



NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

GARY E. JOHNSON

Governor

Jennifer A. Salisbury
Cabinet Secretary

October 31, 2000

Lori Wrotenbery

Director

Oil Conservation Division

John H. Hendrix Corporation
P. O. Box 3040
Midland, Texas 79702-3040
Attention: Ronnie H. Westbrook, Vice-President

Telefax No. (915) 684-7317

Administrative Order NSL-852-A

Dear Mr. Westbrook:

Reference is made to the following: (i) your application dated August 3, 2000, which was received by the New Mexico Oil Conservation Division ("Division") in Santa Fe on August 10, 2000; and (ii) the records of the Division in Santa Fe, including the file on Administrative Order NSL-852: all concerning John H. Hendrix Corporation's request for an unorthodox Blinebry oil well location for the existing Drinkard Estate Well No. 6 (**API No. 30-025-25544**), located 1807 feet from the North line and 1542 feet from the East line (Unit G) of Section 25, Township 22 South, Range 37 East, NMPM, Blinebry Oil and Gas Pool, Lea County, New Mexico.

The SW/4 NE/4 of Section 25, being a standard 40-acre oil spacing and proration unit in the Blinebry Oil and Gas Pool, is to be dedicated to this well.

This application has been duly filed under the provisions of: (i) Division Rule 104.F, revised by Division Order No. R-11231, issued by the New Mexico Oil Conservation Commission in Case No. 12119 on August 12, 1999; (ii) Division Rule 605; and (iii) the "*Special Rules and Regulations for the Blinebry Oil and Gas Pool*," as promulgated by Division Order No. R-8170, as amended.

Division Administrative Order NSL-852, dated June 6, 1977, authorized the drilling of the Drinkard Estate Well No. 6 at the above-described unorthodox oil well location within this standard 40-acre oil spacing and proration unit to the Wantz Granite Wash Pool. By amendment to this order dated May 24, 1990 the provisions were expanded to include the South Brunson Drinkard-Abo Pool.

It is our understanding that the Drinkard-Abo interval is to be plugged back and that John H. Hendrix Corporation intends to perforate the Blinebry interval in an attempt to establish oil production.

The location of this well within the Blinebry Oil and Gas Pool is also considered to be unorthodox, pursuant to **Rule 2 (b) 2** of the Blinebry special pool rules.

From the information provided with your application and Division records, the S/2 NE/4 of

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John H. Hendrix Corporation
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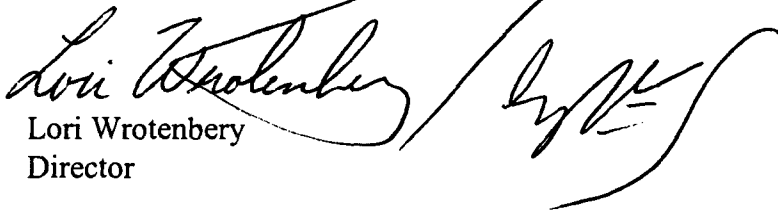
Section 25 appears to comprise a single fee lease in which John H. Hendrix Corporation is the leasehold operator; therefore, there are no effected offsets to the subject 40-acre tract other than John H. Hendrix Corporation.

By the authority granted me under the provisions of Division Rule 104.F (2), as revised, Division Rule 605.B (2) (b), and the applicable provisions of the special pool rules governing the Blinbry Oil and Gas Pool, the above-described unorthodox oil well location is hereby approved.

Furthermore, Amended Division Administrative Order NSL-852, dated May 24, 1990 shall be placed in abeyance until further notice

Jurisdiction of this case is retained for the entry of such further orders as the Division may deem necessary.

Sincerely,


Lori Wrotenbery
Director

LW/MES/kv

cc: New Mexico Oil Conservation Division - Hobbs
File: NSL-852

NSL-852.A

Rec: 8-10-00
Susp: 8-30-00
Released: 10-31-00

October 31, 2000

John H. Hendrix Corporation
P. O. Box 3040 3040
Midland, Texas 79702-4412

Telefax No. (915) 684-7317

Attention: **Ronnie H. Westbrook**
Vice-President

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