

STATE OF NEW MEXICO
DEPARTMENT OF ENERGY AND MINERALS
OIL CONSERVATION COMMISSION

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SEP 1 1987

IN THE MATTER OF THE APPLICATION
OF MARATHON OIL COMPANY
FOR COMPULSORY POOLING,
LEA COUNTY, NEW MEXICO.

OIL CONSERVATION DIVISION

Case: 9222

A P P L I C A T I O N

Comes now MARATHON OIL COMPANY, by and through their attorneys, Kellahin, Kellahin & Aubrey, and applies to the Oil Conservation Division of New Mexico for an order pooling all mineral interests in the Atoka-Morrow formation, North Vacuum Atoka-Morrow Pool, underlying the S/2 of Section 16, T17S, R35E, NMPM, Lea County, New Mexico for the formation of a proration and spacing unit for the said production, and in the Abo/Wolfcamp as secondary formations with appropriate adjustment in spacing, and in support thereof would show the Division:

1. Applicant is the owner of the right to drill and develop the S/2 of Section 16, T15S, R35E, Lea County, New Mexico.

2. Applicant proposes to drill a well to test the Atoka-Morrow formation at a standard location to a total depth of approximately 12,500 feet.

3. Applicant has sought and obtained the participation of all parties with the exception of those individuals listed in Paragraph 4.

4. Those who have not consented to join in the drilling of the well, with their addresses to the best of applicant's information and belief are as follows:

<u>Name</u>	<u>Interest</u>
Texaco Inc. Box 3109 Midland, Texas 79702 Attn: Mr. S. L. Chandler	NE/4SW/4 (40 acres)
Shell Western Exploration & Exploration Inc. Box 576 Houston, Texas 77001 Attn: Mr. Bob Davis	SW/4SE/4 (40 acres)
C. W. Trainer 526 Sandy Mountain Sunrise Beach, Texas 78643	NW/4SW/4 (160 acres) S/2SW/4 SE/4SE/4

5. In order to obtain their just and equitable share of the production underlying the above lands, Applicant needs an order pooling the mineral interest involved.

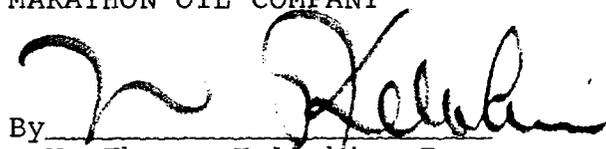
WHEREFORE, applicant prays that this application be set for hearing before the Division's duly appointed examiner, and that after notice and hearing as required by law, the Division enter its order pooling the mineral interest described herein. Applicant further prays that

it be named operator of the well, and that the order make provisions for applicant to recover out of production its costs of drilling the subject well, completing and equipping it, costs of operation, including costs of supervision and a risk factor in the amount of 200% for the drilling of the well, for such other and further relief as may be proper.

Respectfully submitted,

MARATHON OIL COMPANY

By



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Attorneys for Applicant