

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

RECEIVED

APPLICATION OF MARATHON OIL  
COMPANY FOR AN ORDER ESTABLISHING  
A SPECIAL POOL ALLOWABLE FOR THE  
VACUUM-GLORIETA POOL, LEA COUNTY,  
NEW MEXICO

MAR 10 1982

CASE NO.                       
OIL CONSERVATION DIV.  
SANTA FE

10462

APPLICATION

1. The name of the applicant is Marathon Oil Company.
2. The name or general description of the common source of supply to be affected by the requested order is the Vacuum-Glorieta Pool, as established by Order No. R-2449 dated April 1, 1963, and as amended by the following orders:

<u>Order No.</u>	<u>Date</u>
R-2485	June 1, 1963
R-2552	September 1, 1963
R-2620	January 1, 1964
R-2705	June 1, 1964
R-2760	September 1, 1964
R-2833	January 1, 1965
R-2870	March 1, 1965
R-2967	October 1, 1965
R-3166	January 1, 1967
R-7334	September 1, 1983

Said pool underlies the following land in Lea County, New Mexico:

Township 17 South, Range 34 East, N.M.P.M.

Section 24: W $\frac{1}{2}$ , SE $\frac{1}{4}$   
Section 25: All  
Section 26: SE $\frac{1}{4}$   
Section 35: E $\frac{1}{2}$   
Section 36: All

Township 17 South, Range 35 East, N.M.P.M.

Section 26: W $\frac{1}{2}$   
Section 27: All  
Section 28: All

Township 17 South, Range 35 East, N.M.P.M., (cont.)

Section 29: All  
Section 30: All  
Section 31: All  
Section 32: All  
Section 33: All  
Section 34: W $\frac{1}{2}$

Township 18 South, Range 34 East, N.M.P.M.

Section 1: N $\frac{1}{2}$   
Section 2: NE $\frac{1}{4}$

Township 18 South, Range 35 East, N.M.P.M.

Section 5: N $\frac{1}{2}$   
Section 6: N $\frac{1}{2}$

3. Applicant requests an order establishing a special allowable for each well producing from the Vacuum-Glorietta Pool equal to the producing capability of each such well. The current daily allowable for wells producing from the pool is 107 barrels. Said order will not impair correlative rights in the pool, and will not result in waste or damage to the pool.

4. There are currently seven wells producing from the Vacuum-Glorieta Pool which are capable of producing in excess of the currently applicable daily allowable. Five of these wells are operated by EXXON Company U.S.A., and are known as the New Mexico K State Nos. 27, 28, 29, 34 and 36. Two of these wells are operated by Marathon Oil Company, and are known as the Warn State A/C 3 Nos. 6 and 7.

5. Phillips Petroleum Company has proposed the unitization of that portion of the Vacuum-Glorieta Pool underlying the following land:

Township 17 South, Range 35 East, N.M.P.M.

Section 26:  $N\frac{1}{2}NW\frac{1}{4}$ ,  $SW\frac{1}{2}NW\frac{1}{4}$ ,  $NW\frac{1}{4}SW\frac{1}{2}$   
Section 27: All  
Section 28:  $S\frac{1}{2}$ ,  $NE\frac{1}{4}$ ,  $E\frac{1}{2}NW\frac{1}{4}$ ,  $SW\frac{1}{4}NW\frac{1}{4}$   
Section 29:  $S\frac{1}{2}N\frac{1}{2}$ ,  $S\frac{1}{2}$   
Section 30:  $S\frac{1}{2}NE\frac{1}{4}$ ,  $SE\frac{1}{4}NW\frac{1}{4}$ ,  $E\frac{1}{2}SW\frac{1}{4}$ ,  $SE\frac{1}{4}$   
Section 31:  $E\frac{1}{2}W\frac{1}{2}$ ,  $E\frac{1}{2}$   
Section 32: All  
Section 33:  $N\frac{1}{2}$ ,  $N\frac{1}{2}S\frac{1}{2}$ ,  $SW\frac{1}{4}SW\frac{1}{4}$   
Section 34:  $N\frac{1}{2}NW\frac{1}{4}$ ,  $SW\frac{1}{4}NW\frac{1}{4}$ ,  $NW\frac{1}{4}SW\frac{1}{4}$

Township 18 South, Range 35 East, N.M.P.M.

Section 5:  $N\frac{1}{2}N\frac{1}{2}$ ,  $SW\frac{1}{4}NW\frac{1}{4}$

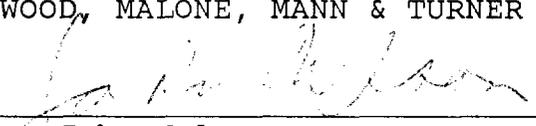
In order to obtain sufficient information to establish a fair, reasonable and equitable formula for the allocation of costs and production in the proposed unit, it is necessary to produce wells in the Vacuum-Glorieta Pool at their full capacity. In certain instances, as stated above, such capacity may exceed the allowable currently applicable to said pool.

Applicant therefore requests that this Application be set for hearing before an examiner of the Oil Conservation Division on April 2, 1992, and that, after notice and hearing as required by law, the Division enter its order establishing a special pool allowable applicable to the Vacuum-Glorieta Pool, as stated above.

Respectfully submitted,

ATWOOD, MALONE, MANN & TURNER

By

  
John Nelson  
P. O. Drawer 700  
Roswell, NM 88202  
(505) 622-6221

Attorneys for Marathon Oil Company

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

IN THE MATTER OF THE HEARING  
CALLED BY THE OIL CONSERVATION  
DIVISION FOR THE PURPOSE OF  
CONSIDERING:

CASE NO. 10462  
Order No. R-9677

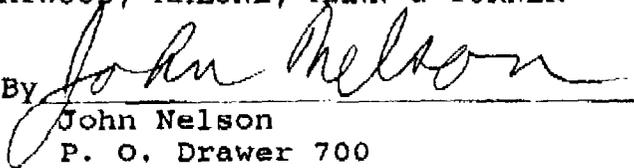
APPLICATION OF MARATHON OIL  
COMPANY FOR TERMINATION OF OIL  
PRORATIONING IN THE VACUUM-  
GLORIETA POOL, LEA COUNTY, NEW  
MEXICO.

APPLICATION FOR HEARING DE NOVO

The Division rendered its Order No. R-9677 on May 22, 1992. Pursuant to §70-2-13 NMSA (1978) and Rule 1220 of the Division's Rules and Regulations, the Applicant, Marathon Oil Company, hereby requests that its Application be heard de novo before the Oil Conservation Commission. Marathon's request for a hearing de novo is limited to the issue of whether the relief requested by Marathon's Application should be allowed for a limited test period of nine months.

Respectfully submitted,

ATWOOD, MALONE, MANN & TURNER

By 

John Nelson  
P. O. Drawer 700  
Roswell, NM 88202  
(505) 622-6221

Attorneys for Marathon Oil Company

CERTIFICATE OF SERVICE

I hereby certify that a copy of the foregoing Application for Hearing De Novo was mailed this 19 day of JUNE, 1992, to James Bruce, P. O. Box 2068, Santa Fe, NM 87504, attorney for Phillips Petroleum Company and Exxon Company USA, and to W. Perry Pease, P. O. Box 2307, Santa Fe, NM 87504, attorney for Mobil Exploration & Producing U.S., Inc.

  
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John Nelson