



NEW MEXICO ENERGY, MINERALS
& NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION
2040 South Pacheco Street
Santa Fe, New Mexico 87505
(505) 827-7131

November 1, 1996

EXXON COMPANY, U.S.A.
P.O. BOX 1600
MIDLAND, TEXAS 79702

Attn: Alex M. Correa

Re: Application for simultaneous dedication and a non-standard 560-acre gas spacing and proration unit. New Mexico "G" State Well Nos. 2, 10, and 11 located in Units "P", "L", and "E", respectively, of Section 26, Township 21 South, Range 36 East, NMPM, Eumont Gas Pool, Lea County, New Mexico.

Dear Mr. Correa:

So that I might process the subject application more effectively and effectively, please provide me with: (i) an explanation as to why a particular 40-acre tract is being deleted from the existing 600-acre GPU approved by Division Administrative Order NSP-1701(SD)(L); (ii) the current status and brief history of the two wells that are to be eliminated from the current order; and, (iii) a rough draft administrative order that references the appropriate rules, regulations, and/or orders applicable in this matter.

Should you have any questions, please call me at (505) 827-8185. Thank you for your cooperation.

Sincerely,

A handwritten signature in black ink, appearing to read "Michael E. Stogner", written over a horizontal line.

Michael E. Stogner
Chief Hearing Officer/Engineer

cc: New Mexico Oil Conservation Division - Hobbs
William J. LeMay, Director - OCD, Santa Fe
Jim Bruce, Legal Counsel Representing Exxon - Santa Fe