

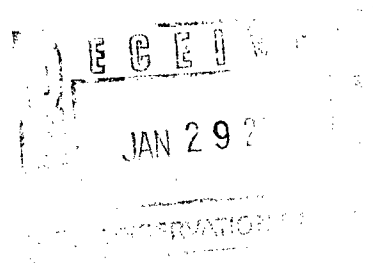
103651457

NSL

2/19/01

Southern U.S. Business Unit
Domestic Production**Marathon
Oil Company**P.O. Box 552
Midland, TX 79702-0552
Telephone 915/682-1626*not an
NSL*

January 25, 2001

Mr. Michael Stogner
Oil Conservation Division
1220 S. St. Francis Dr.
Santa Fe, New Mexico 87504RE: Application for a Unorthodox Well Location
Indian Basin "D" # 3
1980' FSL & 1870' FEL
Sec, 34, T-21-S, R-23-E
Eddy Co. New Mexico

Dear Mr. Stogner:

Marathon Oil Company has identified an existing pipeline and topographical conditions preventing us from locating the well in a Standard Location in Unit Letter "J" of Section 34. All other standard location sites are not feasible projects due to a pipeline running East and West at the location site. Accordingly, please find enclosed our application for an unorthodox well location requesting administrative approval under conditions of OCD Rule # 104.

Marathon Oil Company is applying to the New Mexico Conservation Division to drill this well at an unorthodox location of 1980' FSL & 1870' FEL, Unit Letter "J", of Section 34, T-21-S, R-23-E, NMPM. Said well is dedicated to a standard 640 Acre Proration Unit of Section 34.

In Support Thereof:

1) This Indian Basin Upper Penn gas well is subject to the Division's statewide rules and regulations specifying that a well shall be located not closer than 1650 feet to the outer boundary of a lease and no closer than 330 feet to any quarter/ quarter section line or subdivision inner boundary. The proposed well is located at a legal setback of 1980 feet from the outer boundary. This location is unorthodox to the internal governmental 330 feet quarter/ quarter section line.

2) Due to an existing pipeline and topographical constraints, the only possible drill location must be 1980' FSL & 1870' FEL of Section 34.

Marathon Oil Company seeks approval for this unorthodox well location to drill the Indian Basin Upper Penn. Gas well. Enclosed is a copy of the offset's waiver to objection letters. If you have any questions or concerns, please feel free to contact me at (915) 687-8357

Regards,

A handwritten signature in cursive script that reads 'Jerry Fletcher'.

Jerry Fletcher
Engineering Technician

A subsidiary of USX Corporation

STRICT I
Box 1000, Hobbs, NM 88241-1000

State of New Mexico
Energy, Minerals and Natural Resources Department

RECEIVED

Form C-102
Revised February 10, 1994
Submit to Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies

STRICT II
Box 2000, Artesia, NM 88211-0719

OIL CONSERVATION DIVISION

P.O. Box 2088
Santa Fe, New Mexico 87504-2088

STRICT III
Box Rio Brazos Rd., Axtec, NM 87410

STRICT IV
Box 2088, Santa Fe, N.M. 87504-2088

WELL LOCATION AND ACREAGE DEDICATION PLAT

☐ AMENDED REPORT

API Number		Pool Code	Pool Name
Property Code		Property Name	Well Number
OGRID No.		Operator Name	Elevation
Indian Basin Upper Penn. Gas		INDIAN BASIN "D"	3
14021		MARATHON OIL COMPANY	3974

Surface Location

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
J	34	21-S	23-E		1980	SOUTH	1870	EAST	EDDY

Bottom Hole Location If Different From Surface

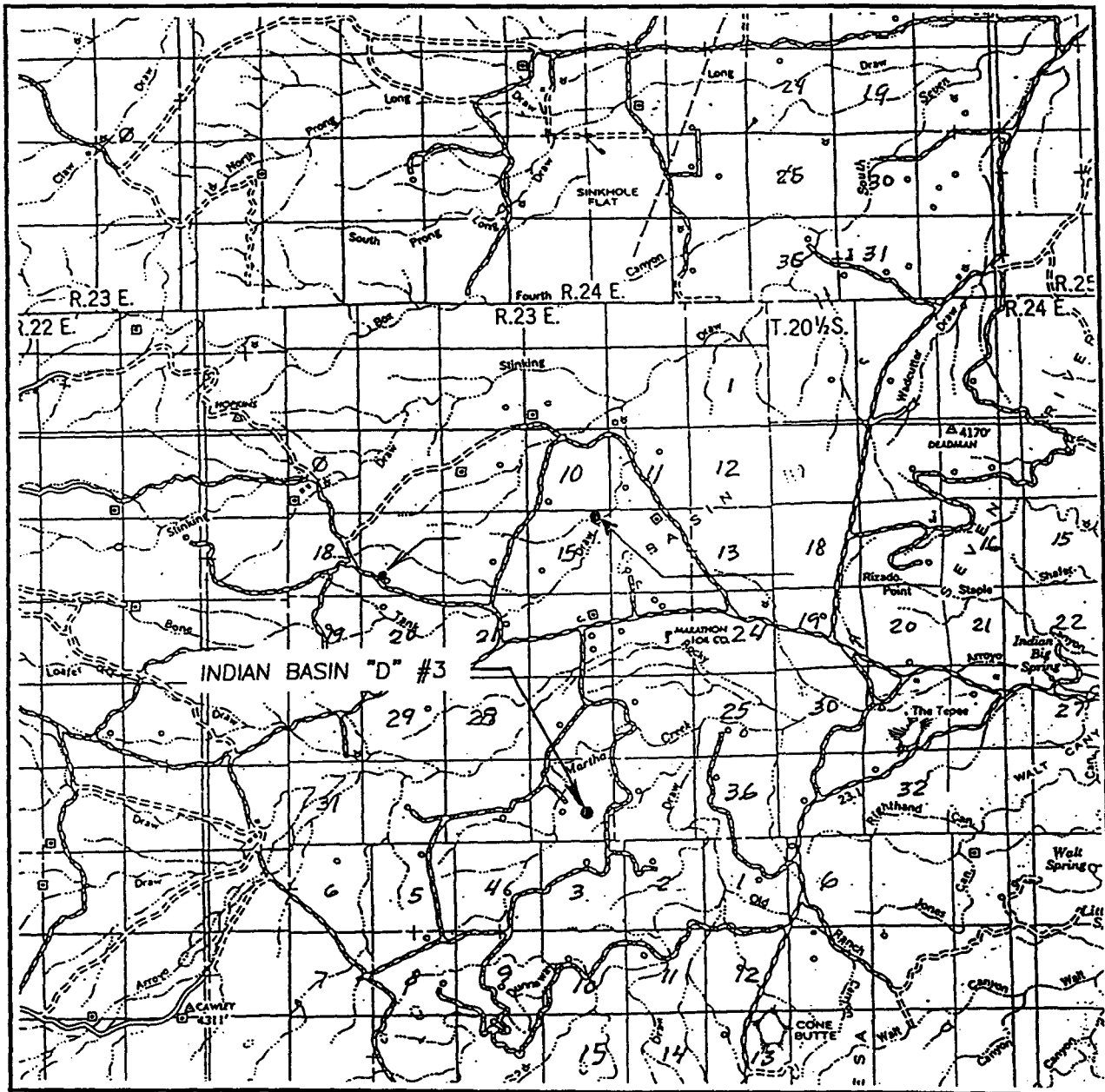
UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County

Dedicated Acres	Joint or Infill	Consolidation Code	Order No.
640			

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

	OPERATOR CERTIFICATION I hereby certify the the information contained herein is true and complete to the best of my knowledge and belief. Signature Jerry Fletcher Printed Name Engineer Tech. Title 1/23/01 Date
	SURVEYOR CERTIFICATION I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision and that the same is true and correct to the best of my belief. JANUARY 10, 2001 Date Surveyed AWB Signature & Seal of Professional Surveyor 01-11-0035 Certificate No.: RONALD J. EDSON 3239 GARY EDSON 12841

VICINITY MAP



SCALE: 1" = 2 MILES

SEC. 34 TWP. 21-S RGE. 23E

SURVEY N.M.P.M.

COUNTY EDDY

DESCRIPTION 1980'FSL & 1870'FEL

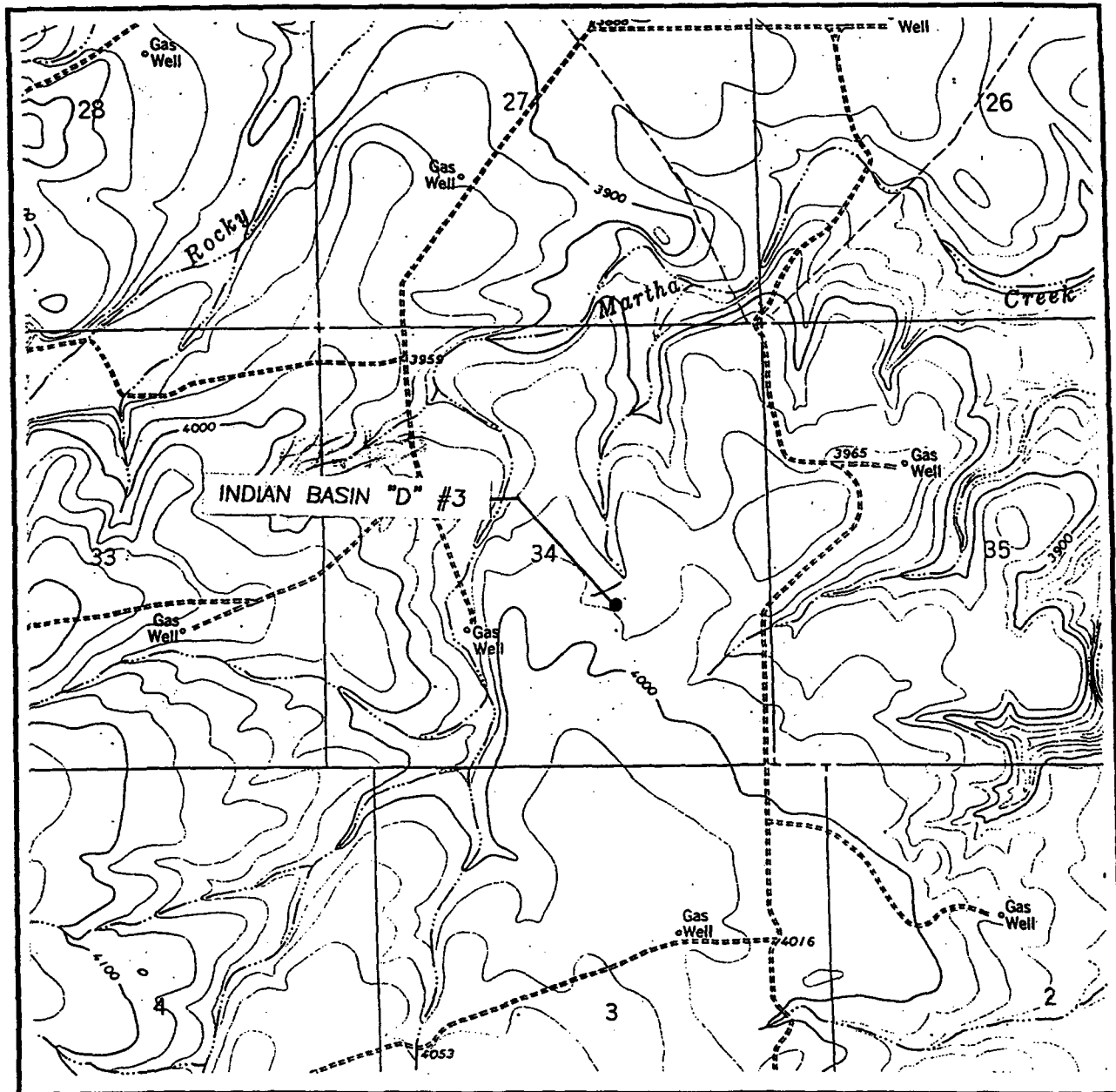
ELEVATION 3974

OPERATOR MARATHON OIL COMPANY

LEASE INDIAN BASIN "D"

JOHN WEST SURVEYING
HOBBS, NEW MEXICO
(505) 393-3117

LOCATION VERFICATION MAP



SCALE: 1" = 2000'

CONTOUR INTERVAL: 20'

MARTHA CREEK N.M.

SEC. 34 TWP. 21-S RGE. 23E

SURVEY _____ N.M.P.M.

COUNTY _____ EDDY

DESCRIPTION 1980'FSL & 1870'FEL

ELEVATION 3974

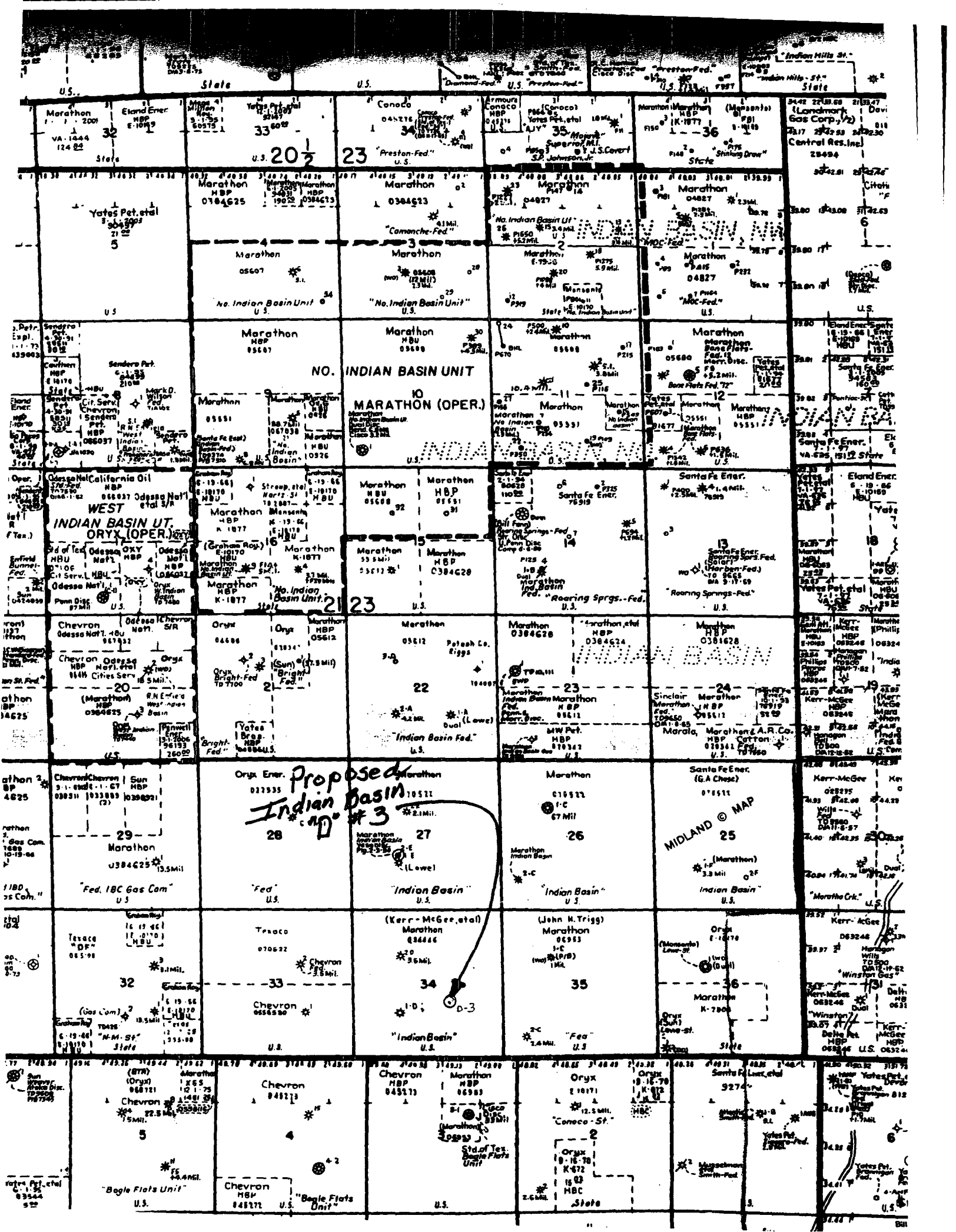
OPERATOR MARATHON OIL COMPANY

LEASE INDIAN BASIN "D"

U.S.G.S. TOPOGRAPHIC MAP

MARTHA CREEK N.M.

JOHN WEST SURVEYING
HOBBS, NEW MEXICO
(505) 393-3117





**Marathon
Oil Company**

P.O. Box 552
Midland, TX 79702-0552
Telephone 915/682-1626

January 25, 2001

Chevron USA
P.O. Box 36366
Houston, Texas 77236

RE: Application for a Unorthodox well location
Indian Basin "D" # 3
1980' FSL & 1870' FEL
Section 34, T-21-S, R-23-E
Eddy County, New Mexico

Dear Sir,

Marathon Oil Company has made an attempt to locate a suitable location for the above mentioned well. Due to an existing pipeline and topographical conditions we had to place the well in a Non- Standard location. As an offset operator you are hereby notified of Marathon Oil Company's intent to drill this well at an unorthodox location.

Please reference the attached surveyors plat and dedication map.

An application to drill and a request for administrative approval subject to OCD Rule # 104 has been duly filed with the New Mexico Oil Conservation Division in Santa Fe , New Mexico.

This well is subject to the Division's Statewide rules and regulations which provide that a well shall be no closer than 1650' to the outer boundary of a lease and no closer than 330 feet to any governmental quarter/ quarter section line or subdivision inner boundary.

The proposed well is located at a legal setback of 1980' from the outer boundary .

This well is unorthodox in that it is closer than 330' to the governmental quarter /quarter section line.

Should Chevron USA have no objection to Marathon's intent to drill the above mentioned well due to the existing pipeline and topographical constraints, please signify by signing below and return an executed copy to me in the envelope provided.

Respectfully,

Jerry Fletcher
Engineer Tech.

Signature _____
Name _____
Title _____
Chevron USA
Date _____



**Marathon
Oil Company**

P.O. Box 552
Midland, TX 79702-0552
Telephone 915/682-1626

January 25, 2001

Kerr McGee
14311 Welch Road
Dallas, Texas 75244-3934

RE: Application for a Unorthodox well location
Indian Basin "D" # 3
1980' FSL & 1870' FEL
Section 34, T-21-S, R-23-E
Eddy County, New Mexico

Dear Sir,

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The proposed well is located at a legal setback of 1980' from the outer boundary .

This well is unorthodox in that it is closer than 330' to the governmental quarter /quarter section line.

Should Kerr McGee have no objection to Marathon's intent to drill the above mentioned well due to the existing pipeline and topographical constraints, please signify by signing below and return an executed copy to me in the envelope provided.

Respectfully,

Jerry Fletcher
Engineer Tech.

Signature _____
Name _____
Title _____
Kerr McGee
Date _____



**Marathon
Oil Company**

P.O. Box 552
Midland, TX 79702-0552
Telephone 915/682-1626

January 25, 2001

Texaco E & P
500 North Loraine
Midland, Texas 79701

RE: Application for a Unorthodox well location
Indian Basin "D" # 3
1980' FSL & 1870' FEL
Section 34, T-21-S, R-23-E
Eddy County, New Mexico

Dear Sir,

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The proposed well is located at a legal setback of 1980' from the outer boundary .

This well is unorthodox in that it is closer than 330' to the governmental quarter /quarter section line.

Should Texaco E & P have no objection to Marathon's intent to drill the above mentioned well due to the existing pipeline and topographical constraints, please signify by signing below and return an executed copy to me in the envelope provided.

Respectfully,

Jerry Fletcher
Engineer Tech.

Signature_____

Name_____

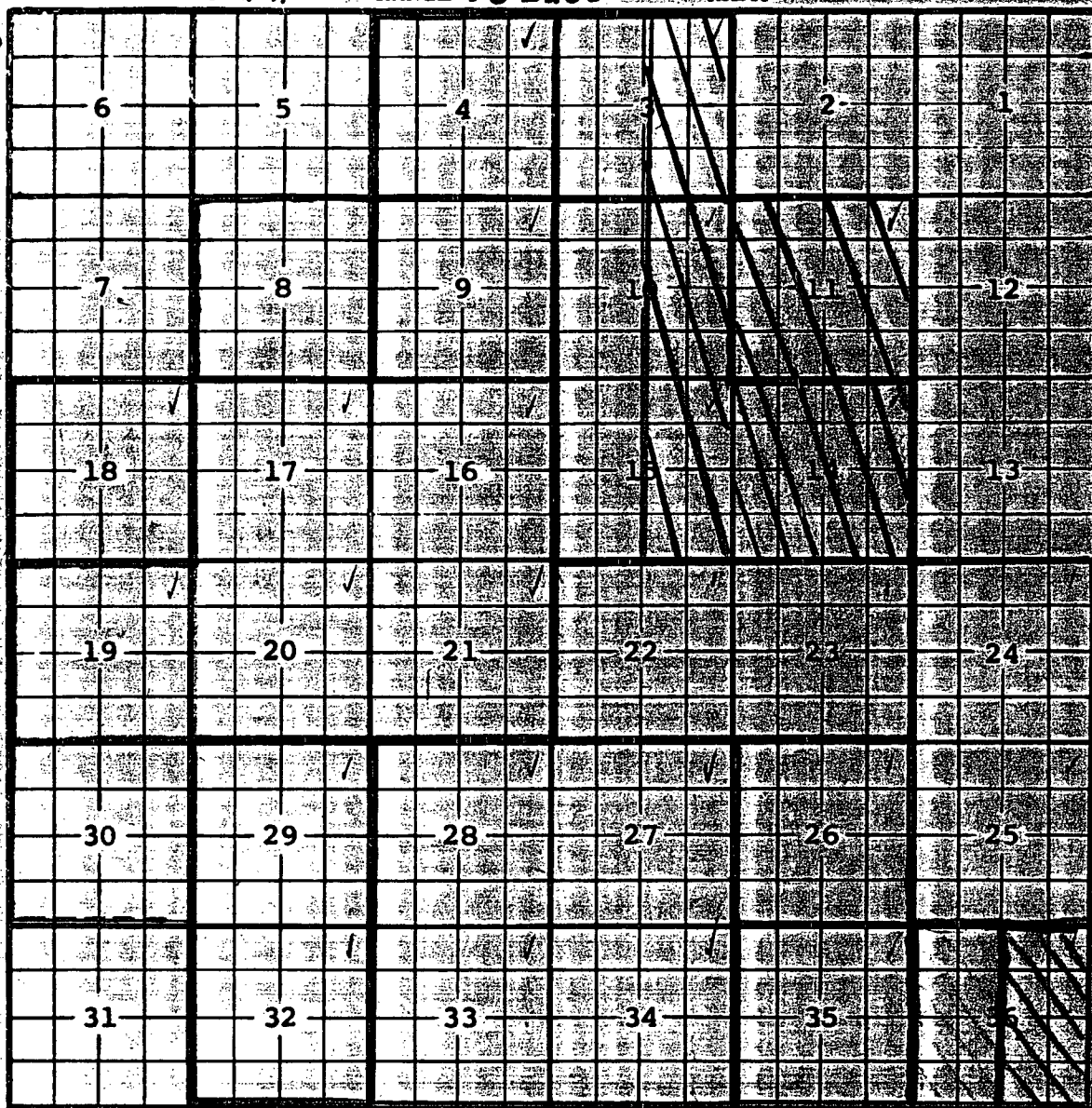
Title_____

Texaco E& P

Date_____

COUNTY EddyPOOL Indian Basin - Upper Pennsylvanian GasTOWNSHIP 21 SouthRANGE 23 East

NMPM



Description: All Sec. 22 & 23 (R-2440, 2-28-63)

Ext: All Sec. 10, 14 & 15 (R-2569, 10-1-63) - All Sec. 26 (R-2671, 4-1-64)

- All Sections 16, 17, 19, 20, 21, 24, 25, 35 & 36 (R-2726, 7-1-64)

- All Secs. 9, 11, 27, 28, 33 & 34 (R-2911, 6-1-65) - All Sec. 3 (R-2946, 9-1-65)

- All Sec. 18 (R-3030, 2-1-66) - All Sec. 29 & 32 (R-3056, 5-1-66) - All Sec. 4 (R-3342, 12-1-67)

Ext: All Sec. 30 (R-6657, 4-20-81) EXT. All Sec. 8 (R-9418, 2-1-91)

Delete All Sec. 11 (A-10234, 11-7-94) Delete All Sec. 14 (A-10236, 11-3-94)

Delete $\frac{E}{2}$ Sec. 3, $\frac{E}{2}$ Sec. 10, $\frac{E}{2}$ Sec. 15 (A-10895, 10-14-97)

Delete $\frac{E}{2}$ Sec. 36 (R-9922-A, 12-7-98)

CMD :
OG5SECT

ONGARD
INQUIRE LAND BY SECTION

02/14/01 13:46:02
OGOMES -TPO1
PAGE NO: 1

Sec : 34 Twp : 21S Rng : 23E Section Type : NORMAL

D 40.00	C 40.00	B 40.00	A 40.00
Federal owned	Federal owned	Federal owned	Federal owned
E 40.00	F 40.00	G 40.00	H 40.00
Federal owned	Federal owned A	Federal owned	Federal owned

PF01 HELP	PF02	PF03 EXIT	PF04 GoTo	PF05	PF06
PF07 BKWD	PF08 FWD	PF09 PRINT	PF10 SDIV	PF11	PF12

CMD :
OG5SECT

ONGARD
INQUIRE LAND BY SECTION

02/14/01 13:46:06
OGOMES -TPO1
PAGE NO: 2

Sec : 34 Twp : 21S Rng : 23E Section Type : NORMAL

L 40.00	K 40.00	J 40.00	I 40.00
Federal owned	Federal owned	Federal owned	Federal owned
	A		
M 40.00	N 40.00	O 40.00	P 40.00
Federal owned	Federal owned	Federal owned	Federal owned

PF01 HELP	PF02	PF03 EXIT	PF04 GoTo	PF05	PF06
PF07 BKWD	PF08 FWD	PF09 PRINT	PF10 SDIV	PF11	PF12

CMD : ONGARD 02/14/01 13:46:21
OG6IWCM INQUIRE WELL COMPLETIONS OGOMES -TPO1

API Well No : 30 15 28955 Eff Date : 08-02-1996 WC Status : A
Pool Idn : 79040 INDIAN BASIN;UPPER PENN (PRO GAS)
OGRID Idn : 14021 MARATHON OIL CO
Prop Idn : 6406 INDIAN BASIN D

Well No : 002
GL Elevation: 3943

	U/L	Sec	Township	Range	North/South	East/West	Prop/Act (P/A)
	---	---	-----	-----	-----	-----	-----
B.H. Locn : F	34	21S	23E	FTG 1650	F N	FTG 1650	F W P

Lot Identifier:

Dedicated Acre: 640.00

Lease Type : F

Type of consolidation (Comm, Unit, Forced Pooling - C/U/F/O) :

M0025: Enter PF keys to scroll

PF01 HELP	PF02	PF03 EXIT	PF04 GoTo	PF05	PF06
PF07	PF08	PF09	PF10 NEXT-WC	PF11 HISTORY	PF12 NXTREC