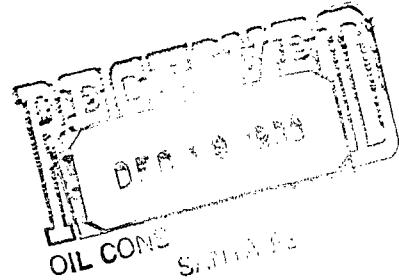


KELLAHIN AND KELLAHIN  
*Attorneys at Law*  
El Patio - 117 North Guadalupe  
Post Office Box 2265  
Santa Fe, New Mexico 87501

Telephone 982-4285  
Area Code 505

Jason Kellahin  
W. Thomas Kellahin  
Karen Aubrey  
James B. Grant

December 19, 1983



Mr. Joe D. Ramey  
Oil Conservation Division  
P. O. Box 2088  
Santa Fe, New Mexico 87501

Case 8040

Re: TXO Producing Corporation

Dear Mr. Ramey:

The enclosed application is for a case already  
advertised for hearing on the January 4, 1984, docket.

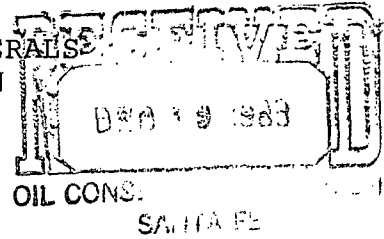
Very truly yours,

W. Thomas Kellahin

WTK:ca  
Enc.

cc: TXO Producing Corporation  
Attn: Mr. Randy Click

STATE OF NEW MEXICO  
DEPARTMENT OF ENERGY AND MINERALS  
OIL CONSERVATION DIVISION



IN THE MATTER OF THE APPLICATION  
OF TXO PRODUCING CORPORATION FOR  
APPROVAL OF A NON-STANDARD PRORATION  
AND SPACING UNIT IN THE SCHARB-BONE  
SPRINGS POOL, LEA COUNTY, NEW MEXICO.

Case: 8040

A P P L I C A T I O N

Comes now TXO PRODUCING CORPORATION, by and through its attorneys, Kellahin & Kellahin, and applies to the New Mexico Oil Conservation Division for approval of a non-standard proration and spacing unit in the Scharb-Bone Springs Pool, Lea County, New Mexico and in support thereof would show:

1. Applicant has filed for compulsory pooling of the NE/4SW/4 and the NW/4SE/4 of Section 6, T19S, R35E, for a Scharb-Bone Springs Pool test.
2. The Compulsory pooling application was docketed as Division case 8029 and heard on December 15, 1983.
3. The testimony at that hearing justified the approval of the proposed non-standard proration unit because the balance of the acreage in the S/2 of Section 6 is already committed to Scharb-Bone Springs proration units.
4. The 80-proration and spacing unit immediately to the South of the subject acreage was approved as a non-

standard proration and spacing unit consisting of the SE/4SW/4 and the SW/4SE/4 of said Section 6, by Division Order R-2589.

5. Applicant requests that this application be docketed for hearing on January 4, 1984, and that in the absence of objection, the application be approved.

WHEREFORE, applicant requests that this matter be set for hearing and that after notice and hearing the application be granted based upon the record contained in Division Case 8029.

Kellahin & Kellahin

By 

W. Thomas Kellahin  
P. O. Box 2265  
Santa Fe, New Mexico 87501  
(505) 982-4285