

NSP-1653



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



BRUCE KING
GOVERNOR

ANITA LOCKWOOD
CABINET SECRETARY

March 3, 1994

POST OFFICE BOX 2088
STATE LAND OFFICE BUILDING
SANTA FE, NEW MEXICO 87504
(505) 827-5800

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

Attention: Lloyd V. Trautman

Administrative Order NSL-3357(SD)

Dear Mr. Trautman:

Reference is made to your application dated February 4, 1994, for an unorthodox Blinebry gas well location in an existing non-standard 80-acre gas spacing and proration unit (GPU) for said Blinebry Gas Pool comprising the SE/4 SE/4 of Section 28 and NE/4 NE/4 of Section 33, both in Township 21 South, Range 37 East, NMPM, Lea County, New Mexico. Said GPU was authorized by Division Administrative Order NSP-1653(NSL), dated November 30, 1992, and presently has dedicated thereon the J.N. Carson (NCT-C) Well No. 6 (API No. 30-025-06833) located at an unorthodox gas well location 330 feet from the South line and 965 feet from the East line (Unit P) of said Section 28.

It is our understanding that the subject well of this application, the Central Drinkard Unit Well No. 127 (API No. 30-025-06970) located 460 feet from the North line and 635 feet from the East line (Unit A) of said Section 33 is currently completed in the Drinkard Pool. Upon issuance of this order, said well will be plugged back to the Blinebry zone and its original designation as the J.N. Carson (NCT-C) Well No. 2 will be reinstated.

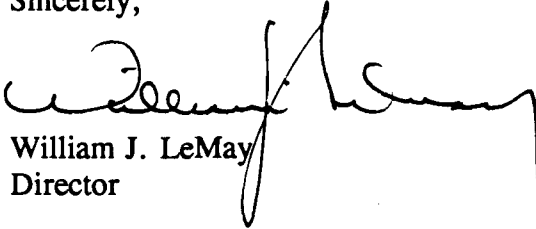
By authority granted me under the provisions of Rule 2(c) of the Special Rules and Regulations for the Blinebry Oil and Gas Pool, as promulgated by Division Order No. R-8170, as amended, the above-described well location at an unorthodox gas well location is hereby approved.

Also, you are hereby authorized to simultaneously dedicate Blinebry gas production from the J.N. Carson (NCT-C) Well No. 6 with the J.N. Carson (NCT-C) Well No. 2. Furthermore, you are hereby permitted to produce the allowable assigned the subject GPU from both wells in any proportion.

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All provisions of said Order NSP-1653(NSL) shall remain in full force and effect until further notice.

Sincerely,

A handwritten signature in black ink, appearing to read "William J. LeMay". The signature is fluid and cursive, with a long horizontal stroke extending to the right.

William J. LeMay
Director

WJL/MES/amg

cc: Oil Conservation Division - Hobbs
File: NSP-1653(NSL)