JAMES BRUCE

ATTORNEY AT LAW

POST OFFICE BOX 1056 SANTA FE, NEW MEXICO 87504

SUITE B 612 OLD SANTA FE TRAIL SANTA FE, NEW MEXICO 87501

(505) 982-2043 (505) 982-2151 (FAX)

February 24, 1998

Hand Delivered

Florene Davidson Oil Conservation Division 2040 South Pacheco Street Santa Fe, New Mexico 87505

Dear Florene:

Enclosed are an original and two copies of an application for a waterflood project, and a proposed advertisement, filed on behalf of Exxon Corporation. Please set this matter for the March 19, 1998 Examiner hearing.

This same matter was heard and approved by the Division by Order No. R-10736. However, Exxon failed to commence injection within one year from the date of the order. Exxon has requested an extension of the injection authority, but we do not know if it will be granted. Therefore, Exxon would like to advertise the case for hearing and incorporate the prior record. As a result, with the Division's permission, Exxon requests that the case be advertised that it will be taken under advisement if there are no objections. Thank you.

Very truly yours,

Dames Bruce

Attorney for Exxon Corporation