



NEW MEXICO ENERGY, MINERALS
& NATURAL RESOURCES DEPARTMENT

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

October 17, 1996

Texaco Exploration and Production, Inc.
205 East Bender Blvd.
Hobbs, New Mexico 88240

Attention: Paula S. Ives

RE: Administrative application for the formation of a non-standard 120-acre gas spacing and proration unit ("GPU") in the North Teague Lower Paddock-Blinebry Associated Pool comprising the N/2 NW/4 and SW/4 NW/4 of Section 9, Township 23 South, Range 37 East, NMPM, Lea County, New Mexico, for both the B. F. Harrison "B" Well Nos. 5 and 7 in Units "E" and "D", respectively of said Section 9.

Dear Ms. Ives:

So that I might process the subject application more effectively and effectively, please provide me a land plat showing the subject 120-acre tract and all off-setting spacing and proration units within the North Teague Lower Paddock-Blinebry Associated Pool with the individual units shaded for easier identification, all North Teague Lower Paddock-Blinebry Associated Pool wells completed therein, and references to any previous orders that established any such non-standard GPU.

Also, please provide:

- (i) a brief explanation as to why the 40 acres comprising the SE/4 NW/4 (Unit F) of said Section 9 is being excluded from this dedication;
- (ii) a description of the acreage covered by the B. F. Harrison "B" lease include; and,
- (iii) reference by Order No. the rules applicable in this pool.

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

Sincerely,

Michael E. Stogner
Chief Hearing Officer/Engineer

cc: New Mexico Oil Conservation Division - Hobbs
William J. LeMay, Director - OCD, Santa Fe
William F. Carr, Legal Counsel Representing Texaco - Santa Fe