EXON COMPANY, U.S.A.

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PRODUCTION DEPARTMENT MIDCONTINENT DIVISION R W BOWDON OPERATIONS MANAGER October 20, 1976

File No. 22-3

Request for Acreage Reallocation and Exception to Rule 2(b) of Rules for Blinebry Oil and Gas Pool, F. F. Hardison "B", Well No. 1, Lea County, New Mexico

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

Attention: Mr. Joe D. Ramey

Gentlemen:

Attached is Form C-101, Application for Permit to Drill, Deepen or Plug Back, and Form C-102, Well Location and Acreage Dedication Plats for F. F. Hardison "B", Well No. 1. This well is now completed as an oil well in the Blinebry Oil and Gas Pool. It is proposed to recomplete as a dual well with a completion in the Drinkard Pool and a gas completion in the Blinebry Oil and Gas Pool.

Administrative approval is requested in accordance with Rule 3 of the field rules for Blinebry Oil and Gas Pool for an exception to Rule 2(b) of the field rules. Rule 2(b) specifies that if more than 40 acres is dedicated to a gas well, the well must be located 660' to the outer boundary. Well No. 1 is located 440' to the outer boundary and an exception is necessary so that we may use a well previously drilled to another horizon.

Administrative approval is also requested for a single 160-acre proration unit in the Blinebry Oil and Gas Pool covering the NE/4 of Section 34, T-21-S, R-37-E, Lea County, New Mexico, to be dedicated simultaneously to F. F. Hardison "B", Well No. 1, and F. F. Hardison "B", Well No. 4, with a single unit allowable to be shared according to capability. Well No. 4 is now completed as a gas well in the Blinebry Oil and Gas Pool.

Copies of this application are being furnished this date by certified mail to the offset operators which are shown on the attached list.

Very truly yours,

RW Beuton

MK:rf
Attachments
cc: NMOCC, Hobbs, N.M. (2)
cc: El Paso Natural Gas Co. (Gas Purchaser)
 600 Bank of the Southwest
 Midland, TX 79701