

State of New Mexico ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT Santa Fe, New Mexico 87505

OIL CONSERVATION DIVISION

DRUG FRFF

January 30, 1995

Chevron U.S.A. Inc. P.O. Box 1150 Midland, Texas 79702

Attention: Lloyd V. Trautman

Administrative Order NSP-1715(SD)(L)

Dear Mr. Trautman:

Reference is made to your applications dated November 21, 1994 and December 9, 1994, both of which pertain to Blinebry gas production on Chevron's Amanda fee lease in the W/2 SE/4 of Section 25, Township 22 South, Range 37 East, NMPM, Lea County, New Mexico.

It is our understanding that the Amanda Well No. 1 (API No. 30-025-10449), located 1980 feet from the South and East lines (Unit J) of said Section 25 has recently been reclassified from a Blinebry oil well to a gas well and that Chevron is proposing to recomplete the Amanda Well No. 3 (API No. 30-025-29975), located 330 feet from the South line and 1650 feet from the East line (Unit O) of said Section 25, which is currently a producing oil well in the Blinebry Oil and Gas Pool, to a gas well in said pool. It is further understood that both gas wells are to be simultaneously dedicated to the proposed 80-acre tract comprising the W/2 SE/4 of said Section 25.

By authority granted me under the provisions of Rule 2(a)4 of the Special Rules and Regulations for the Blinebry Oil and Gas Pool, as promulgated by Division Order No. R-8170, as amended, the following described 80-acre non-standard gas spacing and proration unit is hereby approved:

LEA COUNTY, NEW MEXICO <u>TOWNSHIP 22 SOUTH, RANGE 37 EAST, NMPM</u> Section 25: W/2 SE/4

VILLAGRA BUILDING - 408 Galisteo Forestry and Resources Conservation Division P.O. Box 1948 87504-1948 827-5830 Park and Recreation Division P.O. Box 1147 87504-1147 827-7465 2040 South Pacheco Office of the Secretary 827-5950 Administrative Services 827-5925 Energy Conservation & Management 827-5900 Mining and Minerals 827-5970 Oil Conservation 827-7131 Administrative Order NSP-1715 Chevron U.S.A. Inc. January 30, 1995 Page 2

By authority granted me under the provisions of Rule 2(c) of said special Blinebry Oil and Gas Pool rules the above-described Amanda Well No. 3, located at an unorthodox Blinebry gas well location for the subject 80-acre unit, is hereby approved.

Also, Chevron is hereby authorized to simultaneously dedicate Blinebry gas production from the Amanda Well No. 1 with the Amanda Well No. 3. Furthermore, you are hereby permitted to produce the allowable assigned the subject GPU from both wells in any proportion.

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