



NEW MEXICO ENERGY, MINERALS
& NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION
2040 South Pacheco Street
Santa Fe, New Mexico 87505
(505) 827-7131

March 9, 1998

Collins & Ware, Inc.
508 West Wall Avenue - Suite 1200
Midland, Texas 79701-5076
Attention: Dianne Sumrall

Administrative Order NSL-3964(SD)

Dear Ms. Sumrall:

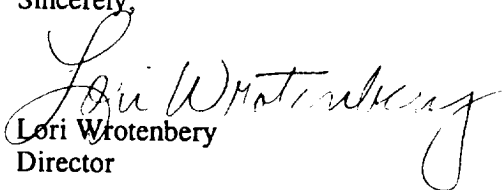
Reference is made to your application dated February 12, 1998 for an unorthodox Blinebry gas well location in an existing non-standard 80-acre gas spacing and proration unit ("GPU") for said Blinebry Oil and Gas Pool comprising the E/2 SE/4 of Section 10, Township 22 South, Range 37 East, NMPM, Lea County, New Mexico. Said GPU was authorized by Division Order No. NSP-932, dated November 5, 1973 and reinstated on December 2, 1996, and is currently dedicated to the A. B. Baker Well No. 4 (API No. 30-025-10158), located 880 feet from the South and East lines (Unit P) of said Section 10.

It is our understanding that the subject well in this application, the A. B. Baker Well No. 6 (API No. 30-025-33794), located 2135 feet from the South line and 829 feet from the East line (Unit I) of said Section 10 is currently completed in the Wantz-Abo Pool at an orthodox oil well location within a standard 40-acre oil spacing and proration unit that comprises the NE/4 SE/4 (Unit I) of said Section 10. Further, upon issuance of this order the Blinebry zone will be perforated and said well will be dually completed. Pursuant to Rule 2(b)1 of the "General Rules for the Prorated Gas Pools of New Mexico/Special Rules and Regulations for the Blinebry Oil and Gas Pool," as promulgated by Division Order No. R-8170, as amended, said location is considered to be an unorthodox gas well location for the subject 80-acre GPU.

By authority granted me under the provisions of Rule 2(d) of said special pool rules, the above-described unorthodox Blinebry gas well location is hereby approved.

Also, you are hereby authorized to simultaneously dedicate Blinebry gas production from the A. B. Baker Well No. 4 with the A. B. Baker Well No. 6. Furthermore, you are hereby permitted to produce the allowable assigned the subject 80-acre GPU from both wells in any proportion.

Sincerely,


Lori Wrotenbery
Director

LW/MES/kv

cc: New Mexico Oil Conservation Division - Hobbs
File: NSP- 932