

HINKLE, COX, EATON, COFFIELD & HENSLEY

ATTORNEYS AT LAW

218 MONTEZUMA

POST OFFICE BOX 2068

SANTA FE, NEW MEXICO 87504-2068

(505) 982-4554

2800 CLAYDESTA NATIONAL BANK BUILDING

POST OFFICE BOX 3580

MIDLAND, TEXAS 79702

(915) 683-4691

1700 TEXAS AMERICAN BANK BUILDING

POST OFFICE BOX 9238

AMARILLO, TEXAS 79105

(806) 372-5569

700 UNITED BANK PLAZA

POST OFFICE BOX 10

ROSWELL, NEW MEXICO 88202

(505) 622-6510

LEWIS C. COX
PAUL W. EATON
CONRAD E. COFFIELD
HAROLD L. HENSLEY, JR.
STUART D. SHANOR
C. D. MARTIN
PAUL J. KELLY, JR.
OWEN M. LOPEZ
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JAMES C. BROCKMANN
SUSAN L. NIESER*
MARY A. WILSON*
GREGORY S. WHEELER
ANDREW J. CLOUTIER*

May 31, 1988

OF COUNSEL
O. W. CALHOON
MACY E. SLEY
JOE W. WOOD
STEPHEN L. ELLIOTT

CLARENCE E. HINKLE (1904-1985)
W. E. BONDURANT, JR. (1913-1973)
ROY C. SNOODGRASS, JR. (1915-1987)

*NOT LICENSED IN NEW MEXICO

RECEIVED

MAY 31 1988

OIL CONSERVATION DIVISION

Michael E. Stogner
New Mexico Oil Conservation Division
State Land Office Building
Santa Fe, New Mexico 87501

HAND DELIVERED

Re: Case No. 9366, the Application of Exxon Corporation for an unorthodox well location, Lea County, New Mexico

Dear Mike:

Enclosed is the proof of mailing in the above case, which indicates that Exxon mailed its May 2, 1988 letter regarding the change in orientation in the proration unit on May 4, 1988 by certified mail.

Very truly yours,

HINKLE, COX, EATON,
COFFIELD & HENSLEY

James Bruce
James Bruce

JB:jr
Enclosure

EXXON COMPANY, U.S.A.

POST OFFICE BOX 1400 • MIDLAND, TEXAS 79702-1600

PRODUCTION DEPARTMENT
SOUTHWESTERN DIVISION

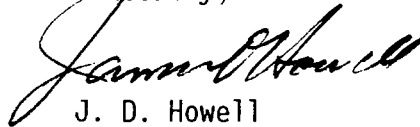
May 2, 1988

NMOCD Case No. 9366
New Mexico FF State Well No. 1
Undesignated Shipp (Strawn) Pool
330' FEL & 990' FSL of Section 9
T17S, R37E, Lea Co., New Mexico

New Mexico Oil Conservation Division
State Land Office Building
310 Old Santa Fe Trail
P. O. Box 2088
Santa Fe, NM 87504-2088

Attached please find a revised Form C-102 "Well Location and Acreage Dedication Plat" corrected to show the 80-acre proration unit for the subject well in the south half of the southeast quarter of Section 9. Exxon previously requested approval of the captioned unorthodox well location heard as NMOCD Case No. 9366. We understand that the case will be readvertized for the May 25, 1988 hearing at the State Land Office in Santa Fe.

Sincerely,



J. D. Howell
Regulatory Affairs

JDH:djr
Attachments - Form C-102
List of Offset Operators

c: Jim Bruce - Santa Fe, NM
Offset Operators

Federal Lse. No. _____ All distances must be from the outer boundaries of the Section.

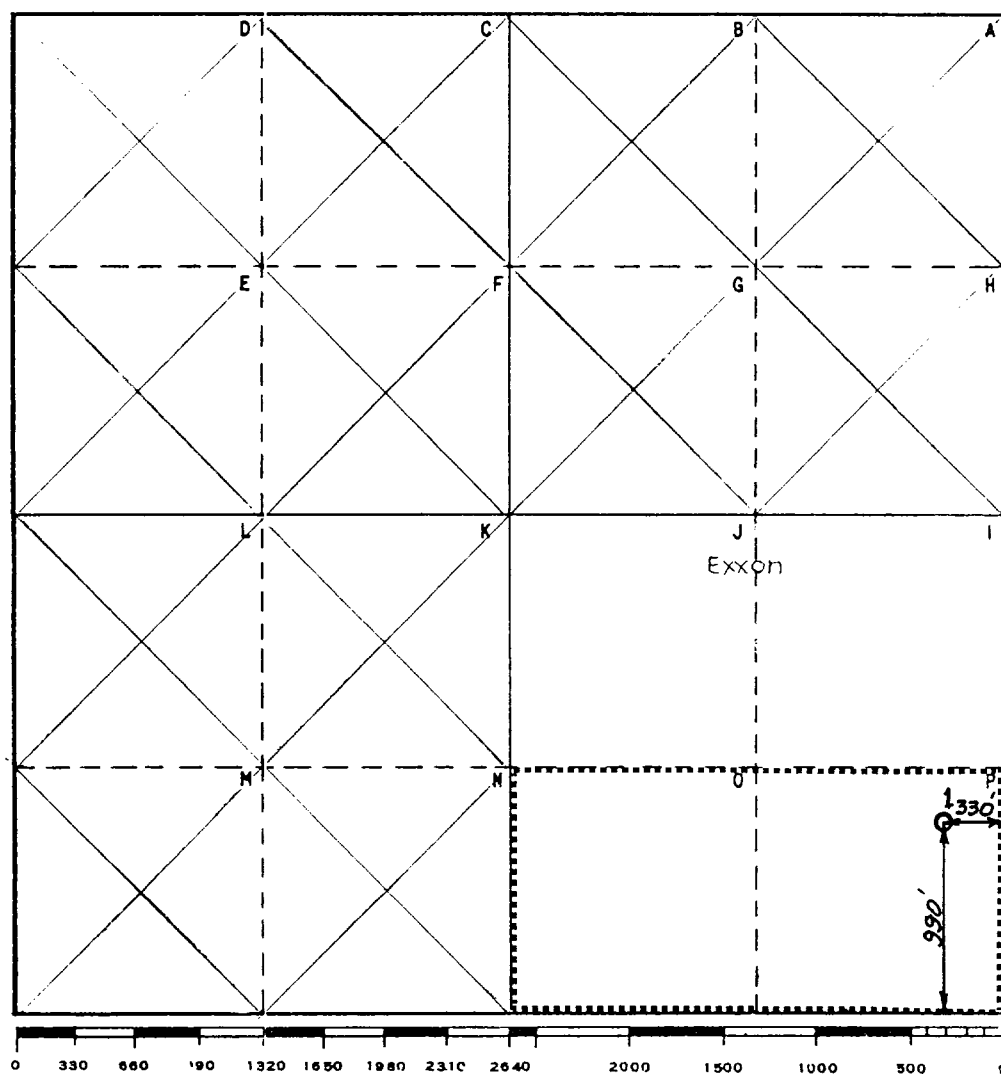
Operator Exxon Corporation			Lease NEW MEXICO "FF" STATE		Well No. 1
Unit Letter P	Section 9	Township 17S	Range 37E	County LEA	
Actual Footage Location of Well: 330' feet from the EAST line and 990' feet from the SOUTH line					
Ground Level Elev. 3762'	Producing Formation STRAWN		Pool UNDESIGNATED SHIPP	Dedicated Acreage: 80 Acres	

1. Outline the acreage dedicated to the subject well by colored pencil or hachure marks on the plat below.
2. If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).
3. If more than one lease of different ownership is dedicated to the well, have the interests of all owners been consolidated by communitization, unitization, force-pooling, etc?

Yes No If answer is "yes," type of consolidation _____

If answer is "no," list the owners and tract descriptions which have actually been consolidated. (Use reverse side of this form if necessary.) _____

No allowable will be assigned to the well until all interests have been consolidated (by communitization, unitization, forced-pooling, or otherwise) or until a non-standard unit, eliminating such interests, has been approved by the Commission.



CERTIFICATION

I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.

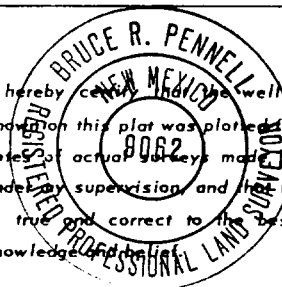
Name
Charlotte Harper

Position
 Permits Supervisor

Company Exxon Corporation
 Box 1600 Midland, Texas

Date
 May 2, 1988

I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision and that the same is true and correct to the best of my knowledge and belief.



Date Surveyed
 3-17-88

Registered Professional Engineer
 and/or Land Surveyor

Bruce R. Pennell

Certificate No.
 9062

11.4 Miles NW of HOBBS, New Mexico

C.E. Sec. File No. WA-10100

List of Offset Operators

I. W. Lovelady
P. O. Box 2666
4520 W. Hwy. 80
Midland, TX 79703

Florida Exploration Company
c/o Enron Oil and Gas
P. O. Box 2267
508 W. Wall, Ste. 1100
Midland, TX 79701

Vaughn Petroleum, Inc.
4242 Renaissance Tower
Dallas, TX 75270

Security Fund
Investors Incorporated
No. 30 Rockefeller Plaza
New York, NY 10020

Delta U.S. Corporation
Attn: Joan Mullenax
110 N. College
Tyler, TX 75710-2012

Huron Drilling Corporation
1700 Broadway, Suite 1122
Tower Building
Denver, CO 80202

Petroleum Properties, Inc.
Petroleum Invest. Serv., Inc.
Freda Jackson & Leon DuCharme
No. 30 Rockefeller Plaza
New York, NY 10020

Pennzoil Company
200 N. Loraine, Ste 1230
Briarcroft Building
Midland, TX 79702

TOG Limited Partnership
P. O. Box 352
West Point, CT 06881

Ladd Petroleum Corp.
370 17th Street, Ste 1700
Denver, CO 80202-5617

Kerr-McGee Corporation
One Marienfeld Place
Suite 330
Midland, TX 79701

Segal Oil and Gas Inc.
No. 6 Peter Cooper Road
New York, NY 10010

Barbara Fasken
303 W. Wall Avenue
Suite 1901
Midland, TX 79701-5116

C. Wayne Greenlee
41 East Illinois
Suite 401
Midland, TX 79701

Harry A. Trueblood, Jr.
Lincoln Twr. Bldg. Ste 1300
1860 Lincoln Street
Denver, CO 80295

Richard S. Brooks
303 W. Wall Avenue
Suite 608
Midland, TX 79701-0608

Charles B. Gillespie
Charles B. Gillespie, Jr.
550 W. Texas, Tower 2
Suite 600
Midland, TX 79702

John J. O'Shea, Trustee
Longwood Daniel M. O'Shea &
John E. McDermott
1860 Lincoln St., Ste. 1100
Denver, CO 80295

Robert H. Angevine
3601 Imperial Avenue
Midland, TX 79703

Sohio Petroleum Company
9401 Southwest Freeway
Suite 600
Houston, TX 77074

John M. Templeton, Jr. and
John M. Templeton, Jr. as
Trustee
P. O. Box 408
Englewood, NJ 07631

James B. Henry
3104 Shell Avenue
Midland, TX 79705

Mesa Operating Ltd. Partnrshp.
and Mesa Ltd. Partnership
One Mesa Square
Amarillo, TX 79189

John M. Templeton, Jr. and
John M. Templeton, Jr. as
3309 Lindlewood Crescent
Chesapeake, VA 23321

Unicon Producing Company
1 Riverway
P. O. Box 2120
Houston, TX 77001

Consolidated Oil and Gas Inc
1860 Lincoln Street
Suite 1100
Denver, CO 80295

Thomas M. Yett
901 Sherman St.
Denver, CO 80206

Union Texas Explor. Corp.
1330 Post Oak Blvd.
Houston, TX 77252-2120

Apollo Oil Company
P. O. Box 278
Hobbs, NM 88240

Gross Oil Delaware Corp.
110 East 57th Street
New York, NY 10019

Exploration Finance Company
13910 Champion Forrest Dr.
Suite 200
Houston, TX 77069

Hanley Petroleum, Inc.
1500 Wilco Building
Midland, TX 79701

B. L. Estes, et.al.
P. O. Box 352
Westport, CT 06881

The Gray Rock Corporation
2121 San Jacinto St. Ste 3000
Lockbox No. 85
Dallas, TX 75201



STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
 OIL CONSERVATION DIVISION
 HOBBS DISTRICT OFFICE

GARREY CARRUTHERS
 GOVERNOR

March 28, 1988

POST OFFICE BOX 1980
 HOBBS, NEW MEXICO 88241-1980
 (505) 393-6161

Case File

OIL CONSERVATION DIVISION
 P. O. BOX 208E
 SANTA FE, NEW MEXICO 87501

Case 9366

RE: Proposed:

MC _____
 DHC _____
 NSL _____
 NSP _____
 SWD _____
 WFX _____
 PMX _____

Gentlemen:

I have examined the application for the:

Exon Corp. *New Mexico FF State #1-P* *9-17-37*
 Operator Lease & Well No. Unit S-T-R

and my recommendations are as follows:

[Signature]

Yours very truly,

Jerry Sexton
 Supervisor, District 1

/ed

STATE OF NEW MEXICO

ENERGY AND MINERALS DEPARTMENT

OIL CONSERVATION DIVISION



GARREY CARRUTHERS
GOVERNOR

June 17, 1988

POST OFFICE BOX 2088
STATE LAND OFFICE BUILDING
SANTA FE, NEW MEXICO 87501
(505) 827-5800

Mr. James Bruce
Hinkle, Cox, Eaton,
Coffield & Hensley
Attorneys at Law
Post Office Box 2068
Santa Fe, New Mexico 87504-2068

Re: CASE NO. 9366
ORDER NO. R-8666

Applicant:

Exxon Corporation

Dear Sir:

Enclosed herewith are two copies of the above-referenced Division order recently entered in the subject case.

Sincerely,

Florene Davidson

FLORENE DAVIDSON
OC Staff Specialist

Copy of order also sent to:

Hobbs OCD X
Artesia OCD X
Aztec OCD _____

Other Tom Kellahin