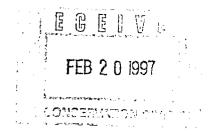
3/12/97

EXON COMPANY, U.S.A.

POST OFFICE BOX 1600 • MIDLAND, TEXAS 79702-1600

MIDLAND PRODUCTION ORGANIZATION **OPERATIONS INTEGRITY**



February 18, 1997

Non-Standard Gas Proration Units New Mexico "A" State Well Nos. 7, 21 Unit Letters N; L Section 2, T22S, R37E Lea County, New Mexico Blinebry Oil & Gas (Gas) Pool Code 72480

Mr. William J. LeMay Director New Mexico Oil Conservation Division 2040 S. Pacheco Santa Fe, New Mexico 87505

Dear Mr. LeMay:

Exxon Corporation requests administrative approval of 40 acre Non-Standard Gas Proration Units in the Blinebry Oil & Gas (Gas) Pool, for the Exxon New Mexico "S" State Well Nos. 7 and 21. The basis for this request is "Special Rules and Regulations" for the Blinebry Oil & Gas Pool, No. 4(b)1. Administrative Order SD-96-5, dated April 6, 1996, authorized simultaneously dedicated Blinebry Gas Pool production to a standard 160 acre gas spacing and proration unit comprising the SW/4 of Section 2 for Well Nos. 7, 21, 22 and 27, unit letters N, L, M and K, respectively.

Well Nos. 22 and 27 are now Blinebry Oil wells, therefore, each requires a 40 acre Blinebry Oil & Gas (Oil) proration unit and only 40 acres proration units remain for nos. 7 and 21. A copy of the C-102 for Well Nos. 7, 21, 22 and 27 and offset operators information is attached. Offset operators were notified by Certified Mail, return receipt.

Sincerely,

Alex M. Correa

AMC:mym Attachment 2\nmsst721.doc

A DIVISION OF EXXON CORPORATION

District I PO Box 1980, Hobb District II	s, NM 88241-1	980		Er	State of nergy, Minerals & Nat	New Mexico ural Resources Dep	partment		Form C-102 Revised February 10, 1994 Submit to Appropriate District Office
PO Drawer DD, Artesia, NM 88211-0719 District III			C	DIL C	ONSERV	ATION E	DIVISION		State Lease – 4 Copies Fee Lease – 3 Copies
1000 Rio Brasos Rd District IV	i., Aztec, NM i	87410				1 87504-2088	}		□ AMENDED REPORT
PO Box 2088, Santa	a Fe, NM 8750	4-2088							
1	API Numbe	r	WEL 12	L LOCA	TION AND AC	REAGE DED	ICATION PLA	Pool Name]
h	0025099: ty Code	56			72480	erty Name		Blinebry Oil	& Gas (Gas) ⁶ Well Number
0(04198	8				New Mexico	"S" State		7
	^{d №.} 07673	Ľ	Exxon	Corporati	on	ator Name			⁹ Elevation 3370 KB
					¹⁰ Surface	Location			
UL or lot no. N	Section 2	Township 22 S	Range 37 E	Lat Idn	Feet from the 660	North/South line South	Feet from the 1980	East/West line West	County Lea
				tom Ho	le Location I				
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
¹² Dedicated Acres	13 Joint o	r Infill 14	Consolidation (Code 15	⁵ Order No.				
40					SD-96				
N	O ALLOWA				THIS COMPLETIO RD UNIT HAS BE			. BEEN CONSOLID ON	ATED
	1980							I hereby cert contained herein is best of my knowled <u>C. J. J.</u> Signature <u>C. H. Harper</u> Printed Nome <u>Permits Supe</u> Title <u>2-/0-4</u> Burve YOR I hereby certify that the was ploited from field n	Pervisor 7 CERTIFICATION well location shown on this plat of actual surveys made by sion, and that the same is true of my belief.

Eunice

File No.

A-0976

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16.

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IF THIS IS AN AMENDED REPORT, CHECK THE BOX LABELED "AMENDED REPORT" AT THE TOP OF THIS DOCUMENT.

Surveyors shall use the latest United states government survey or depended resurvey. Well locations will be in reference to the New Mexico Principal Meridian. If the land is not surveyed contact the appropriate OCD district office. Independent subdivision surveys will not be acceptable.

- The OCD assigned API number for this well 1.
- 2. The pool code for this (proposed) completion
- 3. The pool name for this (proposed) completion
- 4. The property code for this (proposed) completion
- The property name (well name) for this (proposed) 5. completion
- 6. The well number of this (proposed) completion
- 7. Operator's OGRID number
- 8. The Operator's name
- 9. The ground level elevation of this well
- 10. The surveyed surface location of this well measured from the section lines, NOTE: if the United States government survey designates a Lot Number for this location use that number in the "UL or Lot no." box. Otherwise use the OCD unit letter.
- 11. Proposed bottom hole location. If this is a horizontal hole indicate the location of the end of the hole.
- 12. The calculated acreage dedicated to this completion to the nearest hundredth of an acre.
- Put a Y if more than one completion will be sharing this 13. same acreage or N if this is the only completion of this acreage
- 14. If more than one lease of different ownership has been dedicated to the well show the consolidation code from the following table:

С	Communitization				
U	Unitization				
F	Forced pooling				
0	Other				
р	Consolidation pen				

Consolidation pending

NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION!

15. Write in the OCD order(s) approving a non-standard location, non-standard spacing, or directional or horizontal drilling

This grid represents a standard section. You may superimpose a non-standard section over this arid. Outline the dedicated acreage and the separate leases within that dedicated acreage. Show the well surface location and bottom hole location, if it is directionally drilled with the dimensions from the section lines in the cardinal directions. (Note: A legal location is determined from the perpendicular distance to the edge of the tract.) If this is a high angle or horizontal hole show that portion or the well bore that is open within this pool.

Show all lots, lot numbers, and their respective acreage.

If more than one lease has been dedicated to the completion, outline each one and identify the ownership as to both working interest and royalty.

- 17. The signature, printed name, and title of the person authorized to make this report, and the date this document was signed.
- 18. The registered surveyors certification. This section does not have to be completed if this form has been previously accepted by the OCD and is being filed for a change of pool or dedicated acreage.

District I PO Box 1980, Hobbs, NM 88241-1980				State of New Mexico Energy, Minerals & Natural Resources Department					Form C-102 Revised February 10, 1994 Submit to Appropriate District Office
District II PO Drawer DD, Artesia, NM 88211–0719			C)IL (CONSERV	ATION [DIVISIO	٧	State Lease — 4 Copies Fee Lease — 3 Copies
District III 1000 Rio Brasos Rd	I. , Aztec, NM	87410				ox 2088 M 87504-208	8		□ AMENDED REPORT
District IV PO Box 2088, Santo	a Fe, NM 8750	4-2088							
[1	API Numb	er	WEL	L LOC	ATION AND AC	CREAGE DEL	DICATION PI	_AT Pool Name	
)-025-(ty Code				06660	erty Name			& Gas (Oil) ⁶ Well Number
00	04198 D No.	8			Oper	New Mexico ator Name	"S" State		21 9 Elevation
00	07673		Exxon	Corpora		1			3368 G.L
UL or lot no.	Section	Towns	ship Range	Lot Idn	1	Location North/South line	Feet from the	East/West line	County
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					lole Location I	I			
UL or lot no.	Section	Towns	ship Range	Lot Idn	Feet from the	North/South line	Feet from the	e East/West line	County
¹² Dedicated Acres	13 Joint	<u>I</u> or Infill	14 Consolidation	Code	15 Order No.	l			
40	U ALLOW	ABLE	WILL BE ASSI	ONED TO	SD-96 THIS COMPLETIO		NTERESTS HA	VE BEEN CONSOLID	ATED
[ARD UNIT HAS BE			ISION	
16									CERTIFICATION ify that the information
								contained herein is best of my knowled	true and complete to the
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								Signature	aper
				1 				C. H. Harper Printed Name	
								Permits Super	rvisor
								<u>2 - /0 - 4</u> Date	7
	///								CERTIFICATION
	1						was plotted from field n	well location shown on this plat ofes of actual surveys made by sion, and that the same is true of my belief.	
	⊷ 500'	1						Date of Survey	
		1						Signature and Seal of Profe	essional Surveyor.
		-4-			· · · · · · · · · · · · · · · · · · ·				
980' -									
								Certificate Number	

<u>3</u> Miles <u>SE</u> of <u>Eunice</u>, New Mexico.

16.

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Surveyors shall use the latest United states government survey or depended resurvey. Well locations will be in reference to the New Mexico Principal Meridian. If the land is not surveyed contact the appropriate OCD district office. Independent subdivision surveys will not be acceptable.

- 1. The OCD assigned API number for this well
- 2. The pool code for this (proposed) completion
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- 4. The property code for this (proposed) completion
- 5. The property name (well name) for this (proposed) completion
- 6. The well number of this (proposed) completion
- 7. Operator's OGRID number

Ρ

- 8. The Operator's name
- 9. The ground level elevation of this well
- The surveyed surface location of this well measured from the section lines, NOTE: if the United States government survey designates a Lot Number for this location use that number in the "UL or Lot no." box. Otherwise use the OCD unit letter,
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U	Unitization
F	Forced pooling
0	Other

Consolidation pending

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 Write in the OCD order(s) approving a non-standard location, non-standard spacing, or directional or horizontal drilling This grid represents a standard section. You may superimpose a non-standard section over this grid. Outline the dedicated acreage and the separate leases within that dedicated acreage. Show the well surface location and bottom hole location, if it is directionally drilled with the dimensions from the section lines in the cardinal directions. (Note: A legal location is determined from the perpendicular distance to the edge of the tract.) If this is a high angle or horizontal hole show that portion or the well bore that is open within this pool.

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District PO Box 1980, Hebbs, NM 88241-1980 District		New Mexico ral Resources Department		Form C-102 Revised February 10, 1994 Submit to Appropriate District Office
PO Drawer DD, Artesia, NM 88211—0719	OIL CONSERVA	TION DIVISIO	N	State Lease — 4 Copies Fee Lease — 3 Copies
District III 1000 Rio Brasos Rd. , Aztec, NM 87410		x 2088 875042088		AMENDED REPORT
District IV PO Box 2088, Santa Fe, NM 87504-2088				
	WELL LOCATION AND AC	REAGE DEDICATION P		
1 API Number 3002509971	06660	5	Pool Name Blinebry Oil	& Gas (Oil)
4 Property Code 5 004198	Ргоре	rty Name New Mexico "S" State		⁶ Well Number 22
7 OGRID No. 8 007673	Exxon Corporation	tor Name		⁹ Elevation 3369 GR
	¹⁰ Surface	Location		
UL or lot no. Section Township M 2 22 S	RangeLat IdnFeet from the37 E800	North/South line Feet from th South 660	e East/West line West	County Lea
	"Bottom Hole Location I			
UL or lot no. Section Township	Range Lat Idn Feet from the	North/South line Feet from th		County
¹² Dedicated Acres 13 Joint or Infill 14	Consolidation Code ¹⁵ Order No.			
40				ATED
	. BE ASSIGNED TO THIS COMPLETION OR A NON-STANDARD UNIT HAS BE			
- 660'			best of my knowle <u>C. J.</u> Signature <u>C. H. Harper</u> Printed Name <u>Permits Supe</u> Title <u>2 -/0 -</u> Date ¹⁸ SURVEYOR I horeby cortify that the was politied from field	ervisor 97 CERTIFICATION a well location shown on this plat totes of actual surveys mode by ision, and that the same is true to f my belief.

<u>____3</u> Miles <u>____</u> of _____

of _____Eunice

_____, New Mexico.

File No.

A-0979

16

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Consolidation pending

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District 1 PO Box 1980, Hobbs, NM 88241-1980

District II PO Drawer DD, Artesia, NM 88211-0719

District # 1000 Rio Brasos Rd. , Aztec, NM 87410

District IV PO Box 2088, Santa Fe, NM 87504-2088 Form C-102 Revised February 10, 1994 Submit to Appropriate District Office State Lease -4 Copies Fee Lease - 3 Copies

OIL CONSERVATION DIVISION

Santa Fe, NM 87504-2088

□ AMENDED REPORT

		WELL	<u>LOCA</u>	TION AND AC	REAGE DEDI	CATION PLA	and the second		
1 API Number 2 3002525144			2 Pool Code 3 06660				Pool Name Blinebry Oil & Gas (Oil)		
4 Property Code 5 004198			⁶ Well Number 27						
7 OGRID No. 007673	ß			Exxon	otor Name Corporation			¹⁹ Elevation 3358' KB	
				¹⁰ Surface	Location				
UL or lot no. Section K 2	Township 22 S	Range 37 E	Lotidin	Feet from the 1830	North/South line South	Feet from the 1900	East/West line West	County Lea	
		"Bott	om Ho	le Location I	f Different F	rom Surface	9		
UL or lot no. Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County	
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	y	27					I hereby cer contained herein it best of my knowle <u>C. J. J. K</u> Signature C. H. Harper Printed Name Permits Supe Title 2-10-9 Date SURVEYOR I hereby certify that th was plotted from field	ervisor CERTIFICATION • well location shown on this plat notes of actual surveys mode by vision, and that the some is true t of my belief.	

A-0980

16

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- The registered surveyors certification. This section does not have to be completed if this form has been previously accepted by the OCD and is being filed for a change of pool or dedicated acreage.

. . . . SENDER: side? SENDER: Latso wish to receive the Complete items 1 and/or 2 for additional services Lalso wish to receive the Complete items 1 and/or 2 for additional services. following services (for an Complete items 3, 4a, and 4b. following services (for an Complete items 3, 4a, and 4b. Print your name and address on the reverse of this form so that we can return this extra fee): Print your name and address on the reverse of this form so that we can return this reverse extra fee): card to you Service. and to you. Attach this form to the front of the mailpiece, or on the back if space does not 1
Addressee's Address 1. Addressee's Address permit. nermit 2. C Restricted Deliverv Write "Return Receipt Requested" on the mailpiece below the article number. 2.
Bestricted Delivery Write "Return Receipt Requested" on the mailpiece below the article number. ffe The Return Receipt will show to whom the article was delivered and the date đ The Return Receipt will show to whom the article was delivered and the date delivered Consult postmaster for fee. <u>S</u> Consult postmaster for fee. delivered. 5 0 4a. Article Number 3. Article Addressed to: ĕ 3. Article Addressed to: 4a Article Number completed 2 740 78 41)U Ú L 480 740 404 CHEVRON USA. INC. 4b. Service Type JOHN H. HENDRIX CORP. 4b. Service Type ATTN: LAND DEPARTMENT č □ Certified Registered P.O. BOX 3040 Registered Certified using P.O. BOX 1150 T Express Mail □ Insured MIDLAND, TEXAS 79702 RETURN ADDRESS Express Mail □ Insured MIDLAND, TEXAS 79702 Return Receipt for Merchandise COD Return Receipt for Merchandise
 COD 6 7. Date of Delivery 1777 7. Date of Delivery Thank you ×. 8. Addressee's Address (Only if requested 5. Beceived By (Print Name) 5. Beceived By: (Print Name) 8. Addressee's Address (Only if requested and fee is paid) and fee is paid) 6. Signature: (Addresses of Agent) your 6. Signature: (Addressee or Agent, Ś Domestic Return Receipt PS Form 3811. December 1994 Domestic Return Receipt PS Form 3811, December 1994 "5" # 7+2 Ħ 511 782 Л SENDER: ide? SENDER: I also wish to receive the Complete items 1 and/or 2 for additional services. I also wish to receive the Complete items 1 and/or 2 for additional services. Complete items 3, 4a, and 4b. following services (for an Complete items 3, 4a, and 4b. following services (for an Print your name and address on the reverse of this form so that we can return this extra fee): Print your name and address on the reverse of this form so that we can return this extra fee): card to you. Attach this form to the front of the mailpiece, or on the back if space does not card to you. 1. Addressee's Address Servic Service Attach this form to the front of the mailpiece, or on the back if space does not 1. Addressee's Address oermit normit Write "Return Receipt Requested" on the mailpiece below the article number 2. C Restricted Delivery Write "Return Receipt Requested" on the mailpiece below the article number. 2.
Bestricted Delivery The Return Receipt will show to whom the article was delivered and the date ceipt The Return Receipt will show to whom the article was delivered and the date delivered Consult postmaster for fee. ă delivered Consult postmaster for fee. 5 3. Article Addressed to: 4a. Article Number 3. Article Addressed to: 4a. Article Number completed ñ 7 404 7 740 404 EL PASO NATURAL GAS MARATHON OIL COMPANY 4b. Service Type 4b. Service Type P.O. BOX 1492 ATTN: LAND DEPARTMENT Registered Certified Registered Certified EL PASO, TEXAS 79978 P.O. BOX 552 Express Mail Insured **RETURN ADDRESS** Express Mail □ Insured MIDLAND, TEXAS 79702 Return Receipt for Merchandise
 COD Return Receipt for Merchandise
 COD 7. Date of Delivery L 7. Date of Delivery nok Thank 5. Received By: (Print Name) 8. Addressee's Address (Only If requested 5. Received By: (Print Name) 8. Addressee's Address (Only if requested and lee is paid) and fee is paid) 6. Signature: (Addressee or Agent) 6. Signature: (Addressee or Agent) NMOL 1710 PS Form 3811. December 1994 Domestic Return Receipt PS Form 3811. December 1994 **Domestic Return Receipt**

EXON COMPANY, U.S.A.

POST OFFICE BOX 1600 . MIDLAND, TEXAS 79702-1600

MIDLAND PRODUCTION ORGANIZATION OPERATIONS INTEGRITY

February 11, 1997

40 Ac. Non-Standard Gas Proration Units Blinebry Oil and Gas (Gas) Pool New Mexico S State Well Nos. 7 & 21 Section 2, T22S, R37E Lea County, NM

Offset Operators

Gentlemen:

Exxon Corp. is requesting administrative approval of 40 acre Non-Standard Gas Proration Units in the Blinebry Oil & Gas (Gas) Pool for the New Mexico S State well Nos. 7 & 21. These wells are currently simultaneously dedicated in a 160 acre Blinebry gas proration unit with well nos. 22 & 27. We are also requesting that the 160 acre proration unit be dissolved since wells 22 & 27 have become oil wells.

If you have any objection to this request it must be filed, in writing with the New Mexico Oil Conservation Division in Santa Fe, within twenty days from the date this notice was mailed. A copy of the C-102 for well Nos. 7 & 21 are attached. If you have any questions, please call me at (915) 688-6782.

Sincerely,

Conla

Alex M. Correa

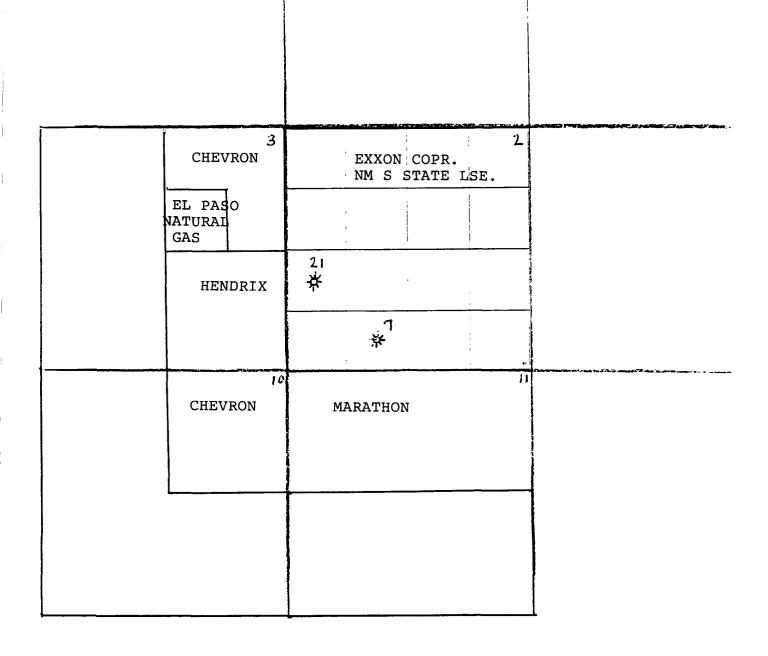
amc:offsets10.doc Attachment OFFSET OPERATORS EXXON CORP. NEW MEXICO "S" STATE WELL NOS. 7, 21 SECTION 2, T22S, R37E LEA COUNTY

Chevron USA, Inc. Attention: Land Department P.O. Box 1150 Midland, Texas 79702

El Paso Natural Gas P.O. Box 1492 El Paso, Texas 79978-0001

John H. Hendrix Corp. P.O. Box 3040 Midland, Texas 79702-3040

Marathon Oil Company Attention: Land Department P.O. Box 552 Midland, Texas 79702 OFFSET OPERATORS EXXON CORP. NEW MEXICO S STATE WELL NOS. 7 & 21 SECTION 2, T22S, R37E LEA COUNTY





STATE OF NEW MEXICO ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION HOBBS DISTRICT OFFICE

2/21/97

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

37e

GOVERNOR

OIL CONSERVATION DIVISION P. O. BOX 2088 SANTA FE, NEW MEXICO 8750			
RE: Proposed: MC DHC NSL NSPX SWD WFX PMX	 		
Gentlemen:			
I have examined the appli Exxon Corp Operator	cation for the: <u>New Mexico S State</u> Lease & Well No. Unit	#7-N #21-L S-T-R	2-225-
and my recommendations ar	e as follows:		
Yours very truly,	/		
peny Serf	>		
//Jerry Sexton Supervisor, District 1			

/ed