



STATE OF NEW MEXICO
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION

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

April 6, 1995

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

Attention: Bonnie Husband

Administrative Order NSP-1682-A(L)(SD)

Dear Ms. Husband:

Reference is made to your applications dated May 18, 1994 and June 16, 1994 to increase the acreage of the existing 160-acre non-standard gas spacing and proration unit in the Bluit-San Andres Associated Pool comprising the SW/4 of Section 18, Township 8 South, Range 38 East, NMPM, Roosevelt County, New Mexico, which was approved by Division Administrative Order NSP-1682, dated February 24, 1994, by adding the W/2 NW/4 of said Section 18 to said non-standard gas spacing and proration unit. Said Order NSP-1682 recognized the dedication of the 160-acre unit to the Bluit "18" Federal Well No. 11 (API No. **30-041-20854**), located at a standard gas well location 1980 feet from the South and West lines (Unit K) of said Section 18.

It is our understanding that such acreage expansion can be viewed as prudent development of Bluit-San Andres gas production to include this additional acreage which corresponds to the recompletion of and subsequent classification of its Bluit "18-E" Federal Well No. 5 (API No. **30-041-20176**), located at an unorthodox gas well location 2086 feet from the North line and 554 feet from the West line (Unit E) of said Section 18 as a gas well in the Bluit-San Andres Associated Pool.

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 Bluit-San Andres Associated Pool*", as promulgated by Division Order No. R-5353, as amended, the following described 280-acre non-standard gas spacing and proration unit is hereby approved:

Administrative Order NSP-1682-A(L)(SD)
Plains Petroleum Operating Company
April 6, 1995
Page 2

ROOSEVELT COUNTY, NEW MEXICO
TOWNSHIP 8 SOUTH, RANGE 38 EAST, NMPM

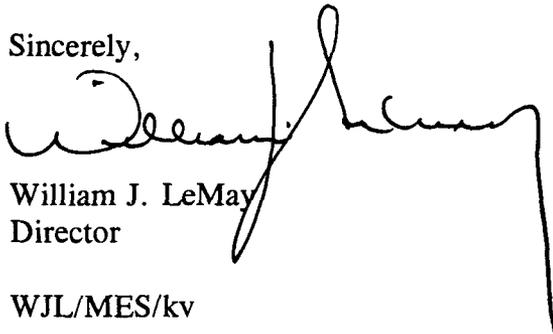
Section 18: W/2 NW/4 and SW/4.

Further, under the authority granted me under the provisions of **Rule 2(c)** of said special rules and regulations the resulting unorthodox gas well location for the Bluitt "18-E" Federal Well No. 5, as described above, is hereby approved.

The operator of the subject 240-acre unit is further authorized to simultaneously dedicate gas production from the Bluitt-San Andres Associated Pool from both the Bluitt "18-E" Federal Well No. 5 and Bluitt "18" Federal Well No. 11 with allowable to be assigned thereto in accordance with all applicable special rules and regulations based upon the unit size of 280 acres.

Said original Administrative Order NSP-1682 shall be placed in abeyance until further notice.

Sincerely,



William J. LeMay
Director

WJL/MES/kv

cc: Oil Conservation Division - Hobbs
US Bureau of Land Management - Roswell
File: NSP-1682