



BRUCE KING
GOVERNOR

ANITA LOCKWOOD
CABINET SECRETARY

STATE OF NEW MEXICO
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT
OIL CONSERVATION DIVISION



2040 S. PACHECO
SANTA FE, NEW MEXICO 87505
(505) 827-7131

November 10, 1994

Marathon Oil Company
P. O. Box 552
Midland, Texas 79702-0552

Attention: L. N. Hoover

Administrative Order SD-94-2.1

Dear Mr. Hoover:

Reference is made to your application dated November 2, 1994. Marathon Oil Company ("Marathon") is hereby authorized to simultaneously dedicate Eumont Gas Pool production to the previously approved non-standard 160-acre gas spacing and proration unit ("GPU") comprising the S/2 N/2 of Section 9, Township 20 South, Range 37 East, NMPM, Lea County, New Mexico (Division Order No. R-527-A, dated October 4, 1954), from the following three wells:

- the existing W. H. Laughlin Well No. 3 (API No. 30-025-06036) located at a standard gas well location 1980 feet from the North and East lines (Unit G) of said Section 9;
- the existing W. H. Laughlin Well No. 5 (API No. 30-025-32380) located at a standard gas well location 1980 feet from the North line and 710 feet from the East line (Unit H) of said Section 9; and,
- from the proposed W. H. Laughlin Well No. 6 (API No. 30-025-32465) to be drilled at a standard Eumont gas well location 1980 feet from the North line and 2250 feet from and West line (Unit F) of said Section 9.

Administrative Order SD-94-2.1

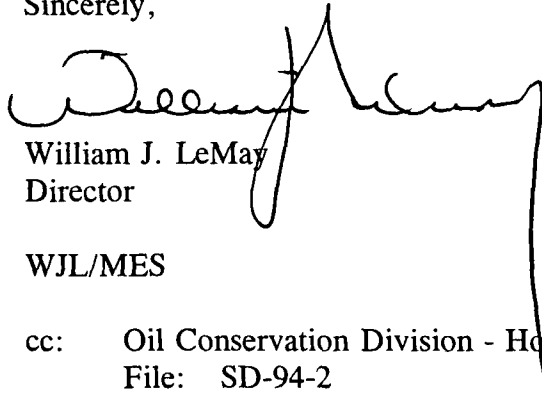
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Further, Marathon is permitted to produce the allowable assigned said non-standard 160-acre GPU from all three wells in any proportion.

Sincerely,

A handwritten signature in black ink, appearing to read "William J. LeMay". The signature is fluid and cursive, with a long, sweeping horizontal stroke at the end.

William J. LeMay
Director

WJL/MES

cc: Oil Conservation Division - Hobbs
File: SD-94-2