STATE OF NEW MEXICO



ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION

BRUCE KING GOVERNOA

July 23, 1993

POST OFFICE BOX 2088 STATE LAND OFFICE BUILDING SANTA FE. NEW MEXICO 87504 (505) 827-5800

ANITA LOCKWOOD CABINET SECRETARY

> Chevron U.S.A. Production Company P.O. Box 1150 Midland, TX 79702

Attention: Lloyd V. Trautman

Administrative Order NSL-3284(SD)

Dear Mr. Trautman:

Reference is made to your application dated June 23, 1993 for an unorthodox Blinebry gas well location in an existing non-standard 160-acre gas spacing and proration unit (GPU) for said Blinebry Oil and Gas Pool comprising the NE/4 SW/4 and W/2 SE/4 of Section 28 and the NW/4 NE/4 of Section 33, both in Township 21 South, Range 37 East, NMPM, Lea County, New Mexico. Said GPU was authorized by Division Order No. R-4738, dated March 6, 1974, and had dedicated thereon both the J.N. Carson (NCT-A) Well Nos. 9 and 10 located in Units K and J, respectively, of said Section 28.

It is our understanding that the subject well in this application is currently completed in the Drinkard Pool; however, will be plugged back to the Blinebry interval as a gas well upon issuance of this order.

By authority granted me under the provisions of Rule 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 following described well located at an unorthodox gas well location is hereby approved:

> J.N. Carson (NCT-A) Well No. 7 810' FNL - 2180' FEL (Unit B) of said Section 33.

Also, you are hereby authorized to simultaneously dedicate Blinebry Gas production from the J.N. Carson (NCT-A) Well No. 7 with the J.N. Carson (NCT-A) Well Nos. 9 and 10. Furthermore, you are hereby permitted to produce the allowable assigned the subject GPU from all three wells in any proportion.

Sincerely, William J. LeMay Director WJL/MES/ag

cc:. Oil Conservation Division - Hobbs