

Oil Conservation Commission State of New Mexico Post Office Box 871 Santa Fe, New Mexico

Gentlemen:

In compliance with Rule 30, Order No. R-1670, which prohibits the simultaneous dedication of the acreage to an oil well and to a gas well, Gulf Oil Corporation respectfully requests administrative approval for the cancellation of a standard 160 acre Blinebry Gas Proration Unit covering the SE/4 of Section 30, Township 22 South, Range 38 East, Lea County, New Mexico, and exception to Rule 5(A) of Order No. R-1670 for the approval of a nonstandard 120 acre Blinebry Gas Proration Unit covering the E/2 SE/4 and SW/4 SE/4 of this Section 30 in the Blinebry Gas Pool of Lea County, New Mexico.

In support of this application the following facts are submitted:

- (1) Gulf's A. M. Drinkard "B" Well No. 1, located 660 feet from the south and east lines of Section 30, T-22-S, R-38-E, is dually completed in the Blinebry Gas Pool and is assigned a standard 160 acre gas proration unit covering the SE/4 of this Section 30.
- (2) Gulf's A. M. Drinkard "B" Well No. 2, located 1980 feet from the south and east lines of Section 30, has been dually completed as an oil well in the Blinebry Pool.
- (3) The proposed non-standard unit covering the E/2 SE/4 and SW/4 SE/4 of Section 30, T-22-S, R-38-E, Lea County, New Mexico, consists of contiguous quarter-quarter sections and lies wholly within a single governmental quarter section.