STATE OF NEW MEXICO



ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

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

March 27, 1995

Chevron U.S.A. Production Company P.O. Box 1150 Midland, TX 79702

Attention: Lloyd V. Trautman

Administrative Order NSL-3508

Dear Mr. Trautman:

Reference is made to your application dated February 22, 1995 for an unorthodox Blinebry gas well location for your existing Hugh Well No. 7 (API No. 30-025-10264), located 660 feet from the North line and 2310 feet from the West line (Unit C) of Section 14, Township 22 South, Range 37 East, NMPM, Lea County, New Mexico. The NW/4 of said Section 14 shall be dedicated to said well forming a standard 160-acre gas spacing and proration unit for said pool.

By authority granted me under the provisions of Rule 2(c) of the Special Rules and Regulations for the Blinebry Oil and Gas Pool, as promulgated by Division Order No. R-8170, as amended, the location of the Hugh Well No. 7 is hereby approved as an unorthodox Blinebry gas well location.

Sincerely, 00 William J. LeMa Director WJL/MES/kv cc: Oil Conservation Division - Hobbs