

May 18, 1994

Mr. William J. LeMay
Division Director and
Mr. Michael Stogner
Hearing Examiner
P. O. Box 2088
Santa Fe, New Mexico 87501

Re: Bluit San Andres Associated Pool
Roosevelt County, New Mexico

Gentlemen:

The following listed wells were originally drilled on standard locations for an oil well in the P₂ interval of the Bluit San Andres Associated field. The Unit wells have been abandoned and recompleted in the non-unitized P₁ interval San Andres as gas wells.

- 1) Bluit 13 Federal #6 - SENW/4 Sec. 13, T8S, R37E, Com. Agree. NMNM91000
- 2) Bluit 13 Federal #15 - SWSE/4 Sec. 13, T8S, R37E, Lease No. NM044216
- 3) Bluit 18 Federal #11 - NESW/4, Sec. 18, T8S, R38E, Lease No. NM0509201
- 4) Bluit 13 Federal #1 - NENE/4, Sec. 13, T8S, R37E, Lease No. NM044216
- 5) Bluit 24 Federal #2 - NWNE/4, Sec. 24, T8S, R37E, Com. Agree. NMNM91027
- 6) Bluit 24 Federal #3 - NENW/4, Sec. 24, T8S, R37E, Lease No. NM044216
- 7) Bluit 18 Federal #5 - SWNW/4, Sec. 18, T8S, R38E, Lease No. NM044216E

Section 13 and Section 18 have been granted administrative approval for reduced proration units comprising one-hundred sixty (160) acres. At this time, Plains respectfully requests administrative approval for a reduced proration unit comprising one-hundred sixty (160) acres each be granted for the Bluit 24 Federal #2 and the Bluit 24 Federal #3 wells respectively and a reduced proration unit of eighty (80) acres be granted for the Bluit 18 Federal #5 well.

Plains respectfully requests an allowable of 1280 MCFGPD be granted for each combined 160 acre proration unit comprising a total of 320 acres in Section 13 and Section 24 (see list below) and an allowable reduced by one-fourth (25%) be granted for the wells in Section 18, comprising 240 acres or a total of 960 MCFGPD, more specifically explained as follows:

Request an allowable of 1280 MCFGPD be granted for the North Half (N/2) of Section 13 to be shared by two wells (identified below) and not allocated 50% to each individual well.

- 1) Bluitt 13 Federal #6 NW/4 (160 acres) of the N/2 of Sec. 13 (320 acres)
 Bluitt 13 Federal #1 NE/4 (160 acres) of the N/2 of Sec. 13 (320 acres)

Request an allowable of 1280 MCFGPD be granted for the North Half (N/2) of Section 24 to be shared by two wells (identified below) and not allocated 50% to each individual well.

- 2) Bluitt 24 Federal #2 NE/4 (160 acres) of the N/2 of Sec. 24 (320 acres)
 Bluitt 24 Federal #3 NW/4 (160 acres) of the N/2 of Sec. 24 (320 acres)

Request an allowable equal to 75% of 1280 MCFGPD be granted to the two wells identified below in the W/2 of Section 18 with a total of 240 acres and not allocated to each individual well.

- 3) Bluitt 18 Federal #11 SW/4 (160 acres) of Section 18
 Bluitt 18 Federal #5 W/2 of the NW/4 (80 acres) of Section 18

Plans are being finalized to recomplate the fourth well in the SW/4 (160 acres) of Section 13, the Bluitt 13 Federal #11 and following successful recompletion of this well, an allowable for the S/2 (320 acres) will be requested.

I have enclosed a lease ownership plat and copies of Waiver letters mailed May 20, 1994 to all offset operators.

If you have any questions regarding this request or wish to discuss this matter further, please give me a call at 915/683-4434.

Very truly yours,

PLAINS PETROLEUM OPERATING CO.



Bonnie Husband
Administrative Assistant

Enclosures

cc: OCD - Hobbs, NM