



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



BRUCE KING
GOVERNOR

ANITA LOCKWOOD
CABINET SECRETARY

May 3, 1993

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Exxon Corporation
P. O. Box 1600
Midland, Texas 79702-1600

Attention: Alex M. Correa

Administrative Order NSP-1668(SD)(L)

Dear Mr. Correa:

Reference is made to your applications dated February 8, March 23, and April 13, 1993 for re-dedication of acreage in the Blinebry Oil and Gas Pool on Exxon's New Mexico "S" State Lease located in Section 2, Township 22 South, Range 37 East, NMPM, Lea County, New Mexico.

Currently, in the eastern half of said Section 2, a standard 160-acre gas spacing and proration unit comprising the SE/4 is dedicated to the No. 23 well, located at a standard gas well location 990 feet from the South and East lines (Unit P) of said Section 2 (see this well's C-102 dated March 20, 1992 which rededicated acreage from a 120-acre non-standard gas spacing and proration unit approved by Order NSP-1617).

The Blinebry Pool in the NE/4 equivalent of said Section 2 is being developed as follows:

Well No. 12 660' FNL-760' FEL (Unit A) is dedicated to a 79.50-acre non-standard gas spacing unit comprising Lots 1 and 2 (N/2 NE/4 equivalent), which was previously approved by Division Order NSP-945-A and dated March 16, 1993;

Well No. 32 2300' FNL-1980' FEL (Unit G) is dedicated to a standard 40-acre oil proration unit comprising the SW/4 NE/4; and,

Well No. 31 1660' FNL-810' FEL (Unit H) was dedicated to a standard 40-acre oil proration unit comprising the SE/4 NE/4.

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It is our understanding at this time that Exxon seeks to form a non-standard 120-acre gas spacing and proration unit comprising the W/2 SE/4 and SE/4 SE/4 of said Section 2 and simultaneously dedicate Blinebry gas production from the No. 23 well with the No. 33 well, which is presently dually completed in the Drinkard and Wantz Granite Wash zones and upon issuance of an order in this matter will abandon the Granite Wash interval and recomplete said well as a dual Blinebry Gas/Drinkard producer. Said Well No. 33 is located at an unorthodox Blinebry gas well location 380 feet from the South line and 860 feet from the East line (Unit P) of said Section 2. Also the location of the No. 23 well is now considered to be unorthodox for this particular 120-acre unit.

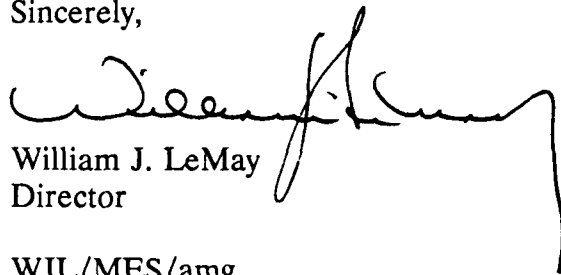
Also, an 80-acre non-standard gas spacing and proration unit comprising the SE/4 NE/4 and NE/4 SE/4 of said Section 2 is to be dedicated to the No. 31 well, which has recently been reclassified as a gas well in the Blinebry zone. Further, the location of the No. 31 well is also considered to now be non-standard for said 80-acre unit.

By authority granted me under the provisions of Rules 4(b)2 and 2 (c) and (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 acreage rededication and formation of the 120-acre and 80-acre non-standard gas spacing and proration units and the resulting non-standard gas well locations are hereby approved.

Further, Division Administrative Order NSP-1617 is hereby rescinded.

In light of an error on the part of the Division that caused a delay in approval of this application, the effective date of this order shall be made retroactive to March 2, 1993, which depicts the required 20-day waiting period following the February 10, 1993 receipt date of the original application.

Sincerely,



William J. LeMay
Director

WJL/MES/amg

cc: Oil Conservation Division - Hobbs
NM State Land Office - Santa Fe
File: NSP-1617