



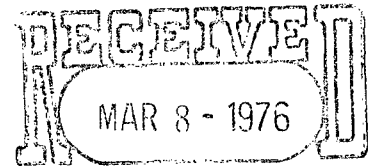
**Marathon
Oil Company**

PO Box 552
Midland Texas 79701
Telephone 915/682 1626

152-763

March 4, 1976

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



OIL CONSERVATION COMM.
Santa Fe

Attention: Mr. Joe D. Ramey
Secretary-Director

Gentlemen:

104 F
See memo to J.R. ASAP

Marathon Oil Company, as Applicant, and as Operator for a group of lessees who have voluntarily formed the South Newmill Drilling Unit in Chaves County, New Mexico, hereby requests that it be granted approval for an unorthodox wildcat gas well location as an exception to the location requirements of the Statewide Rules.

The well in question is the Marathon Oil Company, et al- State "27" Well No. 1, which was permitted and drilled as a wildcat oil well at an orthodox location to the Montoya Formation in a remote part of Chaves County, New Mexico. The specific location of the well was Unit M, located 660 feet from the south line and 660 feet from the west line of Section 27, T-4-S, R-27-E, Chaves County, New Mexico. The well was completed in the Montoya Formation, but after a test was found unproductive and was recompleted in the Strawn Formation as a gas well, hence the unorthodox location. It is proposed the W/2 of Section 27 be assigned as a proration unit for this well.

In the event that this application can be handled administratively under the provisions of Rule 104, Section F, as an exception to Section B thereof, please advise the undersigned and waivers from offset operators, who in this case are in fact participants in the 3,440.56 acre South Newmill Drilling Unit, can be furnished. If this request cannot be so processed administratively, please set this matter for a hearing on the earliest available hearing docket and issue the appropriate notices required by the rules.

New Mexico Oil Conservation Commission
March 4, 1976
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Copies of this application have been furnished by certified mail to the attached list of known offsetting operators. A plat showing the surrounding leases is also attached for your information.

Yours very truly,

A handwritten signature in dark ink, appearing to read "D. E. Morris". The signature is fluid and cursive, with the first letter of each word being capitalized and prominent.

D. E. MORRIS

cc: New Mexico Oil Conservation Commission
Attention: Mr. W. A. Gressett,
Supervisor - District II
Drawer DD
Artesia, New Mexico 88210

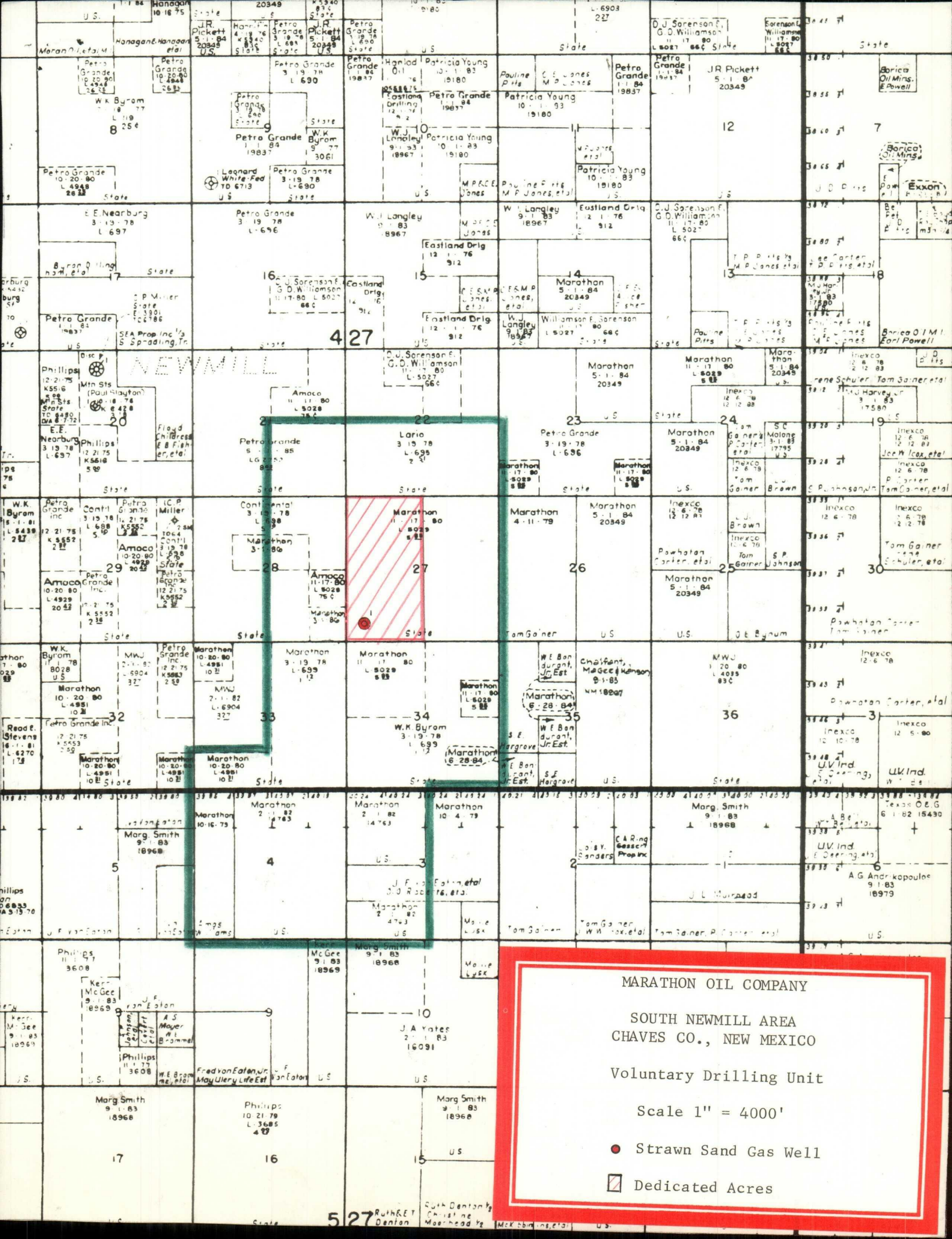
Mr. W. K. Byrom
P. O. Box 147
Hobbs, New Mexico 88240

Continental Oil Company
P. O. Box 431
Midland, Texas 79701
Attention: Mr. B. R. Marshall

Lario Oil & Gas Company
P. O. Box 155
Midland, Texas 79701
Attention: Mr. Stanley H. Fox

Amoco Production Company
P. O. Box 3092
Houston, Texas 77001
Attention: Mr. Joe C. Pulido

Petro Grande, Inc.
4219 Sigma Road
Dallas, Texas 75240
Attention: Mr. Gordon Gibson



MARATHON OIL COMPANY

SOUTH NEWMILL AREA
CHAVES CO., NEW MEXICO

Voluntary Drilling Unit

Scale 1" = 4000'

● Strawn Sand Gas Well

▨ Dedicated Acres

BEFORE THE OIL CONSERVATION COMMISSION
OF THE STATE OF NEW MEXICO

IN THE MATTER OF THE ESTATE OF
SAID OIL CONSERVATION
COMMISSION OF THE STATE OF CERTIFICATION
MEXICO FOR THE PURPOSE OF
CONSIDERING:

I, A. L. PORTER, JR., Secretary-Director
of the New Mexico Oil Conservation Commission,
do hereby certify that this order, Order
No. R-677, is a true and correct copy of the
original on file in the Commission's offices.

IN WITNESS WHEREOF, I have affixed my hand
and Commission seal this 16th day of November,
1961.



A. L. Porter, Jr.
A. L. Porter, Jr.

BY THE COM

On this 16th day of November, 1961, at the City of Albuquerque, New Mexico, before me, the undersigned, a Notary Public, appeared the above named A. L. Porter, Jr., who being duly sworn, depose and say that the foregoing is a true and correct copy of the original on file in the Commission's offices.

Now, on this 16th day of November, 1961, the Commission, composed of the Secretary-Director and the members of the Commission, having considered the foregoing and the evidence introduced, and being fully advised in the premises,

Subscribed and sworn to before me this 16th day
of November, 1961.

(1) That the order of the Commission, No. R-677, is a true and correct copy of the original on file in the Commission's offices, and the undersigned, Notary Public, do hereby certify that the foregoing is a true and correct copy of the original on file in the Commission's offices.

John Rodriguez
Notary Public

My commission expires:

(2) That the order of the Commission, No. R-677, is a true and correct copy of the original on file in the Commission's offices, and the undersigned, Notary Public, do hereby certify that the foregoing is a true and correct copy of the original on file in the Commission's offices.

(3) That the order of the Commission, No. R-677, is a true and correct copy of the original on file in the Commission's offices, and the undersigned, Notary Public, do hereby certify that the foregoing is a true and correct copy of the original on file in the Commission's offices.