## ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT



OIL CONSERVATION DIVISION HOBBS DISTRICT OFFICE

GARREY CARRUTHERS

September 26, 1990

POST OFFICE BOX 1980 HOBBS, NEW MEXICO 88241-1980 (505) 393-6161

Blanco Engineering Inc. P.O. Box 348 Artesia, NM 88210

Attn: Paul White

Re: Recompletion New Mexico "S" Well #1-B Section 2, T16S, R32E

Gentlemen:

We have approved an allowable for the above-referenced well based on an acreage factor of .629 in the North Anderson Ranch Wolfcamp Pool. The special rules for this pool call for 80-acre spacing units and it is my understanding that you only have a quarter/quarter section namely Unit B consisting of 50.34 acres.

Rule 5 of Order R-2212 provides for administrative approval of a non-standard spacing unit consisting of a single quarter/quarter section or lot. A copy of these special rules are provided for your information.

The location of the well is standard in relation to the two outer boundaries of the quarter/quarter section as set out in Rule 4 of R-2212.

If you have questions concerning this matter, please feel free to contact Evelyn Downs or myself at (505) 393-6161.

Very truly yours,

OIL CONSERVATION DIVISION

Jerry Sexton Supervisor, District I

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Encl.