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Amoco Production Company

Houston Region
501 WestLake Park Boulevard
Post Office Box 3092
Houston, Texas 77253

James F. Trickett
Regional Environmental, Safety &
Regulatory Affairs Manager

April 16, 1990

State of New Mexico Energy and Minerals Department
Oil Conservation Division
P. O. Box 2088
Santa Fe, New Mexico 87504-2088

Attention: Division Director

File: JCA-2803-986.51NM

Marathon Oil Company's
Request for Unorthodox Well Location
Indian Basin Gas Com Well No. 2
732' FSL and 1,173' FWL
Section 23, T-21-S, R-23-E
Indian Basin Field
Eddy County, New Mexico

Amoco Production Company as a working interest owner in the Indian Basin "A" No. 2, Indian Basin "C" No. 1 and Indian Basin "E" No. 1 wells which offset Marathon Oil Company's proposed Indian Basin Gas Com No. 2 have no objection to the proposed unorthodox location and recommend the location be approved without penalty.

Yours very truly,

JWC/raw



**Marathon
Oil Company**

1990 APR 16 11 09 16

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

March 29, 1990

State of New Mexico Energy and Minerals Department
Oil Conversation Division
P. O. Box 2088
Santa Fe, New Mexico 87504-2088

Attention: Division Director

*Case
No. 9915*

RE: Marathon Oil Company's
Request for Unorthodox Well Location
Indian Basin Gas Com Well No. 2
732' FSL and 1,173' FWL
Section 23, T-21-S, R-23-E
Indian Basin Field
Eddy County, New Mexico

Dear Sir:

Kerr-McGee Corporation as a working interest owner in the Indian Basin "A" No. 2, Indian Basin "C" No. 1 and Indian Basin "E" No. 1 wells which offset Marathon Oil Company's proposed Indian Basin Gas Com No. 2 have no objection to the proposed unorthodox location and recommend the location be approved without penalty.

Sincerely,


Kerr-McGee Corporation



Antenna Production Company

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*Case No.
9915*

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4/16/90	Page 1 of 2
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ILLEGIBLE

COUNTY Eddy

POOL Indian Basin - Upper Pennsylvanian Gas

TOWNSHIP 21 South

RANGE 23 East

NMPM "

6	5	4	3	2	1
7	8	9	10	11	12
18	17	16	15	14	13
19	20	21	22	23	24
30	29	28	27	26	25
31	32	33	34	35	36

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-2679, 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-6652, 4-20-81)



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

GARREY CARRUTHERS
GOVERNOR

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

March 27, 1990

Marathon Oil Company
P.O. Box 552
Midland, TX 79702

9915

Attention: Curtis D. Smith

RE: Administrative application for an unorthodox gas well location, Indian Basin Gas Com Well No. 2 732' FSL - 1173' FWL (Unit M) Section 23, Township 21 South, Range 23 East, NMPM, to test both the Indian Basin Morrow and Indian Basin Upper Pennsylvanian Gas Pools, Eddy County, New Mexico.

Dear Mr. Smith:

Per our telephone conversation today attached is a copy of Division Memorandum No. 1-90, *Administrative Applications for Unorthodox Locations due to Topographical Conditions*, and a copy of Division Order No. R-8170, as amended, *General Rules for Prorated Gas Pools in New Mexico*, which contains the Special Rules and Regulations for both the Indian Basin Morrow and Indian Basin Upper Pennsylvanian Gas Pools.

Should you have any questions concerning this matter, please contact me.

Sincerely,

A handwritten signature in cursive script, appearing to read "Michael E. Stogner".

Michael E. Stogner
Chief Hearing Officer/Engineer

MES/ag

cc: Oil Conservation Division - Artesia
US Bureau of Land Management - Carlsbad



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

GARREY CARRUTHERS
GOVERNOR

March 27, 1990

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

Bureau of Land Management
Carlsbad Resources Office
P.O. Box 1778
Carlsbad, NM 88220

Attention: Barry Hunt

9915

*RE: Marathon Oil Company, Indian Basin Gas
Com Well No. 2, 732' FSL - 1173' FWL
(Unit M), Section 23, Township 21 South,
Range 23 East, NMPM, Indian Basin
Morrow and Indian Basin Upper
Pennsylvanian Gas Pool, Eddy County, New
Mexico.*

Dear Mr. Hunt:

Enclosed please find a copy of an unorthodox gas well location request for a well with 640-acre spacing that the NMOCD received on March 26, 1990. This information is being provided to you for your records since the well is within your jurisdiction. Should you have any comments or suggestions, please contact me.

Sincerely,

Michael E. Stogner
Chief Hearing Officer/Engineer

MES/ag

cc: Oil Conservation Division - Artesia
Marathon Oil Company - Midland, TX

Mid-Continent Region
Exploration United States



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

May 9, 1990

State of New Mexico
Oil Conservation Division
P. O. Box 2088
Santa Fe, New Mexico 87501-2088

Attention: Mr. Michael E. Stogner
Division Examiner

Re: NMOCD Case #9915 - Indian Basin Gas Com Well #2
NMOCD Order #R-9163
Our Lease NM-1797 - Indian Basin Unit
Eddy County, New Mexico

Dear Mr. Stogner:

We are in receipt of the Order of the Division dated April 27, 1990, giving approval to drill the captioned well at the Unorthodox Location of 732' FSL and 1,173' FWL of Section 23, T-21-S, R-23-E. Marathon Oil Company would like to commend you on the timeliness and efficiency of this order, enabling us to spud the subject well at an early date.

Once again, thank you for your timeliness and fairness in handling this case.

Yours very truly,

MARATHON OIL COMPANY

A handwritten signature in cursive script that reads 'Curtis D. Smith'.

Curtis D. Smith
Landman

CDS:mmc'

xc: Mr. R. W. Tracy
Mr. C. T. Kent
Mr. L. D. Garcia
Mr. E. D. Carlson