Entered July 13, 1964 a. p.

BEFORE THE OIL CONSERVATION COMMISSION OF THE STATE OF NEW MEXICO

IN THE MATTER OF THE HEARING CALLED BY THE OIL CONSERVATION COMMISSION OF NEW MEXICO FOR THE PURPOSE OF CONSIDERING:

> CASE No. 3076 Order No. R-2740

APPLICATION OF MARATHON OIL COMPANY FOR A NON-STANDARD OIL PRORATION UNIT, LEA COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 o'clock a.m. on July 1, 1964, at Santa Fe, New Mexico, before Examiner Elvis A. Utz.

NOW, on this 8th day of July, 1964, the Commission, a quorum being present, having considered the testimony, the record, and the recommendations of the Examiner, and being fully advised in the premises,

FINDS:

(1) That due public notice having been given as required by law, the Commission has jurisdiction of this cause and the subject matter thereof.

(2) That the applicant, Marathon Oil Company, seeks approval of an 80-acre non-standard oil proration unit in the Vacuum-Upper Pennsylvanian Pool comprising the SE/4 NW/4 and NE/4 SW/4 of Section 31, Township 17 South, Range 35 East, NMPM, Lea County, New Mexico, to be dedicated to the State Warn A/c 1 Well No. 3, located in Unit F of said Section 31.

(3) That approval of the subject application will prevent the economic loss caused by the drilling of unnecessary wells, avoid the augmentation of risk arising from the drilling of an excessive number of wells, and otherwise prevent waste and protect correlative rights. -2-CASE No. 3076 Order No. R-2740

IT IS THEREFORE ORDERED:

(1) That an 80-acre non-standard oil proration unit in the Vacuum-Upper Pennsylvanian Pool comprising the SE/4 NW/4 and NE/4 SW/4 of Section 31, Township 17 South, Range 35 East, NMPM, Lea County, New Mexico, is hereby established and dedicated to the Marathon Oil Company State Warn A/c 1 Well No. 3, located in Unit F of said Section 31.

(2) That jurisdiction of this cause is retained for the entry of such further orders as the Commission may deem necessary.

DONE at Santa Fe, New Mexico, on the day and year hereinabove designated.

> STATE OF NEW MEXICO OIL CONSERVATION COMMISSION

CAMPBELL Chairman

A. L. PORTER, Jr., Member & Secretary

SEAL