STATE OF NEW MEXICO ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT OIL CONSERVATION DIVISION

IN THE MATTER OF THE HEARING CALLED BY THE OIL CONSERVATION DIVISION FOR THE PURPOSE OF CONSIDERING:

FFB - 1 1991

APPLICATION OF EXXON CORPORATION FOR ACREAGE REORIENTATION AND TWO NON-STANDARD GAS PRORATION UNITS, LEA COUNTY, NEW MEXICO

CASE NO. 10886

PRE-HEARING STATEMENT

This pre-hearing statement is submitted by Applicant as

required by the Oil Conservation Division.

APPEARANCES OF PARTIES

APPLICANT

Exxon Corporation Midland, TX 79702

James Bruce, Esq. Post Office Box 1600 HINKLE, COX, EARON, COFFIELD Midland, TX 79702Duncan, Jr.Attn: William T. Duncan, Jr.Post Office Box 2068(915) 688-6174Santa Fe, New Mexico 87504 & HENSLEY (505) 982-4554

OPPOSITION OR OTHER PARTY ATTORNEY

ATTORNEY

STATEMENT OF CASE

APPLICANT

Applicant requests the formation of two non-standard gas proration units in the Blinebry Oil and Gas Pool, as follows:

> Pursuant to Administrative Order No. NSP-954-A, Lots 1 and 2 (N½NE¼) of § 2-22 South-37 East are dedicated to Exxon's New Mexico "S" State Well No. 12. Under Administrative Order

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> No. NSP-1599, Lot 3 (NE¼NW¼) of said § 2 is dedicated to Exxon's New Mexico "S" State Well No. 14. Exxon requests that the units be reoriented so that only Lot 1 is dedicated to the No. 12 Well, while Lots 2 and 3 are dedicated to the No. 14 Well.

Both proposed units are located wholly within one lease. These hearings are necessitated by changes in Order No. R-8170, as amended, which no longer allows administrative approval of such applications.

OPPOSITION OR OTHER PARTY

PROPOSED EVIDENCE

APPLICANT

WITNESSES	EST. TIME	EXHIBITS
Wm. T. Duncan, Jr (Engineer)	. 20 minutes	(a) Land plat (b) Acreage dedication plat (c) Notice affidavit

OPPOSITION

WITNESSES

EST. TIME EXHIBITS

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PROCEDURAL MATTERS

Applicant requests these two cases be consolidated for hearing.

HINKLE, COX, EATON, COFFIELD & HENSLEY and James Bruce By: Post Office Box 2068 Sarta Fe, New Mexico 87504-2068 (5/05) 982-4554

Attorneys for Exxon Corporation

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