
2040 S. PACHECO
SANTA FE, NEW MEXICO 87505
(505) 827-7131

October 29, 1996

John H. Hendrix Corporation
Attention: Ronnie H. Westbrook
P. O. Box 3040
Midland, Texas 79702-3040

AMENDED
Administrative Order NSL-3201(NSP)

Dear Mr. Westbrook:

Reference is now made: (i) to your application dated September 17, 1996; (ii) Division Administrative Order NSL-3201, dated November 23, 1992, which order approved the unorthodox gas well location of the Hinton Well No. 13 (API No. 30-025-24426), located 2310 feet from the South line and 990 feet from the West line (Unit L) of Section 12, Township 22 South, Range 37 East, NMPM, Blinebry Oil and Gas Pool, Lea County, New Mexico, within a standard 160-acre Blinebry gas spacing and proration unit comprising the SW/4 of said Section 12; and, (iii) Division Administrative Order NSP-1589, dated December 6, 1989, which established an 80-acre non-standard gas spacing and proration unit within the Blinebry Oil and Gas Pool comprising the S/2 SW/4 of said Section 12 to be dedicated to the John H. Hendrix Corporation Hinton Well No. 3 (API No. 30-025-10236), located at a standard Blinebry gas well location 660 feet from the South line and 1980 feet from the West line (Unit N) of said Section 12.

The September 12, 1996 application has been duly filed under the provisions of Rule 2(d) of the "*Special Rules and Regulations for the Blinebry Oil and Gas Pool*" as promulgated by Division Order No. R-8170, as amended, to rededicate to the Hinton Well No. 13 the following described 80-acre non-standard Blinebry gas spacing and proration unit:

LEA COUNTY, NEW MEXICO
TOWNSHIP 22 SOUTH, RANGE 37 EAST, NMPM
Section 12: N/2 SW/4.

Division Administrative Order NSL-3201 shall be amended to reflect the above-described non-standard 80-acre gas spacing and proration unit within the Blinebry Oil and Gas Pool as the

Amended Administrative Order NSL-3201(NSP)

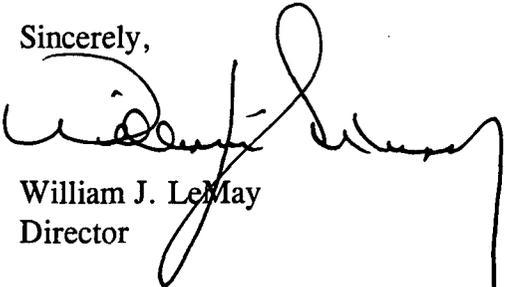
John H. Hendrix Corporation

October 29, 1996

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dedicated acreage for the Hinton Well No. 13. All other provisions of said Order NSL-3201 shall remain in full force and effect until further notice.

Sincerely,

A handwritten signature in black ink, appearing to read "William J. LeMay". The signature is fluid and cursive, with a large loop at the end of the last name.

William J. LeMay
Director

WJL/MES/kv

cc: Oil Conservation Division - Hobbs
File: NSL -3201
NSP-1589 /