

LAW OFFICES
HINKLE, BONDURANT, COX & EATON

TELEPHONE (915) 683-4691

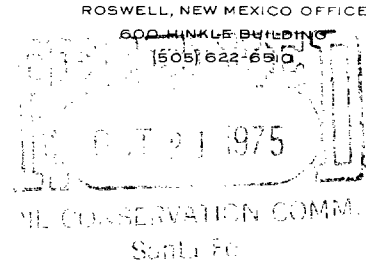
CLARENCE E. HINKLE
W. E. BONDURANT, JR. (1914-1973)
LEWIS C. COX, JR.
PAUL W. EATON, JR.
CONRAD E. COFFIELD
HAROLD L. HENSLEY, JR.
STUART D. SHANOR
C. D. MARTIN
PAUL J. KELLY, JR.

521 MIDLAND TOWER
MIDLAND, TEXAS 79701

ONLY MESSRS COFFIELD, MARTIN,
BOZARTH & ISBELL
LICENSED IN TEXAS

JAMES H. BOZARTH
ANDREW ALLEN
RONALD G. HARRIS
JAMES H. ISBELL

October 15, 1975



Oil Conservation Commission
State of New Mexico
P. O. Box 2088
Santa Fe, New Mexico 87501

Re: Exxon Corporation - Laguna
Grande Unit

Gentlemen:

We are writing this letter on behalf of our client, Exxon Corporation, who is the operator of the above proposed unit to be located in Eddy County, New Mexico.

This letter will confirm a telephone conference between the undersigned and Mr. T. W. Derryberry, attorney for the New Mexico Oil Conservation Commission in Santa Fe, as to the above referenced matter. During that telephone conference, Mr. Derryberry took a verbal application from me on the above matter in order that publishing deadlines could be met. We understand that this matter is set for hearing on November 5, 1975.

This letter therefore constitutes Exxon Corporation's written application for a hearing, set on the docket for November 5, 1975. In connection therewith, Exxon Corporation submits the following data:

1. Name of Applicant: Exxon Corporation
2. Area Affected by the Order Sought:

Township 23 South, Range 29 East, N.M.P.M.

All of Sections 15, 16, 21, 22,
23, 26, 27, 28, 29, 32, 33, and 34,
inclusive.

containing 7,680 acres, more or less, all
of which is in Eddy County, New Mexico.

October 15, 1975


3. General Nature of Order Sought: Applicant seeks an order to approve the Laguna Grande Unit Area, embracing the foregoing lands.

4. Other Matters to be Noted in Connection with the Order Sought: Exxon Corporation is the proposed operator of the Laguna Grande Unit. Lands embraced within the unit area include 5800 acres of federal lands, 960 acres of State of New Mexico lands and 920 acres of fee lands. For the Commission's information, we transmit herewith a copy of a plat, labeled Exhibit "A", more particularly identifying the lands embraced within the proposed unit area for the Laguna Grande Unit. In addition, we transmit herewith three copies of the Unit Agreement for the Laguna Grande Unit for the Commission's information and further use in this case.

I trust that the foregoing and the enclosures provide all the necessary information and data to complete the formal written application for hearing on November 5, 1975. However, if any additional information is needed, please advise immediately.

Very truly yours,

HINKLE, BONDURANT, COX & EATON


Conrad E. Coffield

CEC:lw
Encls.

xc: Mr. Jack A. Dalious
xc: Mr. Lawrence H. Hahn
xc: Mr. Clarence E. Hinkle

DOCKET MAILED

Date 10/27/75

LAGUNA GRANDE UNIT AREA

EDDY COUNTY, NEW MEXICO

T 23 S - R 29 E

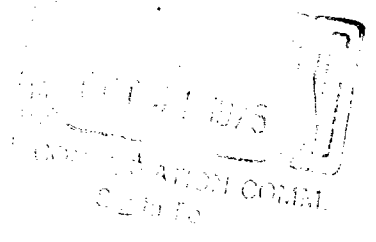
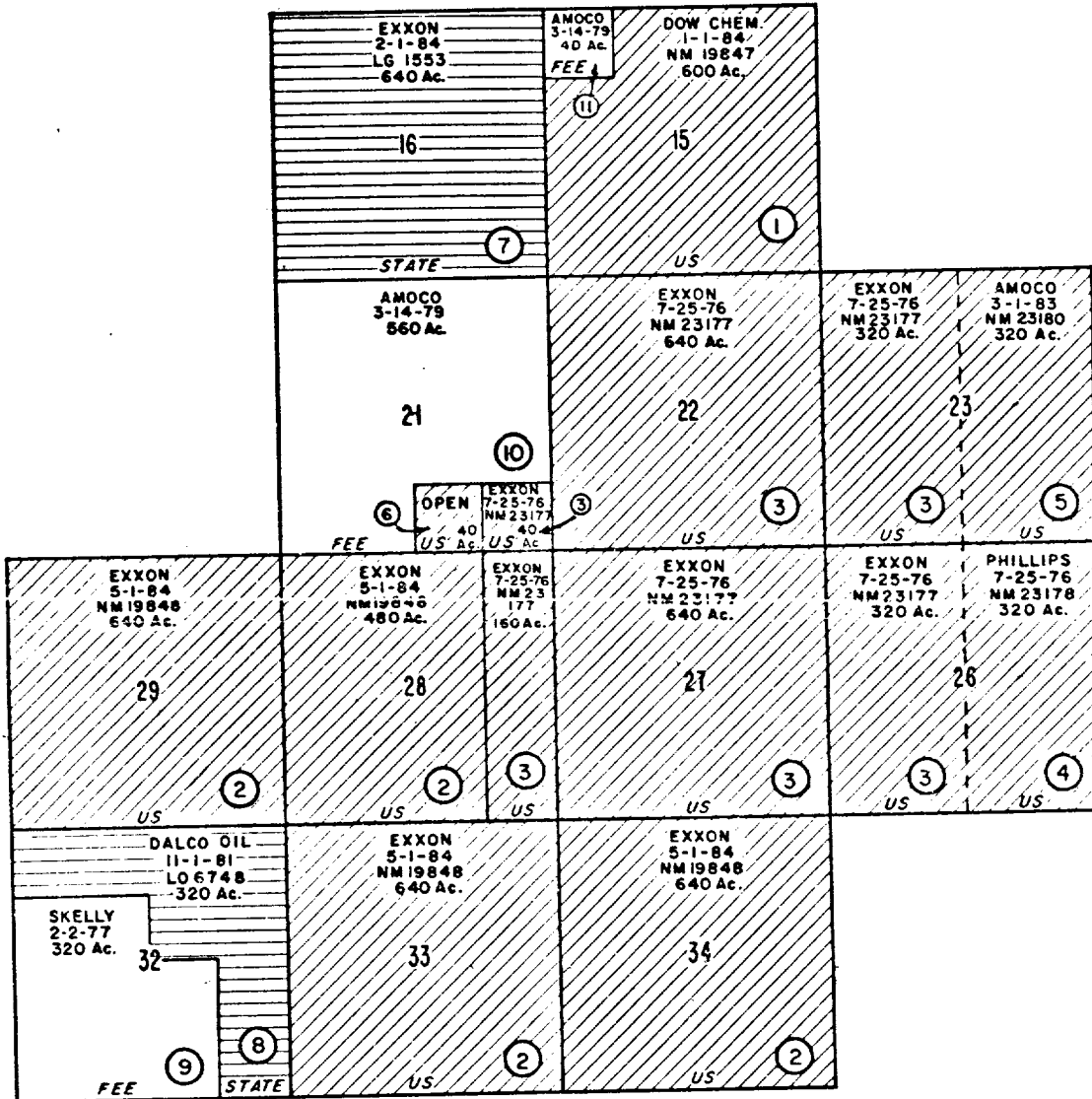


EXHIBIT A



USA	5800	ACRES
STATE	960	ACRES
FEE	<u>920</u>	ACRES
UNIT AREA	7680	ACRES



TRACT ⑧

Federal Lease Numbers

- 19847
- 19848
- 23177
- 23178
- 23180

EXHIBIT "B" - LAGUNA GRANDE UNIT AREA - EDDY COUNTY, NEW MEXICO

Tract No.	Description of Land	No. of Acres	Lease No. & Expiration Date of Lse.	Basic Royalty & Percentage of Record & Int.	Overriding Royalty or Production Payments	Working Interest Owners and Percentage
1	T23S, R29E Sec. 15: E $\frac{1}{2}$, E $\frac{1}{2}$ W $\frac{1}{4}$, SW $\frac{1}{4}$ NW $\frac{1}{4}$, W $\frac{1}{2}$ SW $\frac{1}{4}$	600	NM19847 1-1-84	USA 12 $\frac{1}{2}$ % Hayes - 25% Dow - 75%	None	Hayes 25% of 87.5% Dow - 75% of 87.5%
2	T23S, R29E Sec. 28: W $\frac{1}{2}$, W $\frac{1}{2}$ E $\frac{1}{4}$ Sec. 29: All Sec. 33: All	2400	NM19848 5-1-84	USA 12 $\frac{1}{2}$ % Exxon	Tim Daly (Nancy T.) 1/32 of 8/8 (.03125) Tommy Phipps et al, Trustees Margene Blakemore Trust 4.375% of 8/8 (.04375)	Exxon 80%
3	T23S, R29E Sec. 21: SE $\frac{1}{4}$ SE $\frac{1}{4}$ Sec. 22: All Sec. 23: W $\frac{1}{2}$ Sec. 26: W $\frac{1}{2}$ Sec. 27: All Sec. 28: E $\frac{1}{2}$ E $\frac{1}{4}$	2120	NM23177 7-25-76	USA 12 $\frac{1}{2}$ % Exxon-All	Glenn R. Easterly (Viola Lillian) 4% of 8/8 Jack Easterly (Janice L.) 1/2 of 1%, Raymond C. Walker (Geraldine) 1/2 of 1%, Lyndell C. Brown (Eula Fern) 1/2 of 1%, Don R. Link 1%, Carol Ann Hoffman 1%).	Exxon 83.5%
4	T23S, R29E Sec. 26: E $\frac{1}{2}$	320	NM23178 7-25-76	USA 12 $\frac{1}{2}$ % Phillips-All	Peggy E. Baetz (Bertrand V.) 2 $\frac{1}{2}$ % of 8/8 Eddy Land Co. 2 $\frac{1}{2}$ % of 8/8 **	Phillips 82.5%
5	T23S, R29E Sec. 23: E $\frac{1}{2}$	320	NM23180 3-1-83	USA 12 $\frac{1}{2}$ % Amoco-All	Robert N. Enfield (Mona L.) 5% of 8/8*	Amoco 82.5%
6	T23S, R29E Sec. 21: SW $\frac{1}{4}$ SE $\frac{1}{4}$	40	Open			

Total: 6 Tracts Federal Land - 5,800 Acres, 75.52% of the Unit Area

7	T23S, R29E Sec. 16: All	640	LG1553 2-1-84	St. of NM 1/8	Exxon-All	None	Exxon 87.5%
8	T23S, R29E Sec. 32: E $\frac{1}{2}$ E $\frac{1}{2}$, W $\frac{1}{2}$ NE $\frac{1}{2}$, N $\frac{1}{2}$ NW $\frac{1}{2}$	320	LG6748 11-1-81	St. of NM 1/8	Dalco-All	None	Dalco 87.5%

Total: 2 Tracts State Land - 960 Acres, 12.50% of the Unit Area

9	T23S, R29E Sec. 32: SW $\frac{1}{4}$, S $\frac{1}{2}$ NW $\frac{1}{4}$ W $\frac{1}{2}$ SE $\frac{1}{4}$	320	Fee 2-2-77	D. S. Harroun et al 3/16	Skelly- All	None	Skelly 81.25%
10	T23S, R29E Sec. 21: N $\frac{1}{2}$, N $\frac{1}{2}$ S $\frac{1}{4}$, S $\frac{1}{2}$ SW $\frac{1}{4}$	560	Fee 3-14-79	Teledyne Inc. 3/16	Amoco-All	None	Amoco 81.25%
11	T23S, R29E Sec. 15: NW $\frac{1}{2}$ NW $\frac{1}{2}$	40	Fee 3-14-79	Teledyne Inc. 3/16	Amoco-All	None	Amoco 81.25%

Total: 3 Tracts Fee Land - 920 Acres, 11.98% of the Unit Area

* PPI \$750.00/acre payable out of 5% of 8/8

** PPI \$375.00/acre payable out of 2 $\frac{1}{2}$ % of 8/8

Total Acres in Unit Area: 7,680 Acres

In the above Schedule "Exxon" indicates Exxon Corporation, "Amoco" indicated Amoco Production Company, "Hayes" indicates Hayes Oil Company, "Dow" indicates Dow Chemical Company, "Phillips" indicates Phillips Petroleum Company, "Dalco" indicates Dalco Oil Company and "Skelly" indicates Skelly Oil Company.