

December 13, 1999

**Exxon Corporation
P. O. Box 4358
Houston, Texas 77210-4358**

Attention: Charlotte Harper

Administrative Order NSP-1728-A (L) (SD)

Dear Ms. Harper:

Reference is made to the following: (i) your application dated November 18, 1999; and (ii) the records of the New Mexico Oil Conservation Division ("Division") including well files, the files on Division Administrative Orders NSL-1728 (L) (SD), and Division Order No. R-10062, issued in consolidated Cases No. 10894 and 10895 and dated February 15, 1994: all concerning your request to establish a non-standard 80-acre gas spacing and proration unit consisting of the following acreage within the Blinebry Oil and Gas Pool:

**LEA COUNTY, NEW MEXICO
TOWNSHIP 21 SOUTH, RANGE 37 EAST, NMPM
Section 34: W/2 NE/4.**

It is our understanding that this unit is to be simultaneously dedicated to Exxon Corporation's existing: (i) F. F. Hardison "B" Well No. 3 (API No. 30-025-07010), located at an unorthodox gas well location 2012/2015 feet from the North line and 1978/1980 feet from the East line (Unit G) of Section 34; and (ii) F. F. Hardison "B" Well No. 4 (API No. 30-025-07011), located at a standard gas well location 660 feet from the North line and 1980 feet from the East line (Unit B) of Section 34.

By authority granted me under the provisions of **Rule 2(d)** of the "*Special Rules and Regulations for the Blinebry Oil and Gas Pool*" as promulgated by Division Order No. R-8170, as amended, the above-described 80-acre non-standard gas spacing and proration unit and the resulting unorthodox Blinebry gas well location for the above-described F. F. Hardison "B" Well No. 3 are hereby approved.

This newly established 80-acre unit is to be simultaneously dedicated to the above-described F. F. Hardison "B" Wells No. 3 and 4, with allowable assigned thereto in accordance with Rule 5 of the special Blinebry Oil and Gas Pool rules based upon the unit size of 80 acres.

It is further ordered that the following two non-standard gas spacing and proration units within the Blinebry Oil and Gas Pool on Exxon's F. F. Hardison "B" lease shall be placed in abeyance until further notice:

- (1) Division Administrative Order NSP-1728 (L) (SD), which order established a 120-acre non-standard Blinebry gas

spacing and proration unit comprising the NE/4 NE/4 and S/2 NE/4 of Section 34 and was simultaneously dedicated to Exxon's (i) F. F. Hardison "B" Well No. 1 (**API No. 30-025-07008**), located at an unorthodox gas well location 1980 feet from the North line and 440 feet from the East line (Unit H) of Section 34; and (ii) F. F. Hardison "B" Well No. 2 (**API No. 30-025-07009**), located at an unorthodox gas well location 660 feet from the North line and 610 feet from the East line (Unit A) of Section 34; and

- (2) that portion of Division Order No. R-10062 that established an 80-acre non-standard Blinebry gas spacing and proration unit comprising the SW/4 SE/4 of Section 27, Township 21 South, Range 37 East, NMPM, Lea County, New Mexico and the NW/4 NE/4 of Section 34 and was dedicated to the above-described F. F. Hardison "B" Well No. 4. All other provisions of R-10062 shall remain in full force and effect until further notice.

Jurisdiction of this cause is retained for the entry of such further orders as the Division may deem necessary.

Sincerely,

Lori Wrotenbery
Director

LW/MES/kv

cc: New Mexico Oil Conservation Division - Hobbs
File: NSP1728 (L) (SD)
Case No. 10894
Case No. 10895