

ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT Lame program where megalicating for the

OIL CONSERVATION DIVISION HOBBS DISTRICT OFFICE

BRUCE KING GOVERNOR December 19, 1991

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

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they are making

John H. Hendrix Corporation 223 West Wall, Suite 525 Midland, TX 79701

Attn: Ron Westbrook

Re: Proposed Recompletion to Blinebry Annie Christmas #5 Sec. 1, T22S, R37E #/-N

Gentlemen:

It is our understanding that you propose to attempt an oil well completion in the Blinebry zone in the above-referenced well. This well lies within a 160-acre Blinebry Gas proration unit consisting of the SW/4 of Sec. 1, T22S, R37E, operated by American Exploration Company and dedicated to their Lynch Christmas Com #4.

If the above-referenced recompletion is successful in the Blinebry oil zone, before the well can be produced you will need to request that American Exploration have their gas proration unit reduced by the deletion of Unit N which will be dedicated to your Blinebry well.

Very truly yours,

OIL CONSERVATION DIVISION

Jerry Sexton Supervisor, District I

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cc: American Exploration Co. Attn: Marty B. McClanahan 700 Louisiana, Suite 2100 Houston, TX 77002

american TA'd then Lynch Christmas Com #4 ef 4-1-42 + assigned Blby acrege to Hendring. New Mexico /// DRUG FREE