



STATE OF NEW MEXICO

ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION

GARREY CARRUTHERS  
GOVERNOR

September 22, 1989

POST OFFICE BOX 2088  
STATE LAND OFFICE BUILDING  
SANTA FE, NEW MEXICO 87504  
(505) 827-5800

Mr. Jeffrey L. Bowman  
Bill Fenn, Inc.  
P. O. Drawer 569  
Giddings, Texas 78942

Re: CASE NO. 9756  
ORDER NO. R-9002

Applicant:

Bill Fenn, Inc.

Dear Sir:

Enclosed herewith are two copies of the above-referenced  
Division order recently entered in the subject case.

Sincerely,

*Florene Davidson*

FLORENE DAVIDSON  
OC Staff Specialist

Copy of order also sent to:

Hobbs OCD           X            
Artesia OCD           X            
Aztec OCD                           

Other Steve Daniels

Bill Fenn, Inc.  
Oil and Gas Exploration

BILL FENN, President

P.O. Drawer 569  
Giddings, Texas 78942  
(409) 542-9631

September 14, 1989

New Mexico Oil Conservation Division  
State Land Office Building  
310 Old Santa Fe Trail  
Santa Fe, New Mexico 85701

Attention: Mr. Michael E. Stogner  
Chief Hearing Officer/Engineer

Re: Application for Approval of  
Unorthodox Strawn Gas Well  
Location, Roaring Springs Fed.  
Com. No. 1, 1650' FNL - 990' FWL  
Section 14, T21S-R23E  
N.M.P.M. Eddy County, N. M.

Dear Mr. Stogner:

Marathon Oil Company ("Marathon") and Bill Fenn, Inc. ("Fenn") have reached an agreement regarding the above referenced application. Marathon has agreed to approve the unorthodox location provided that the gas allowable from the well is determined by the formula detailed in this letter.

Fenn and Marathon agree to a daily allowable from the Strawn Formation equal to a base amount of 500 MCF of gas per day plus fifty percent (50%) of the difference between the maximum daily deliverability of the formation and 500 MCF. The formula is as follows:  $500 \text{ MCFPD} + [50\% \times (\text{Maximum Daily Deliverability} - 500 \text{ MCF})]$  = Daily Allowable.

Fenn requests that the unorthodox location be approved by the Oil Conservation Division with the allowable set as detailed herein. Marathon has executed this letter to show its approval provided that the aforementioned allowable formula is established for the Strawn Formation in the well.

Sincerely,

  
Jeffrey L. Bowman

Marathon Oil Company

By: 

Title: Region Pres. Mgr.



9/5/89

Florine

Per a telephone conversation  
w/ Jeff Bowman of Bell  
Fenn, Inc. Case No. 9756  
will be continued to Sept. 20,  
1989.

Marathon was notified of this  
change.

M.S.