

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



OIL CONSERVATION DIVISION



July 5, 1995

**Exxon Company, USA
P.O. Box 1600
Midland, TX 79702-1600**

Attention: Alex M. Correa

Administrative Order NSP-1728(L)(SD)

Dear Mr. Correa:

Reference is made to your application dated May 8, 1995 for a 120-acre non-standard gas spacing and proration unit consisting of the following acreage in the Blinebry Oil and Gas Pool:

**LEA COUNTY, NEW MEXICO
TOWNSHIP 21 SOUTH, RANGE 37 EAST, NMPM
Section 34: NE/4 NE/4 and S/2 NE/4**

It is my understanding that this unit is to be simultaneously dedicated to your existing F. F. Hardison "B" Well No. 1 (API No. 30-025-07008), located at an unorthodox gas well location 1980 feet from the North line and 440 feet from the East line (Unit H) of said Section 34 and to your existing F. F. Hardison "B" Well No. 2 (API No. 30-025-07009), located at an unorthodox gas well location 660 feet from the North line and 610 feet from the East line (Unit A) of said Section 34.

By authority granted me under the provisions of Rules 2(a)4 and 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 120-acre non-standard gas spacing and proration unit and

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
827-5850

Administrative Services
827-5925

Energy Conservation & Management
827-5900

Mining and Minerals
827-5970

Oil Conservation
827-7131

Administrative Order NSP-1728(L)(SD)

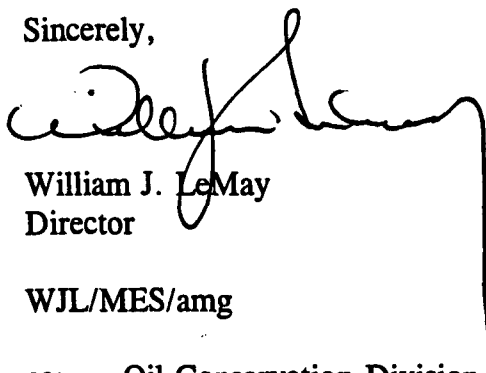
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unorthodox gas well location for the F. F. Hardison "B" Well Nos. 1 and 2 are hereby approved. Also, you are hereby permitted to produce the allowable assigned the subject GPU, in accordance with Rule 5 of said pool rules based upon a unit size of 120 acres.

Sincerely,



William J. LeMay
Director

WJL/MES/amg

cc: Oil Conservation Division - Hobbs
File: NSP-1615
NSP-1663

REMARKS: The three 40-acre tracts forming the subject 120-acre non-standard gas spacing and proration unit are currently dedicated to the Blinebry interval as follows: (1) the NE/4 NE/4 of said Section 34 in which the No. 2 well is located is dedicated to "oil production", the GOR on the No. 2 well increased to a point that it reclassified as a gas well; (2) the SW/4 NE/4 forming a non-standard 40-acre Blinebry gas spacing and proration unit (approved by Division Administrative Order NSP-1663, dated March 3, 1993) has dedicated thereon the F. F. Hardison "B" Well No. 3, located 2012 feet from the North line and 1978 feet from the East line of said Section 34, this well is shut-in in the Blinebry interval and is now completed as a gas well in the Tubb Gas Pool; (3) the SE/4 NE/4 forming a non-standard 40-acre gas spacing and proration unit (approved by Division Administrative Order NSP-1615, dated January 22, 1991) has dedicated thereon the subject F. F. Hardison "B" Well No. 1. Both the aforementioned Administrative Orders NSP-1615 and 1663 are hereby placed in abeyance until further notice.