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

March 28, 1997

Exxon Corporation P. O. Box 1600 Midland, Texas 79702-1600

Attention: Alex M. Correa

CORRECTED Administrative Order NSP-1771

Dear Mr. Correa:

Reference is made to your application dated February 18, 1997 for a 40-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 22 SOUTH, RANGE 37 EAST, NMPM Section 2: SW/4 NW/4

It is our understanding that this unit is to be dedicated to your existing New Mexico "S" State Well No. 38 (API No. 30-025-25508), located at a standard gas well location for this unit 2100 feet from the North line and 660 feet from the West line of said Section 2.

By authority granted me under the provisions of Rule 2(a)4 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, you are hereby authorized to operate the above-described non-standard gas spacing and proration unit; with allowable assigned thereto in accordance with Rule 5 of said special pool rules based upon the unit size of 40 acres.

This order shall supersede the Administrative Order NSP-1771 issued by the Division on March 21, 1997.

Further, from the information provided in your application, it is our understanding that Exxon's New Mexico "S" State Well Nos. 14 and 28 located in Units "C" and "F", respectively of said Section 2 have both been reclassified as Blinebry oil wells and have both been reassigned standard 40-acre oil spacing and proration units.

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It is further ordered that Division Order No. R-10579, issued in Case No. 11479 and dated April 9, 1996, which order established a 159.92-acre non-standard gas spacing and proration unit in the Blinebry Oil and Gas Pool comprising Lots 2 and 3 and the S/2 NW/4 of Section 2 and authorized the simultaneous dedication of this acreage to Exxon's: (i) above-described New Mexico "S" State Well No. 14 in Lot 3/Unit C of Section 2; (ii) New Mexico "S" State Well No. 28 (API No. 30-025-25268), located at an unorthodox gas well location 2160 feet from the North line and 1800 feet from the West line (Unit F) of Section 2; and (iii) above-described New Mexico "S" State Well No. 38 in Unit E of Section 2, shall be placed in abeyance until further notice.

Sincerely,

William J. LeMay

Director

WJL/mes

cc: Oil Conservation Division - Hobbs

File: Case 11479