

Release Oct. 20, 1985

By Michael E. Stoyan

Houston Division
Production Operations, United States

NSP(L) - 1475

P.O. Box 2409
Hobbs, New Mexico 88240
Telephone 505/393-7106



NSL - Rule 3 of R-6012

NSP - Rule 5(C)3 of R-6012

September 23, 1985

Oil Conservation Division
P. O. Box 2088
Santa Fe, New Mexico, 87501
Attn: Division Director

Re: Non-standard Gas Proration Unit and Unorthodox Well Location,
Tubb Gas Pool, J. L. Muncy Well No. 6, Lea County, New Mexico.

Gas

consisting of
the S/2 NE/4 and
the N/2 SE/4 of
24, 22S, 37E

Oil+

existing well

Dear Sir:

Marathon Oil Company requests administrative approval for a non-standard gas proration unit and an unorthodox location for the ~~J. L. Muncy Well No. 6~~. The exact location of this well is as follows:

330' FEL & 1920' FSL
Unit I, Section 24, T22S, R37E
Lea County, New Mexico

This well was drilled in May - August 1985 to the Wantz Granite Wash. This zone proved to be unproductive and the well was eventually completed as a dual Tubb Gas - Blinbry Oil well. Because the well is located 330' FEL of Section 24, approval for an unorthodox location is herein requested for the Tubb Gas Zone.

Another Tubb Gas well, the J. L. Muncy Well No. 1, is located south of Well No. 6 in Unit P. ~~A non-standard gas proration unit is thereby requested for Well No. 6 consisting of the S/2 NE 1/4 and N/2 SE 1/4 of Section 24.~~ Administrative approval is required for this 160 acre unit since it crosses quarter section lines. Production from Well No. 6 is 1.4 MMCFPD. Well No. 1 produces 111 MCFPD.

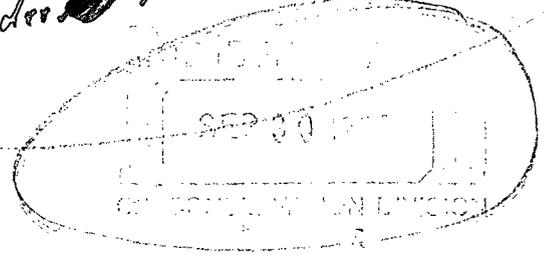
Offset operators have been notified as required by special pool rules for the Tubb Oil and Gas Pool. Copies of the letter and the receipts are enclosed. If any further information is needed, please contact this office. Thank you.

Sincerely,

Thomas F. Zapatka
Thomas F. Zapatka

Remarks: See Division Administrative Order NSP-1474. M.S.

cc: W. D. Holmes
N. R. Daniels
C. R. Hubacher
District Oil Conservation Division - Hobbs



OFFSET OPERATORS

J. L. Muncy Lease
Lea County, New Mexico

Chevron Oil Company
P. O. Box 670
Hobbs, New Mexico 88240

Hanson Operating Company
P. O. Box 1515
Roswell, New Mexico 88202-1515

Phillips Petroleum Company
4001 Penbrook
Odessa, Texas 79762

John Hendrix
525 Midland Tower
Midland, Texas 79701

Crown Central Petroleum
Building K, Suite 200
731 West Wadley
Midland, Texas 79701

Sun Exploration & Production Company
P. O. Box 1861
Midland, Texas 79702



P.O. Box 2409
Hobbs, New Mexico 88240
Telephone 505/393-7106

September 23, 1985

To: Offset Operators

Re: Non-Standard Gas Proration Unit and Unorthodox Location
J. L. Muncy Well No. 6 (Tubb Gas)
Section 24, T22S, R37E
Lea County, New Mexico

Dear Sir:

Marathon Oil Company has requested the Oil Conservation Division for administrative approval of a non-standard gas proration unit and an unorthodox location for the above referenced well. The J. L. Muncy Well No. 6 was drilled and completed in 1985 (May - August). This well was proposed to be a Wantz Granite Wash - Blinebry Oil dual. The Wantz Granite Wash zone proved to be unproductive. Therefore, the Tubb zone was perforated and successfully tested. The J. L. Muncy Well No. 6 (Tubb) was tested at a rate of 1.4 MMCFPD. The exact well location is 330' FEL and 1920' FSL, Section 24, T22S, R37E. The special pool rules for the Tubb Oil and Gas Pool requires a gas well be located no closer than 660' to any outer boundary of its' proration unit. Because well No. 6 is 330' FEL, it is considered an unorthodox location.

This same rule also requires gas wells to be located on a tract consisting of 160 surface acres in the form of a square which is a quarter section. The proposed acreage dedication is 160 acres square, but it crosses over the quarter section line. Therefore, administrative approval is required. J. L. Muncy Well No. 1, located one location south of Well No. 6, is also a Tubb gas well. This is the reason for crossing the quarter section line.

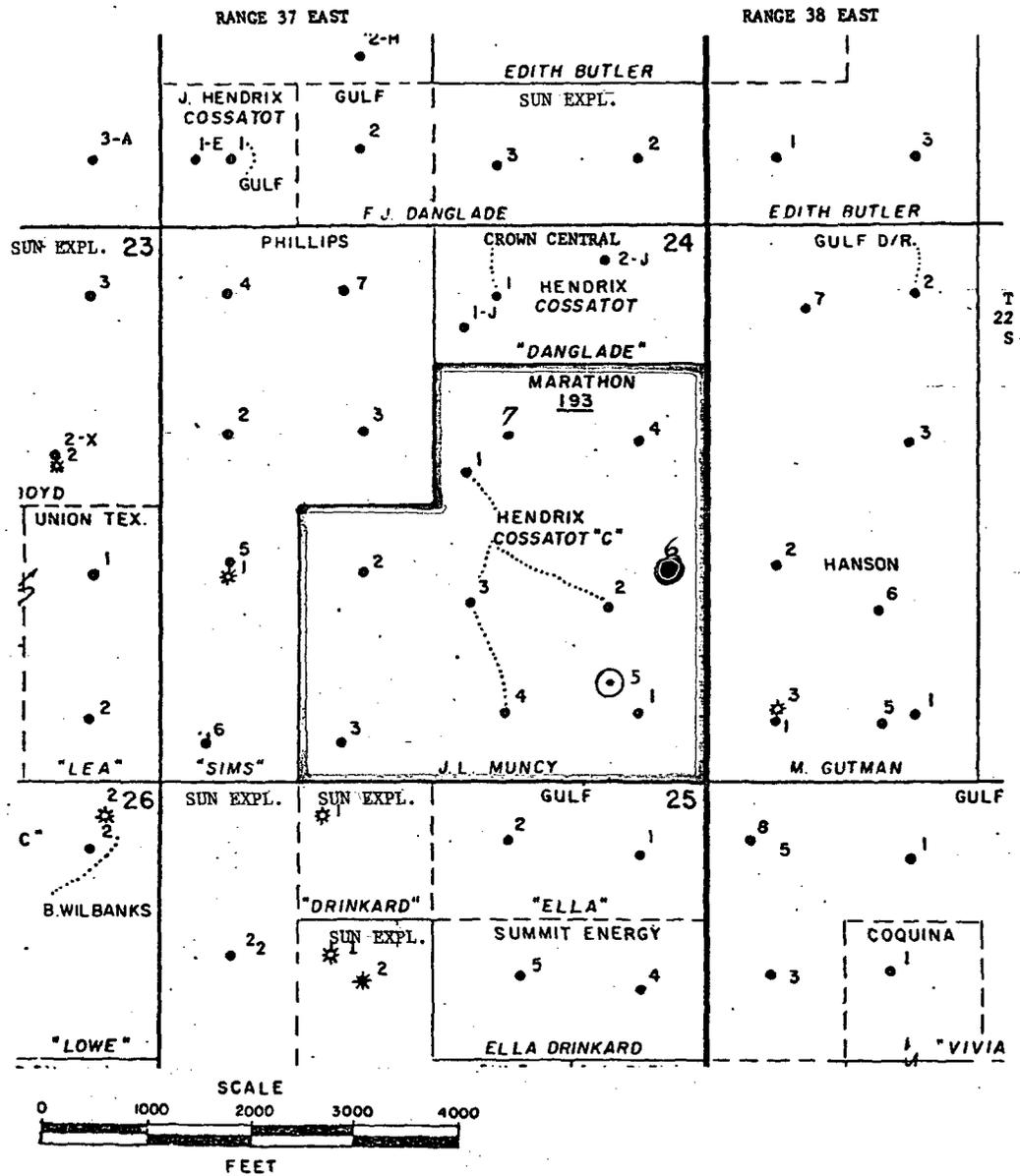
As stated in the Special Pools rules for the Tubb Oil and Gas Pool, the Division Director may grant approval to this application provided no offset operator has entered an objection within 30 days after receiving the application. If you have any questions regarding this matter, please contact this office. Thank you.

Sincerely,

A handwritten signature in dark ink, appearing to read 'Thomas F. Zapatka', written over a light-colored background.

Thomas F. Zapatka

TFZ/jss



MARATHON OIL COMPANY
 J.L. Muncy Lease
 DRINKARD FIELD
 Lea County, New Mexico

OIL CONSERVATION DIVISION

STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT

P. O. BOX 2085
SANTA FE, NEW MEXICO 87501

Form C-102
Revised 10-1-78

All distances must be from the outer boundaries of the Section.

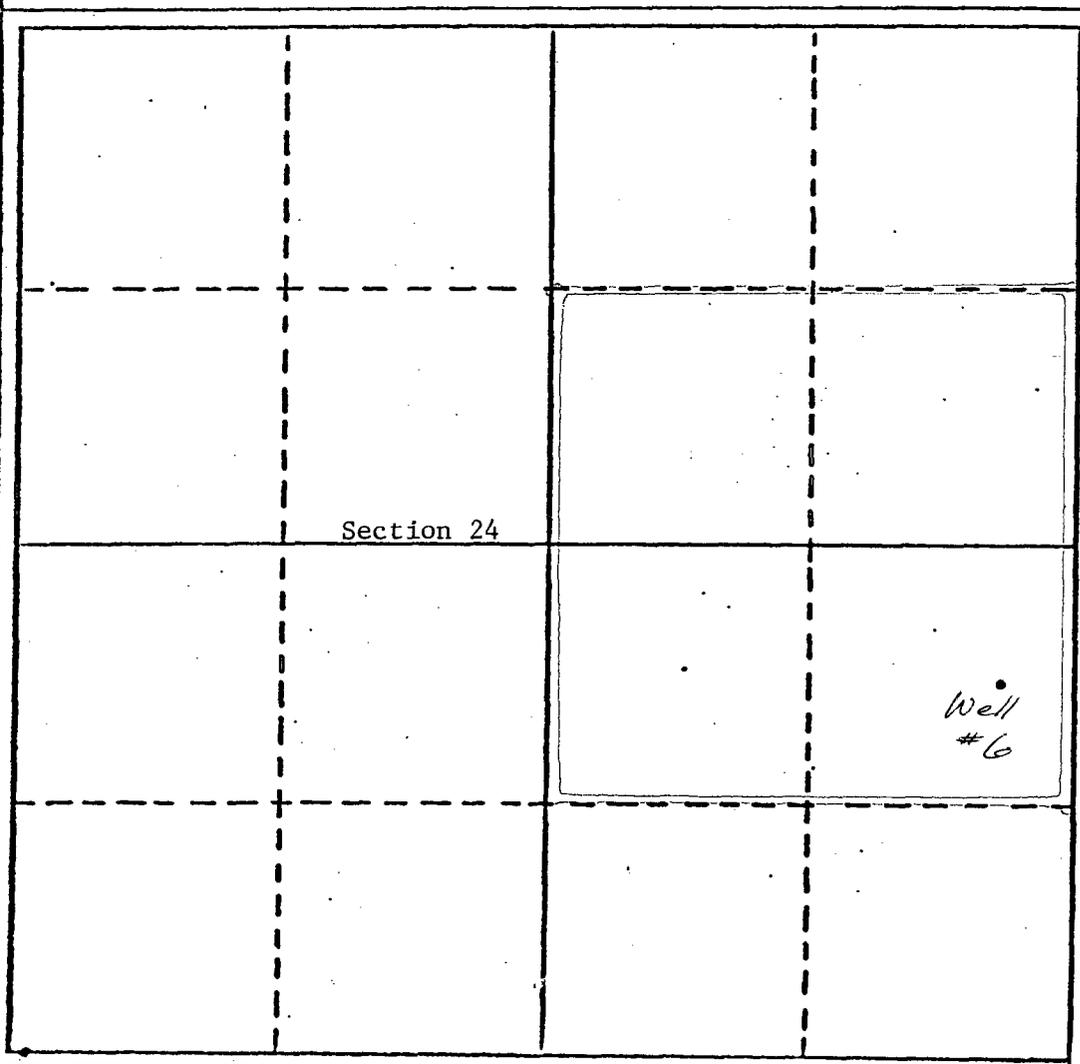
Operator Marathon Oil Company			Lease J. L. Muncy			Well No. 6		
Unit Letter I	Section 24	Township 22S	Range 37E	County Lea				
Actual Postage Location of Well: 330 feet from the East line and 1920 feet from the South line								
Ground Level Elev.	Producing Formation Tubb			Pool Tubb Gas			Dedicated Acreage: 160 Acres	

1. Outline the acreage dedicated to the subject well by colored pencil or hachure marks on the plat below.
2. If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).
3. If more than one lease of different ownership is dedicated to the well, have the interests of all owners been consolidated by communitization, unitization, force-pooling, etc?

Yes No If answer is "yes," type of consolidation _____

If answer is "no," list the owners and tract descriptions which have actually been consolidated. (Use reverse side of this form if necessary.) _____

No allowable will be assigned to the well until all interests have been consolidated (by communitization, unitization, forced-pooling, or otherwise) or until a non-standard unit, eliminating such interests, has been approved by the Division.



CERTIFICATION

I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.

Thomas F. Zapatka

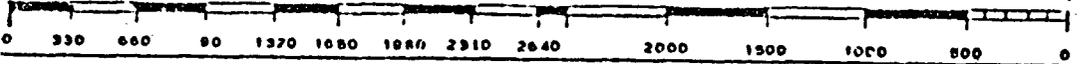
Name
Thomas F. Zapatka/
Position
Production Engineer
Company
Marathon Oil Company
Date
September 24, 1985

I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my knowledge and belief.

Date Surveyed

Registered Professional Engineer
and/or Land Surveyor

Certificate No.



**U.S. POSTAL SERVICE
CERTIFICATE OF POSTAGE**

Received From: Marathon Oil
P.O. Box 246
Hobbs, New Mexico

One piece of ordinary mail addressed to:
Crown Central Petroleum
P.O. Box 200, 731 W. Broadway
Midland, TX 79701

MAY BE USED FOR DOMESTIC AND INTERNATIONAL MAIL, DOES NOT PROVIDE FOR INSURANCE - POSTMASTER

PS FORM 3817
MAY 1976

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John Hendrix
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Midland, TX 79701

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Sun Exploration & Production Co
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Midland, TX 79702

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P.O. Box 1515
Roswell, N. Mex 88202

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Received From: Marathon Oil
P.O. Box 242
Hobbs, New Mexico

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4001 Pembroke
Odessa, Texas 79702

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One piece of ordinary mail addressed to:
Chevron Oil & Transp. Co
P.O. Box 670
Hobbs, New Mexico 88202

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