



STATE OF NEW MEXICO
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT
OIL CONSERVATION DIVISION



BRUCE KING
GOVERNOR

April 25, 1994

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SANTA FE, NEW MEXICO 87504
(505) 827-5800

ANITA LOCKWOOD
CABINET SECRETARY

Union Oil Company of California (UNOCAL)
P. O. Box 3100
Midland, Texas 797021

Attention: Clayton O. Carson

RE: *Application for an Unorthodox Gas Well Location and Non-Standard Gas Proration Unit.*
Federal "18" Well No. 2 *API No. 30-045-20224*
660'FS & EL (Unit P) of Section 18, Township 8 South, Range 38 East, NMPM,
Bluitt-San Andres Associated Pool, Roosevelt County, New Mexico.

Dear Mr. Carson:

In reviewing the subject application, NMOCD records indicate a producing Bluitt-San Andres oil well located to the west in Unit "O", being UNOCAL's Federal "18" Well No. 1 in which the W/2 SE/4 of said Section 18 is dedicated to form a standard 80-acre oil spacing and proration unit.

Rule 5(b) of the "General Rules and Regulations for the Associated Oil and Gas Pools in Northwest and Southeast New Mexico/Special Rules and Regulations for the Bluitt-San Andres Associated Pool", as promulgated by Division Order No. R-5353, as amended, prohibits the simultaneous dedication of any acreage to an oil well and a gas well, as it appears your application is requesting.

Should any of my information be incorrect or out-dated, please clarify. If not, you may wish to amend this application and request a E/2 SE/4 "80-acre" dedication for the subject well.

Should you have any questions or comments concerning this matter, please contact me at (505) 827-5811.

Sincerely,

Michael E. Stogner
Chief Hearing Officer/Engineer

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