

DOYLE HARTMAN

Oil Operator

February 7, 1996

Federal Express

William J. LeMay, Director
Energy and Minerals Department
Oil Conservation Division
2040 South Pacheco
Santa Fe, New Mexico 87505

Re: Administrative Application for:
1. Simultaneous Dedication
2. Rule 104(F) (2) Unorthodox location

Britt Laughlin "Com" No. 8
1980' FSL & 1980' FEL (J)
Section 5, T-20-S, R-37-E
Lea County, New Mexico

Gentlemen:

With respect to that certain C-101 filed by us with the NMOCD on January 19, 1996, we have successfully re-entered and re-completed, as a Eumont gas well, the previously plugged and abandoned Laughlin No. 1 Eunice-Monument well situated at an orthodox Eunice-Monument location consisting of 1980' FSL and 1980' FEL Section 5, T-20-S, R-37-E, Lea County, New Mexico.

Consequently, we hereby request administrative approval to simultaneously dedicate our Britt-Laughlin "Com" No. 8 (formerly Laughlin No. 1) infill well to the previously approved 280-acre Britt-Laughlin "Com" Eumont gas proration unit consisting of the SE/4, SE/4SW/4 Section 5 and NE/4NE/4, NE/4NW/4 Section 8, T-20-S, R-37-E, Lea County, New Mexico. Also, so as to prevent waste caused by the drilling of unnecessary wells, and as provided under NMOCD rule 104 (F) (2), we respectfully request that the existing Britt Laughlin Com No. 8 well location consisting of 1980' FSL and 1980' FEL of Section 5, T-20-S, R-37-E be administratively approved as an unorthodox Eumont location resulting from:

"...the re-completion of a well previously drilled to a deeper horizon ..." where "... said well was drilled at an orthodox or approved location for such original horizon..."

To assist you in your processing of this application, a color-coded land map depicting the 280-acre Britt-Laughlin Eumont proration unit and proposed unorthodox Eumont location is enclosed herewith. Supplementing the enclosed color-coded land plat is a companion table describing, by tract number, all adjoining and diagonal Eumont proration units as defined by NMOCD rule 104(F) (3) (a).

Finally, in compliance with NMOCD rule 104 (F) (3) (a), we hereby attest that complete copies of this application were sent this date, by Certified-Return Receipt mail, to the below listed adjoining and diagonal Eumont spacing unit operators advising such operators that, as to any legitimate objection that they may have to this application, such objection must be filed in writing with the NMOCD within twenty days from the date that our notice was sent.

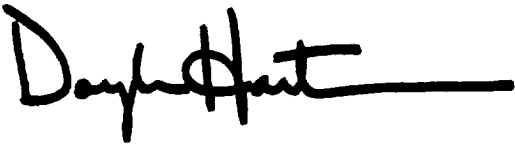
1. Marathon Oil Company
125 W. Missouri
Midland, Texas 79701

2. Texaco Exploration & Production Inc.
500 North Loraine
Midland, Texas 79701

Thank you for your consideration in this matter.

Very truly yours,

DOYLE HARTMAN

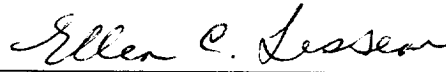


Doyle Hartman

DH/jb
Enclosures

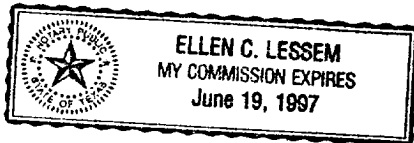
wd2:ocd122

SWORN TO AND SUBSCRIBED before me this 7TH day of FEBRUARY, 1996, in Dallas, Texas.



Notary Public

Printed Name
of Notary: ELLEN C. LESSEM



cc: Mr. Jerry Sexton, Supervisor
New Mexico Oil Conservation Division
P.O. Box 1980
Hobbs, N.M. 88241-1980

Mr. James A. Davidson
P.O. Box 494
Midland, Texas 79702

Mr. Michael Stogner, Chief Hearing Officer
New Mexico Oil Conservation Division
2040 South Pacheco
Santa Fe, N.M. 87505

Mr. Don Mashburn
500 North Main
Midland, Texas 79701

Mr. Daniel S. Nutter
105 E. Alciante
Santa Fe, N.M. 87501

Mr. Steve Hartman
500 North Main
Midland, Texas 79701

Mr. J.E. Gallegos
Gallegos Law Firm
460 St. Michaels Drive
Bldg. 300
Santa Fe, N.M. 87505

Ms. Cindy Brooks
500 North Main
Midland, Texas 79701

Mr. Jefferson Massey
500 North Main
Midland, Texas 79701

NMOCD Rule 104 (F) (3) (a)
Adjoining and Diagonal Eumont Proration Units

1. Marathon Oil Company
Bertha Barber P.U.
S/2SW/4 Section 32, T-19-S, R-37-E
NW/4, N/2SW/4 Section 5, T-20-S, R-37-E
320 acres/AF=2.0
(Pink)

2. Texaco Exploration & Production, Inc.
Cooper-Love P.U.
S/2SE/4 Section 32, T-19-S, R-37-E
NE/4 Section 5, T-20-S, R-37-E
240 acres/AF=1.5
(Green)

04 F. UNORTHODOX LOCATIONS

(1) Well locations for producing wells and/or injection wells which are unorthodox based on the well location requirements of Rule 104.C(1)(a) above and which are necessary to permit the completion of an efficient production and injection pattern within a secondary recovery, tertiary recovery, or pressure maintenance project are hereby authorized, provided that any such unorthodox location within such project is no closer than the required minimum orthodox distance to the outer boundary of the lease or the unitized area, nor closer than 10 feet to any quarter-quarter section line or subdivision inner boundary. Such locations shall only require such prior approval as is necessary for an orthodox location.

(2) The Division Director shall have authority to grant an exception to the well location requirements of Sections 104.B and 104.C above or to the well location requirements of special pool rules without notice and hearing when the necessity for such unorthodox location is based upon geologic conditions, archaeological conditions, topographical conditions, or the recompletion of a well previously drilled to a deeper horizon provided said well was drilled at an orthodox or approved unorthodox location for such original horizon.

(3) Applications for administrative approval of unorthodox locations pursuant to Rule 104.F(2), above, shall be accompanied by a plat showing the subject spacing unit, its proposed unorthodox well location, the diagonal and adjoining spacing units and/or leases (whichever is applicable) and wells, and a list of affected parties. If the proposed unorthodox location is based upon topography or archaeology, the plat shall also show and describe the existent topographical or archaeological conditions. If the proposed unorthodox location is based upon geology, the application shall include appropriate geologic exhibits and a discussion of the geologic conditions which result in the necessity for the unorthodox location.

(a) Adjoining and diagonal spacing units shall be defined as those immediately adjacent existing spacing units in the same pool(s) as the proposed unorthodox well and towards which the unorthodox well location encroaches.

(b) Affected parties shall be defined as those parties who own interests in leases or operate wells on adjoining or diagonal spacing units and include:

- (i) the designated operator of any adjoining or diagonal spacing unit producing from the same pool(s) as the proposed well;
- (ii) in the absence of an operator, all lessees of record of any diagonal or adjoining lease owning interests in the same pool(s) as the proposed well; and
- (iii) in the absence of an operator or lessee, all owners of record of unleased mineral interests in the same pool(s) as the proposed well.

(4) The applicant shall submit a statement attesting that applicant, on or before the same date the application was submitted to the Division, has sent notification to the affected parties by submitting a copy of the application, including a copy of the plat described in Rule 104.F(3) above by certified or registered mail-return receipt in accordance with Rule 1207(A)(5) advising them that if they have an objection it must be filed in writing within twenty days from the date notice was sent. The Division Director may approve the unorthodox location upon receipt of waivers from all said parties or if no said party has entered an objection to the unorthodox location within 20 days after the Director has received the application.

(5) The Division Director may set any application for administrative approval of an unorthodox location for public hearing, and may require that a directional survey be run in the unorthodox well to establish the actual location of the producing interval(s).

104.G. Whenever an exception is granted, the Division may take such action as will effect any advantage which the person securing the exception may obtain over other producers by reason of the unorthodox location.

DOYLE HARTMAN

Oil Operator

February 7, 1996

CERTIFIED MAIL - RETURN RECEIPT REQUESTED

ADJACENT AND DIAGONAL EUMONT OPERATORS

Britt Laughlin Com No. 8
1980' FSL & 1980' FEL (J)
Section 5, T-20-S, R-37-E
Lea County, New Mexico

Re: Waiver and Notice Letter
Rule 104(F) (2) Unorthodox Location
Britt Laughlin Com No. 8
1980' FSL & 1980' FEL (J)
Section 5, T-20-S, R-37-E
Lea County, New Mexico

Gentlemen:

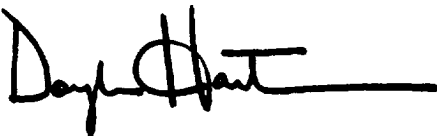
Reference is made to our Rule 104(F)(2) administrative application to the NMOCD dated February 7, 1996 (copy enclosed), for an unorthodox Eumont location for our Britt Laughlin Com No. 8 well consisting of 1980' FSL and 1980' FEL of Section 5, T-20-S, R-37-E, Lea County, New Mexico. As an adjoining or diagonal operator, as defined under Rule 104(F)(3)(a), we hereby respectfully request your written waiver of our Rule 104(F)(2) administrative application for an unorthodox location for the subject well.

If you are agreeable to granting to us a written waiver, please indicate your waiver of our administrative application by signing, in the space provided below, one (1) copy of this waiver letter and returning it to us, at your earliest convenience, in the enclosed pre-addressed pre-stamped envelope.

Thank you for your consideration in this matter.

Very truly yours,

DOYLE HARTMAN



Doyle Hartman

DH/jb
Enclosures
wd2/ocd122a

Waiver Letter
Rule 104(F) (2) Unorthodox Location
Britt Laughlin Com No. 8

AGREED TO AND APPROVED BY:

MARATHON OIL COMPANY

BY: _____

DATE: _____

AGREED TO AND APPROVED BY:

TEXACO EXPLORATION & PRODUCTION, INC.

BY: _____

DATE: _____

DOYLE HARTMAN
Oil Operator

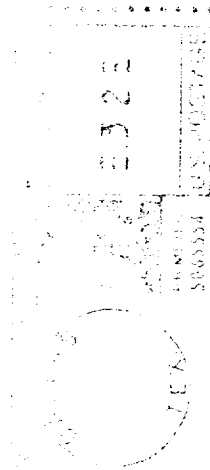
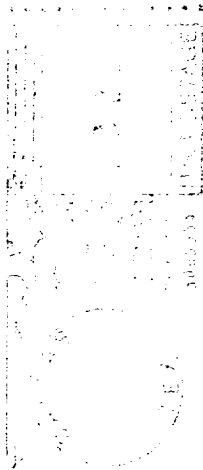
3811 TURTLE CREEK BLVD / SUITE 200
DALLAS, TEXAS 75219-4419

Doyle Hartman Oil Operator
3811 Turtle Creek Blvd.
200 Turtle Creek Centre
Dallas, Texas 75219-4419

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DALLAS, TEXAS 75219-4419

Doyle Hartman Oil Operator
3811 Turtle Creek Blvd.
200 Turtle Creek Centre
Dallas, Texas 75219-4419



Z 252-672 987

MAIL



Z 252 672 987

Receipt for Certified Mail
No Insurance Coverage Provided
Do not use for International Mail
(See Reverse)

Send to	
Marathon Oil Company	
125 W. Missouri	
Midland, Texas 79701	
Postage	\$.88
Certified Fee	1.10
Special Delivery Fee	
Registered Delivery Fee	
Return Receipt (Showing to Whom & Date Delivered)	1.10
Return Receipt (Showing to Whom, Date, and Addressee's Address)	
TOTAL Postage & Fees	\$ 2.98
Postmark or Date	

DOYLE HARTMAN
Oil Operator
1811 TURTLE CREEK BLVD / SUITE 200
DALLAS, TEXAS 75219-4419

Marathon Oil Company
125 W. Missouri
Midland, Texas 79701

Is your RETURN ADDRESS completed on the reverse side?

SENDER:
 1. Complete items 1 and/or 2 for additional services.
 2. Complete items 3, and 4a & b.
 3. Print name and address on the reverse of this form so that we can return it to you.
 4. Attach this form to the front of the package or on the inside of the box.
 5. When Return Receipt Requested, you will receive below the article number.
 6. The Return Receipt will show to whom the article was delivered and the date delivered.

I also wish to receive the following services (for an extra fee):
 1. Addressee's Address
 2. Restricted Delivery
 Consult postmaster for fee.

3. Article Addressed to:
 Marathon Oil Company
 125 W. Missouri
 Midland, Texas 79701

4. Article Number
 Z 252 672 987
 4b. Service Type
 Registered Insured
 Certified COD
 Express Mail Return Receipt for Merchandise
 7. Date of Delivery

5. Signature (Addressee)

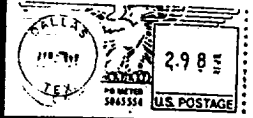
8. Addressee's Address (Only if requested and fee is paid)

6. Signature (Agent)

Thank you for using Return Receipt Service

CERTIFIED

Z 252 L72 98A
MAIL



Z 252 L72 98A

Receipt for Certified Mail
No Insurance Coverage Provided
Do not use for International Mail
(See Reverse)

To	
Texaco Exploration & Prod. Inc.	
500 N. Lorraine	
Midland, Texas 79701	
Postage	\$.88
Certified fee	\$ 1.10
Special Delivery fee	
Insurance (if desired)	
Return Receipt (showing to whom & date delivered)	\$ 1.10
Return Receipt (showing to whom, date, and addressee's address)	
TOTAL Postage & Fees	\$ 2.98
Postmark or Date	

DOYLE HARTMAN
Oil Operator
3111 TURTLE CREEK BLVD / SUITE 300
DALLAS, TEXAS 75219-4419

Texaco Exploration & Production, Inc.
500 N. Lorraine
Midland, Texas 79701

SENDER'S INFORMATION

1. Print or type the address on the reverse of this form so that we can return it to you if necessary.

2. Affix this form to the front of the package, or on the back if space is lacking.

3. Write or type the name requested on the label(s) below the article number.

4. The return receipt will be mailed to you when the package is delivered and the date of delivery.

3. Article addressed to:

Texaco Exploration & Production, Inc.
500 N. Lorraine
Midland, Texas 79701

5. To insure the contents of the package, you may wish to declare the following value for the package (see instructions on reverse).

- 1. Addressed to Addressee
 - 2. Restricted Delivery
- Consult postmaster for details.

4. Article Number: **Z 252 L72 98A**

- 4b. Registered Mail
- 4c. Certified Mail
- 4d. Express Mail

7. Date of delivery:

5. Signature (Addressee):

8. Addressee's Address (Only if requested and fee is paid):

6. Signature (Postmaster):

If you RETURN ADDRESS, affix to the reverse side.

Thank you for using Return Receipt Service.