



STATE OF NEW MEXICO
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION
2040 S. PACHECO
SANTA FE, NEW MEXICO 87505
(505) 827-7131

January 4, 1996

Chevron U.S.A. Production Company
P.O. Box 1150
Midland, Texas 79702-1150

Attention: Michelle L. LeVan

Administrative Order NSP-1716-B

Dear Ms. LeVan:

By Division Administrative Order NSP-1716-A(SD)(L), dated May 15, 1995, Chevron was authorized a 79.77-acre non-standard gas spacing and proration unit ("GPU") in the Blinebry Oil and Gas Pool comprising Lot 1 and the SE/4 NE/4 of Section 3, Township 22 South, Range 37 East, NMPM, Lea County, New Mexico. Blinebry gas production from said unit to be simultaneously dedicated to the Mark Well No. 7 (**API No. 30-025-09997**), located at an unorthodox gas well location for the subject 79.77-acre GPU 1980 feet from the North line and 760 feet from the East line (Unit H) of said Section 3 and the Mark Well No. 11 (**API No. 30-025-26051**), also located at an unorthodox gas well location for the subject GPU 430 feet from the North line and 960 feet from the East line (Lot 1/Unit A) of said Section 3.

Reference is made to your application dated November 22, 1995 to reduce said 79.77-acre GPU by deleting the 39.77 acres comprising Lot 1 (Unit A) of said Section 3. It is our understanding that Lot 1 is to be utilized as a standard "oil" spacing and proration unit in the Blinebry Oil and Gas Pool for the Mark Well No. 11, which was recently reclassified from a Blinebry "gas well" to an "oil well".

By authority granted me under the provisions of Rule 4(b)2 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 **40-acre** non-standard gas spacing and proration unit is hereby approved:

LEA COUNTY, NEW MEXICO
TOWNSHIP 22 SOUTH, RANGE 37 EAST, NMPM
Section 3: SE/4 NE/4.

Said 40-acre GPU is to be dedicated to the above-described **Mark Well No. 7**, which is now considered to be at a standard gas well location for the subject 40-acre GPU.

Administrative Order NSP-1716-B
Chevron USA Production Company
January 4, 1996
Page 2

Further, said Division Administrative Order NSP-1716-A(SD)(L) shall be placed in abeyance until further notice.

Sincerely,

William J. LeMay
Director

WJL/MES/kv

cc: Oil Conservation Division - Hobbs
File: NSP-1716(SD)(L)
NSP-1716-A(SD)(L)
NSP-612
NSP-1446