

NEW MEXICO ENERGY, MINERALS & NATURAL RESOURCES DEPARTMENT

June 1, 1998

Cross Timbers Oil Company 810 Houston Street - Suite 2000 Fort Worth, Texas 76102-6298 Attention: Edwin S. Ryan, Jr.

Administrative Order NSP-1790

Dear Mr. Ryan:

Reference is made to your application dated April 24, 1998 for a 40-acre non-standard gas spacing and proration unit ("GPU") consisting of the following acreage in the Blinebry Oil and Gas Pool:

LEA COUNTY, NEW MEXICO <u>TOWNSHIP 22 SOUTH, RANGE 37 EAST, NMPM</u> Section 23: NW/4 NW/4.

It is my understanding that this unit is to be dedicated to your existing Ollie J. Boyd Well No. 2 (API No. 30-025-10434), located at a standard gas well location for the subject 40-acre GPU 330 feet from the North line and, either, 400 or 440 feet from the West line, whichever is applicable, (Unit D) of said Section 23.

By authority granted me 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, the above-described 40-acre non-standard gas spacing and proration unit is hereby approved. Also, you are hereby permitted to produce the allowable assigned the subject GPU, in accordance with Rule 5 of said pool rules based upon a unit size of 40 acres.

Further, the previously approved Division Administrative Order NSL-838, dated April 21, 1977, which order approved the location of the above-described Ollie J. Boyd Well No. 2 as an unorthodox gas well location in the Blinebry Oil and Gas Pool within a standard 160-acre gas spacing and proration unit that comprises the NW/4 of said Section 23, shall be placed in abeyance until further notice.

Sincerely,

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LW/MES/kv

cc: New Mexico Oil Conservation Division - Hobbs File: NSL-838