

EXXON COMPANY, U.S.A.

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MIDLAND PRODUCTION ORGANIZATION
OPERATIONS INTEGRITY

August 2, 1995

Exception to Rule 403.A
Gas Well Gas Metering Exception
F. F. Hardison -B- #3; API #30-025-07010
G-34-21S-37E, Lea County, New Mexico

New Mexico Oil Conservation Division
2040 S. Pacheco
Santa Fe, New Mexico 87504

Attention: Mr. David Catanach

Recent Workover History:

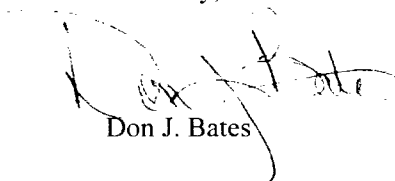
The above mentioned well was recently reworked in the Tubb Oil and Gas Pool. Gas production from the Tubb pool is currently +/- 500 MCFPD. We expect gas production to be +/- 300 MCFPD within the next six months. This gas production does not justify the expense of major facility enhancements.

We request permission to well test allocate gas produced from the Tubb Oil and Gas Pool for the F. F. Hardison -B- #3. We base our request on five significant factors:

- Royalty Interest Ownership is identical for all wells on the lease.
- Working Interest Ownership is 100% Exxon.
- Well's daily gas production is considered as a marginal gas well.
- Well will be tested on a monthly basis.
- Changes to existing tank battery facilities would cost +/- \$10k.

For documentation purposes, we respectfully request a return written authorization. Please contact me at (915) 688-7874 regarding any questions concerning this request.

Sincerely,



Don J. Bates

DJB:mym
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c: Jerry Sexton
NMOCD Hobbs District Office