



PLAINS
PETROLEUM
OPERATING
COMPANY

December 14, 1993

New Mexico Oil Conservation Division
P. O. Box 2088
Santa Fe, NM 87501

Re: Bluit 13 Federal #6 &
Bluit 13 Federal #15
Sec. 13, T8S, R37E; and
Bluit 18 Federal #11,
Sec. 18, T8S, R38E,
Roosevelt County, New Mexico

Gentlemen:

The above captioned wells were originally drilled on standard locations for an oil well in the Bluit San Andres Associated field. Production generally declined on the Unit wells until, (1) they were uneconomical to operate, (2) had no remaining reserves, and (3) were not capable of producing oil. The locations are as follows:

<u>Well Name</u>	<u>Total Depth</u>	<u>Plug Back</u>	<u>Legal Description</u>
Bluit San Andres Unit Sec. 13 #6 Bluit 13 Federal #6	4820'	4610'	F-1980' FNL & 1980' FWL, Sec. 13 NM-43715 & NM044216 *
Bluit San Andres Unit. Sec. 18 #11 Bluit 18 Federal #11	4940'	4700'	K-1980' FSL & 1980' FWL, Sec. 18 NM-0509201
Bluit San Andres Unit. Sec. 13 #15 Bluit 13 Federal #15	4745'	4589'	Q-660' FSL & 1980' FEL, Sec. 13 NM-044216

On 9-4-93 the Bluit San Andres Unit Sec. 13 #6 well was re-entered, a CIBP was set at 4610' with 2 sacks cement. The non-unitized P₁ San Andres zone was perforated from 4504'-4579', acidized and frac'd, swabbed and placed on production. A 4-point back pressure test was run 9-25-93 for AOF of 700.6 MCFD, name changed to Bluit 13 Federal #6 well. * A Communitization Agreement, NMNM91000, involving 40 acres of land in Federal lease NM-43715 and 120 acres of land in Federal lease NM-044216 in Roosevelt County, New Mexico, comprising a 160 acre well spacing unit has been approved effective September 1, 1993 by the Bureau of Land Management.

The Bluitt San Andres Unit Sec. 18, #11 well was re-entered 9-14-93 and a CIBP was set at 4700' with 2 sacks of cement. The well was perforated in the non-unitized P₁ San Andres zone from 4589'-4659', acidized and frac'd, placed on production. A back pressure test was run 10-4-93 with an AOF of 322.7 MCFD; the well name was changed to Bluitt 18 Federal #11.

The Bluitt San Andres Unit Sec. 13 #15 WIW was re-entered 11-16-93, a CIBP was set at 4589' with 2 sacks of cement and the well was perforated in the non-unitized P₁ San Andres zone from 4527'-4579'. The well was acidized and frac'd and placed on production. A 4-point back pressure test was run 12-10-93 for an AOF of 4456 MCFD, and the well name was changed to Bluitt 13 Federal #15.

Now that the recompleted wells have exhibited the potential to produce gas in commercial quantities, it is respectfully requested that administrative approval be given for a reduced proration unit comprising 160 acres for each well as follows:

- (1) NW/4 Sec. 13 - 160 acre proration unit to be assigned to Bluitt 13 Federal #6 well.
- (2) SE/4 Sec. 13 - 160 acre proration unit to be assigned to Bluitt 13 Federal #15 well.
- (3) SW/4 Sec. 18 - 160 acre proration unit to be assigned to Bluitt 18 Federal #11 well.

Plains Petroleum feels assigning 160 acres to each well is the most efficient spacing for maximum recovery of gas reserves and the most effective spacing to otherwise prevent waste and protect correlative rights.

Respectfully submitted,

Bonnie Husband
Administrative Assistant

cc: OCD - Hobbs, NM
BLM - Carlsbad, NM

*Notification received 1/25/94
Release 2/24/94*

STATE OF NEW MEXICO

ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION



BRUCE KING
GOVERNOR

ANITA LOCKWOOD
CABINET SECRETARY

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

January 19, 1994

Plains Petroleum Operating Company
415 West Wall Street, Suite 1000
Midland, TX 79701

Attention: Bonnie Husband

Administrative Order NSP-1682

Dear Ms. Husband:

Reference is made to your application dated December 14, 1993 for a 160-acre non-standard gas spacing and proration unit consisting of the following acreage in the Bluit-San Andres Associated Pool:

ROOSEVELT COUNTY, NEW MEXICO
TOWNSHIP 8 SOUTH, RANGE 38 EAST, NMPM
Section 18: SW/4

It is my understanding that this unit is to be dedicated to your existing Bluit "18" Federal Well No. 11 located at a standard well location 1980 feet from the South and West lines (Unit K) of said Section 18.

By authority granted me under the provisions of Rule 4 (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, the above non-standard gas spacing and proration unit is hereby approved.

Sincerely,

William J. LeMay
Director

WJL/MES/amg

cc: Oil Conservation Division - Hobbs
US Bureau of Land Management - Roswell

OIL CONSERVATION DIVISION
RECEIVED

'94 JAN 25 AM 9 19



PLAINS
PETROLEUM
OPERATING
COMPANY

January 20, 1994

Mr. Michael Stogner
Oil Conservation Division
P. O. Box 2088
Santa Fe, NM 87501

Re: Bluit San Andres Associated
Roosevelt County, New Mexico
Reduced Proration Unit

Dear Mr. Stogner:

Pursuant to our telephone conversation this date, enclosed is a copy of the letter mailed to UNOCAL as offset operator in Section 18, T8S, R38E, Roosevelt County, New Mexico along with a plat of the area listing operating rights under Section 13 and Section 18.

I understand you will be releasing Section 13 today for a reduced proration unit of 160 acres.

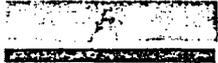
Should you require any further information, please give me a call. Thanks for your assistance.

Respectfully submitted,

PLAINS PETROLEUM OPERATING CO.

Bonnie Husband
Administrative Assistant

Enclosures


P L A I N S
P E T R O L E U M
O P E R A T I N G
C O M P A N Y

January 18, 1994

Mr. Mike Nixon
UNOCAL Oil & Gas
P. O. Box 3100
Midland, TX 79705

Re: Waiver Request
Bluitt San Andres Unit
Roosevelt County, New Mexico

Dear Mr. Nixon:

According to the records, Union Oil & Gas is the leasehold owner in and to the Southeast Quarter (SE/4) Section 18, T-8-S, R-38-E, Roosevelt County, New Mexico, which directly offsets a portion of Plains Petroleum Operating Company's Bluitt San Andres Unit which is located in the Southwest Quarter (SW/4) Section 18, T-8-S, R-38-E (See attached plat).

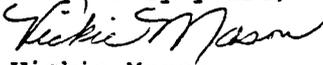
Plains Petroleum Operating Company, as operator, along with the other working interest owners in the Bluitt San Andres Unit, have determined that the unit has reached its economic limits, however, prior to plugging and abandoning the unit, it was decided that certain wells should be recompleted in the P1 interval above the unit in an attempt to re-establish production.

Plains' initial recompletion attempts have been successful with the result being a reclassification of the original wells from oil to gas. Although the original field rules for the Bluitt field stated that a gas proration unit could be comprised of 160 acres, the new Bluitt San Andres Associated Field rules set forth different specifications as to size and well locations. Therefore, due to the fact Plains has recompleting an existing well within the Bluitt Unit, we are having to file for an unorthodox location and reduced proration unit size.

One of the stipulations for filing for an unorthodox location and proration unit size is securing a waiver of objection from any immediate offset operator and this letter is written in that respect and enclosed, for your review and approval, please find same. If the instrument meets with your approval, I would appreciate if you would so signify by signing in the space provided and return one (1) copy to me as soon as possible.

Your courtesy, consideration and earliest attention to this matter is appreciated and should you have any questions regarding any of the above, please do not hesitate to contact me at the number below.

Very truly yours,


Vickie Mason
Land Co-Ordinator

/vm
Enclosure

WAIVER OF OBJECTION

As an authorized representative of the below named offset operator, I have been duly informed by Plains Petroleum Operating Company of the completion of its Bluit Federal #1811 well located in the Southwest Quarter (SW/4) of Section 18, T-8-S, R-38-E, Roosevelt County, New Mexico.

The undersigned, hereby waives any objection it may have to Plains Petroleum Operating Company filing for a reduced proration unit containing 160 acres for its Bluit Federal #1811 gas well.

UNOCAL OIL & GAS.

By: _____

Dated: _____

<p>Gen'l Hydrocarbon 8-3-86</p> <p>Evelyn Hilliard 1/2 M.I. R.N. Ainsworth</p> <p>2</p> <p>Yates Pet, et al 8-1-92 VB-123 23</p>	<p>J.M. [unclear], et al A.D. Kemnitz 42</p> <p>M.J. Harvey, et al 6-1-93 71773 1562</p> <p>Tom Ingram 2-1-92 6-517</p> <p>Enserch 4-2-84</p> <p>Jr. Newton, et al. Dora Davis, M.I. N.I. Will</p> <p>2.O. Todd 7/2 G.M. Hargrove, et al L.L. Ingram 10-1-93 56770</p> <p>U.S. E.H. Gandy, (S)</p> <p>Amoco</p> <p>American Tuscar Hargrove 724746</p> <p>Amoco Trustee L. Wiener</p> <p>R.N. Ainsworth, (S)</p>	<p>Uni 855</p> <p>Co 855</p> <p>201 U.S.</p> <p>5</p> <p>Exam</p> <p>U.S. Gandy, (S)</p> <p>U.S. Gandy, (S)</p>	
<p>M.L. Brown, et al Kirkpatrick (So. Petr.) Fed 66486</p> <p>Ingram Layton Ener</p> <p>CGS Oper, et al 11-17-92 9-28-92 9-23-92</p> <p>Maria Thomas Morris Blodgett, et al Morris Parks, et al</p>	<p>Murphy Oper. Co. HBP 66486</p> <p>T.L. Ingram Kirkpatrick-Fed. 72469 64278-45</p> <p>Murphy Oper. HBP 66486</p> <p>Austral Yadon 11-22-92</p> <p>Murphy Oper. Co. (T.L. Ingram) 64278-45</p> <p>TR 1-A Dick Buffington U.S.</p>	<p>M.J. Harvey 3-1-93 34208</p> <p>F.A. Grooms 1-1-89 57729</p> <p>U.S. E.H. Gandy, (S)</p> <p>Union Fed. 1737</p> <p>NWJ 0408232 FHC</p> <p>Sinclair Senec-Fed. 72488</p> <p>U.S. E.H. Gandy, (S)</p>	<p>W.W. Ravkmd 1050261</p> <p>Amoco 1050261</p> <p>Union Fed. 1737</p> <p>W.D. Yeat A.L.L.</p> <p>U.S. Ainsworth (S) all src.</p>
<p>OGS Oper.</p> <p>Murphy Oper. 66486 HBP</p>	<p>Murphy Oper. Co. (T.L. Ingram) 64278-45</p> <p>TR 10</p> <p>TR 2</p> <p>Murphy Oper. Co. (T.L. Ingram) 64278-45</p> <p>TR 3</p> <p>Dick Buffington (S)</p>	<p>Rhonda Op. Co. 62487</p> <p>Union 1737</p> <p>McGrail R.G. Barton, et al C.C. Gardner</p> <p>Union 1737</p> <p>Foye Ainsworth, Inc.</p>	<p>Union 6550 17-</p> <p>(Room 011) PR20</p> <p>Faul Sams, et al</p> <p>Union 1737</p> <p>Foden 12-30-42</p> <p>U.S. Foye Ainsworth, Inc.</p>
<p>POI Inc. 48 M.I. FMT Oper. 3/8 M.I. 1/4 M.I. R.N. Ainsworth (S)</p> <p>GHIS</p>	<p>T.L. Ingram 14012</p> <p>Fed. U.S. Wilmington (S)</p> <p>L. Ingram 14012</p> <p>(A.R. Co.) 148</p> <p>Murphy Oper. McKellon All-Fed.</p>	<p>Rhonda Op. Co. 62487</p> <p>Union 1737</p> <p>Boumgar 10358-39</p> <p>Yates Pet 0104028</p> <p>Yates Pet 0104028</p> <p>Yates Pet 136489-2</p>	<p>Union 1737</p> <p>Foden 12-30-42</p> <p>U.S. Foye Ainsworth, Inc.</p> <p>Union 1737</p> <p>Foden 12-30-42</p> <p>U.S. Foye Ainsworth, Inc.</p>

**BLUITT (SA UNIT
MURPHY OPER. CORP.
(OPER.)**

State

Tom Ingram
HEB
U.S. 014837 U.S.
R.N. Ainsworth, et al

H.G. Griffin

U.S.
E.H. Gandy, (S)

R.N. Ainsworth, (S)

(Murphy Oper.)
CC
SA Disc
I.S. Mill

Austral
Yadon
11-22-92

U.S.
E.H. Gandy, (S)

U.S.
Ainsworth (S) all src.

Murphy
Mins
01696

Murphy Oper. Co.
(T.L. Ingram)
64278-45

Union
1737

Union
1737

U.S.
R.N. Ainsworth (S)

Murphy Oper. Co.
(T.L. Ingram)
64278-45

U.S.
Ainsworth, Inc.

U.S.
Foye Ainsworth, Inc.

T.L. Ingram
14012

Murphy Oper.
McKellon
All-Fed.

Yates Pet
0104028

Yates Pet
0104028

L. Ingram
14012

(A.R. Co.)
148

Yates Pet
0104028

Yates Pet
136489-2



January 5, 1994

Mr. Michael Stogner
Oil Conservation Division
P. O. Box 2088
Santa Fe, NM 87501

VIA Telefax 505/827-5741

Dear Mr. Stogner:

Please be advised that all Bluit San Andres Unit wells in Section 13, T8S, R37E and Section 18, T8S, R38E, Roosevelt County, New Mexico are shut in and non-productive. There are no plans to re-active the Unit. Plains intends to recomplete wells in each section in the Unit to a non-unitized P₁ San Andres gas zone. As each well is recompleted, the Unit well is officially abandoned, thereby holding the lease while the work is done.

The same individuals have interests in 320 acres and 160 acres, assigning 160 acres is not eliminating any party. By assigning 160 acres to each well, more wells can be recompleted for maximum recovery of gas reserves and protection of correlative rights. Please give me a call should you wish to discuss this any further.

Respectfully submitted,

A handwritten signature in cursive script that reads "Bonnie Husband".

Bonnie Husband
Administrative Assistant

SECTION 18

TOWNSHIP 8 South

RANGE 38 East

<p>Phos. Phosphate Operating Co. Blount Co. - Andrus Dist., Section 18, North Ab. 15 2086204-534 pmt Snd: 11/17/64 Blount Co. - Andrus Association O.I. (Completed) Covered to a well WFS-577</p>	<p>Franklin, John & Family, Inc. Roden Fiches / 10/11/46.1 1980 20' x 20' Snd: 12/20/88 P.M.I.: 3/15/92 T.O. - 4920 Blount Co. Andrus well +</p>	<p>Austin O.I. Exploratory Company M.H. Anderson well No. 1 660' x 200' - 1980' x 200' Snd: 1/25/52 Paid: Feb. 1954 T.O. - 4902 +</p>	<p>Union O.I. Co. of California McGraw 1 well No. 1 4130' x 200' - 660' x 200' Snd: 5/21/47 Blount Co. - Andrus Assoc. O.I. (Completed) +</p>
<p>Phos. Phosphate Operating Co. Blount Co. - Andrus Dist., Section 18, North Ab. 12 1980204-660' x 200' Snd: 11/1/53 Blount Co. - Andrus Assoc. O.I. (Completed)</p>	<p>Phos. Phosphate Operating Co. Blount Co. - Andrus Dist., Section 18, North Ab. 14 1980204-660' x 200' Snd: 9/28/56 but originally was completed by Blount S.P.A. Associated with 1980204-660' x 200' Covered to blow in Aug. 1980. In Sept. 1983 well was reworked and reclassified as a gas well.</p>	<p>Union O.I. Co. of California Fisher 1 well No. 1 660' x 200' - 1980' x 200' Snd: 5/21/54 Blount Co. - Andrus Assoc. O.I. (Completed)</p>	<p>Union O.I. Co. of California Fisher 1 well No. 2 660' x 200' - 1980' x 200' Snd: 9/25/55 but was originally completed by the Blount S.P.A. Association Paid as a gas well. my 200' a.s. - 660' x 200' - reworked by R-3985 E.P.E./2, 5/26/84</p>
<p>Phos. Phosphate Operating Co. Blount Co. - Andrus Dist., Section 18, North Ab. 15 660' x 200' Snd: 2/1/59 Blount Co. - Andrus Association Pool #11 completion covered to well Sept. 1988 pursuant to WFS-577</p>	<p>Phos. Phosphate Operating Co. Blount Co. - Andrus Dist., Section 18, North Ab. 14 660' x 200' - 1980' x 200' Snd: 5/14/56 Blount Co. - Andrus Assoc. Pool #11 (Comp.)</p>	<p>Union O.I. Co. of California Fisher 1 well No. 1 660' x 200' - 1980' x 200' Snd: 5/21/54 Blount Co. - Andrus Assoc. O.I. (Completed)</p>	<p>Richardson - O.I. well #11 March 1971.</p>

<p>U.S. L.O. Hays(S)</p> <p>Inexco 12-1-86 V-429 782</p> <p>36</p> <p>State Mary Hays(S)</p>	<p>U.S. Richard Reichman(S)</p> <p>WTG Expl. K-6323</p> <p>31</p> <p>Mary S. Chapman, et al Helen H. Sherrill</p>	<p>U.S. Arlon Perkins(S)</p> <p>Cities Service 2-17-83 88-8111 HBC</p> <p>32</p> <p>"Bluitt - St. Com." State</p>	<p>U.S. Arlon Perkins(S)</p> <p>Marathon 6-1-76 13742 HBP 0474</p> <p>33</p> <p>H.L. Brown, Jr. & C.E. George</p>	<p>U.S. "Holy-Fed"</p> <p>West 1-1-75 057842 H.L. Brown, Jr. 17450</p> <p>34</p> <p>H.L. Brown, Jr. (Marathon)</p>	<p>U.S. Porter Earnest(S)</p> <p>Belnorth 11-5-84 14-84 4-13-84 H.E. 17</p> <p>35</p> <p>R.N. Ainsworth Christensen</p>	<p>U.S. W.T. Hartline(S)</p> <p>T.M. Beall 1-1-90 16-7416 9022</p> <p>36</p> <p>Estes Eng. Markham-St. TD471C DIA 3-24-87</p>	<p>U.S. Fleetborn Oil T.S. Inman(S)</p> <p>Lignum Oil 1/2 T.S. Inman(S)</p> <p>31</p> <p>Donald Brown R.B. McQuatters F.W. Kutter 3/8 C.B. Markham</p>	<p>U.S. J.A. Brohman 64977 Lee F. Bilberry(S)</p> <p>Yates Pet., et al 3-1-92 162229 16222</p> <p>32</p> <p>P.L. Davis N.Y. 10-31-81 DIA 10-31-81</p>	<p>U.S. Worth Inc. (S)</p> <p>W.L. Zackary O.N. Zackary</p> <p>33</p> <p>Exalee Howard U.S.</p>
<p>Amoco 6-6-89</p> <p>31</p> <p>Mary Hays</p>	<p>Amoco 6-6-89</p> <p>31</p> <p>Mary Hays</p>	<p>Amoco 6-6-89</p> <p>31</p> <p>Mary Hays</p>	<p>Amoco 6-6-89</p> <p>31</p> <p>Mary Hays</p>	<p>Amoco 6-6-89</p> <p>31</p> <p>Mary Hays</p>	<p>Amoco 6-6-89</p> <p>31</p> <p>Mary Hays</p>	<p>Amoco 6-6-89</p> <p>31</p> <p>Mary Hays</p>	<p>Amoco 6-6-89</p> <p>31</p> <p>Mary Hays</p>	<p>Amoco 6-6-89</p> <p>31</p> <p>Mary Hays</p>	<p>Amoco 6-6-89</p> <p>31</p> <p>Mary Hays</p>

LEA. Northeast

103°10'

R-37-E

103°05'

R-38-E

33°35'