BEFORE THE NEW MEXICO OIL CONSERVATION DIVISION

APPLICATION OF EXXON CORPORATION FOR A NON-STANDARD GAS PRORATION UNIT, SIMULTANEOUS DEDICATION, AND TWO UNORTHODOX GAS WELL LOCATIONS, LEA COUNTY, NEW MEXICO

Cil Conservation Division

APPLICATION

Exxon Corporation hereby applies for a non-standard gas spacing and proration unit, simultaneous dedication, and two unorthodox gas well locations, and in support thereof states:

- 1. Applicant is the operator of the New Mexico "S" State Lease, which covers all of Section 2, Township 22 South, Range 37 East, NMPM, in Lea County. The lease is within the limits of the Blinebry Oil and Gas Pool ("the Pool"). The special rules and regulations for the Pool require 160 acre gas well units, consisting of a governmental quarter section.
- 2. Applicant requests a 159.92 acre non-standard gas spacing and proration unit in said pool, consisting of Lots 2, 3, and the S%NW% of said Section 2. Further, Applicant requests authorization to simultaneously dedicate to the unit its New Mexico "S" State Well Nos. 14 (Unit C), 38 (Unit E), and 28 (Unit F).
- 3. If the above proration unit is approved, Well No. 38 will be at an unorthodox gas well location 2,100 feet from the North line and 660 feet from the West line of Section 2, and Well No. 28 will be at an unorthodox gas well location 2,160 feet from the North line and 1,800 feet from the West line of Section 2. Said wells are existing Blinebry wells, and Applicant requests approval of the unorthodox locations.

- 4. If the foregoing request is granted, the following orders will be superseded: Division Order No. R-10063, which approved a non-standard proration unit in the Pool comprised of Lots 2 and 3 of Section 2; and Division Administrative Order NSP-1667, which approved a non-standard proration unit in the Pool comprised of the SWWNWW and NWWSWW of Section 2.
- 5. The granting of this application is in the interests of conservation and the prevention of waste.

WHEREFORE, Applicant requests that, after notice and hearing, the Division grant the relief requested above.

Respectfully submitted,

HINKLE, COX, EATON, COFFIELD, & HENSLEY, P.L.L.C., LTD., CO.

James Bruce

₱. O. Box 2068

/Santa Fe, New Mexico 87504-2068

(505) 982-4554

Attorneys for Exxon Corporation