



NEW MEXICO ENERGY, MINERALS
& NATURAL RESOURCES DEPARTMENT

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

August 11, 1998

Union Oil Company of California
c/o Campbell, Carr, Berge & Sheridan, P.A.
P.O. Box 2208
Santa Fe, New Mexico 87504-2208
Attention: William F. Carr

Administrative Order NSP-1692-A(L)

Dear Mr. Carr:

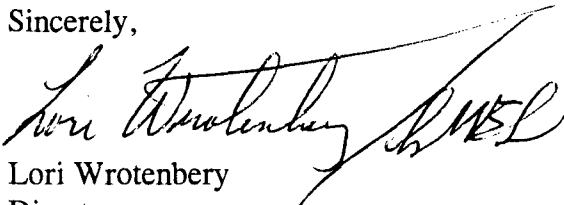
Reference is made to your application dated July 17, 1998 on behalf of the operator, Union Oil Company of California ("UNOCAL"), for an 80-acre non-standard gas spacing and proration unit consisting of the following acreage in the Bluitt-San Andres Associated Pool:

ROOSEVELT COUNTY, NEW MEXICO
TOWNSHIP 8 SOUTH, RANGE 38 EAST, NMPM
Section 17: N/2 SW/4.

It is the Division's understanding that this unit is to be dedicated to UNOCAL's existing Federal "17" Well No. 2 (API No. 30-041-20274) located at an unorthodox gas well location 1980 feet from the South and West lines (Unit K) of Section 17.

By authority granted me under the provisions of Rules 2(c) and 4(b) of the "*General Rules and Regulations for the Associated Oil and Gas Pools of Northwest and Southeast New Mexico/Special Rules and Regulations for the Bluitt-San Andres Associated Pool*," as promulgated by Division Order No. R-5353, as amended, the above described unorthodox gas well location and non-standard gas spacing and proration unit are hereby approved.

Sincerely,


Lori Wrotenbery
Director

LW/MES/kv

cc: New Mexico Oil Conservation Division - Hobbs
U.S. Bureau of Land Management - Roswell
File: NSP-1692(L)