

OIL CONSERVATION DIVISION  
RECEIVED

Houston Division  
Production Operations, United States



Marathon  
Oil Company

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

December 12, 1991

Mr. Michael E. Stogner  
Energy, Minerals & Natural  
Resources Department  
Oil Conservation Division  
PO Box 2088  
Santa Fe, NM 87501

RE: Pioneer Federal Com. Well No. 1  
G-19, T-21S, R-27E  
Eddy County, New Mexico

Dear Mr. Stogner:

I have received your letter dated December 5, 1991 referencing our delinquent unorthodox location applications for the Strawn and Atoka intervals in the above referenced well and am most apologetic for the failure to file the necessary applications with your office. At the risk of "making excuses" I should point out that I did instruct those who had prepared and sent the offset operator notices to send the original filings to your office. As you can see from the attachments the applications went to the BLM office in Roswell, New Mexico. This is my problem, not yours. At any rate, we are following up promptly with all requests made in your December 5, 1991 correspondence.

The following is my response to each of your questions:

What is the history of the reported Wolfcamp production for one day in February, 1991 and one day in August, 1991?

Marathon took over operations of this well from Texas Oil & Gas (TXO) on October 1, 1990. Since that time, the Wolfcamp has never produced. However production has been reported from the zone on two occasions for the following reasons:

February, 1991 - In an effort to confirm all TXO tank strap calibrations, Marathon initiated a program whereby all tanks were measured and recalibrated, this resulted in a theoretical increase in the tank volume with no additional production for the well.

August, 1991 - After the recompletion of Pioneer Federal in July 1991, as production began from the Strawn and Atoka the stock tank contained inventory that had never been sold. The reported production from the Wolfcamp was administrative housekeeping, clearing the tanks of any Wolfcamp hydrocarbons.

The erroneously reported North Burton Flat Wolfcamp Gas Pool was simply a carryover from prior TXO filings. We will amend our filings according to your directive to read Undesignated East Carlsbad Wolfcamp Gas Pool.

Although the Wolfcamp is no longer productive, nor is it anticipated that the zone will ever produce again, we have attached the requested applications for the unorthodox location. This application has also been sent to the offset operators as well.

Lastly to satisfy your request for corrected pool names, we have instructed our personnel to file the current and future production as LaHuerta Atoka and Wildcat Strawn until further notice.

I hope that you will find our amended filings complete and accurate. I want to reiterate my apologies for the confusion and misaddressed filings, we will endeavor to improve our performance as I climb the learning curve.

Thank you for your time and consideration.



Steven P. Guidry  
Production Superintendent  
Northwest Operations

SPG/9127/kdb

Attachments

ATTACHMENT NO. 1

REQUEST FOR UNORTHODOX LOCATIONS

PIONEER FEDERAL COM NO. 1  
Undesignated East Carlsbad Wolfcamp Gas Pool  
Wildcat (Strawn) Gas Pool  
LaHuerta Atoka Gas Pool  
Eddy County, New Mexico

Reference: Submittal guidelines for administrative approval of non-standard location application.

- I. Federal Surface Management Agency has been notified by certified mail.
- II. Completed C-102 Forms for the Undesignated East Carlsbad Wolfcamp Gas Pool (Attachment 2), Wildcat (Strawn) (Attachment 3A), LaHuerta Atoka Gas Pool (Attachment 3B).
- III. Copy of 2.5 minute quad topo map (Attachment 4) showing improved road and railroad tracks in orthodox location window.
- IV. Land plat of offsets (Attachment 5). Offset operators at depth differ from that shown on plat.
- V. All offset operators have been notified by certified mail. Copies of transmittal letters attached. (Wolfcamp also sent 12/12/91.)

**OIL CONSERVATION DIVISION**

P.O. Box 2088  
 Santa Fe, New Mexico 87504-2088

Submit to Appropriate  
 District Office  
 State Lease - 4 copies  
 Fee Lease - 3 copies

**DISTRICT I**  
 P.O. Box 1980, Hobbs, NM 88240

**DISTRICT II**  
 P.O. Drawer DD, Artesia, NM 88210

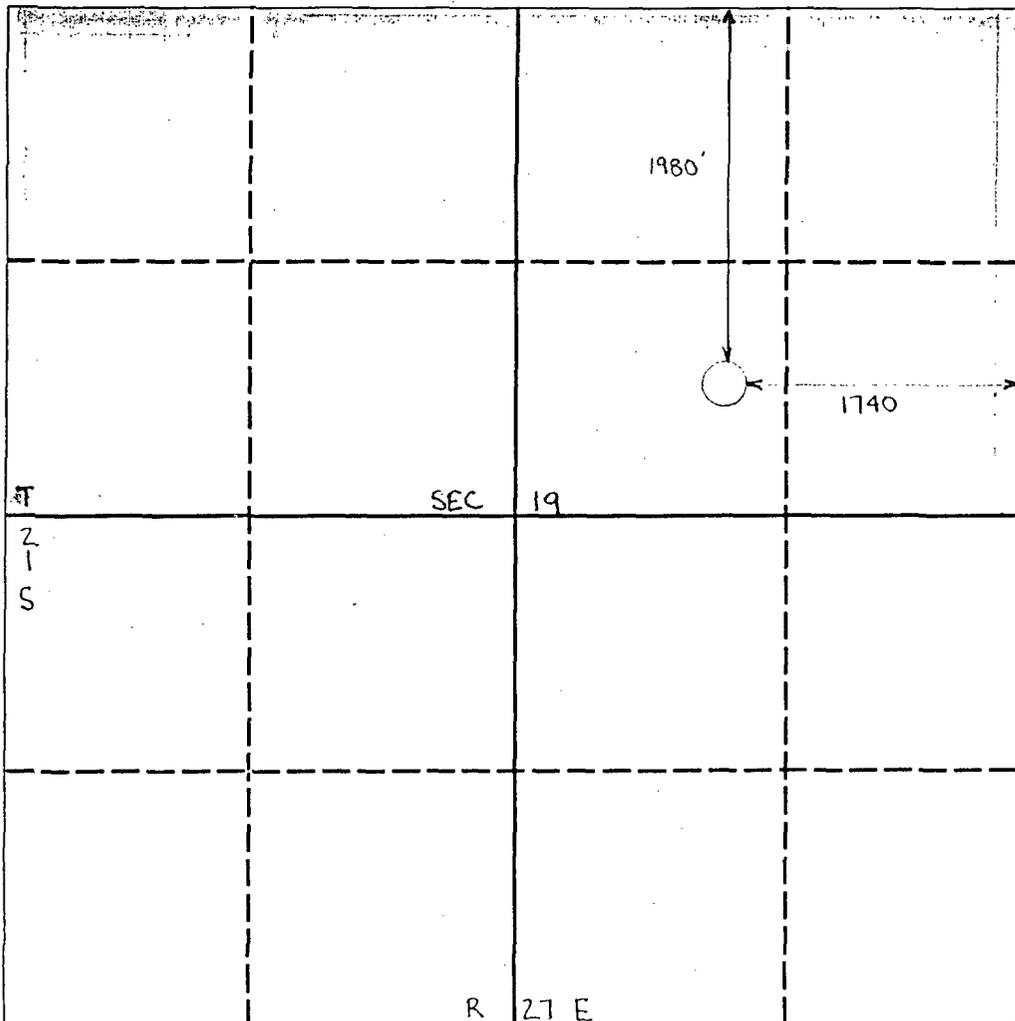
**DISTRICT III**  
 1000 Rio Brazos Rd., Aztec, NM 87410

**WELL LOCATION AND ACREAGE DEDICATION PLAT**

All Distances must be from the outer boundaries of the section

Operator Marathon Oil Company			Lease Pioneer Federal			Well No. 1		
Unit Letter G	Section 19	Township T-21-S	Range R-27-E		County Eddy			
Actual Footage Location of Well: 1,980 feet from the North line and 1,740 feet from the East line								
Ground level Elev. 3,181		Producing Formation Undesignated East Carlsbad Wolfcamp Gas Pool			Pool Wolfcamp		Dedicated Acreage: 320 Acres	

- Outline the acreage dedicated to the subject well by colored pencil or hachure marks on the plat below.
- If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).
- If more than one lease of different ownership is dedicated to the well, have the interest 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 interest, has been approved by the Division.



**OPERATOR CERTIFICATION**

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

*Steven P. Guidry*  
 Signature  
 Steven P. Guidry  
 Printed Name  
 Production Superintendent  
 Position  
 Marathon Oil Company  
 Company  
 Date  
 12-12-91

**SURVEYOR CERTIFICATION:**

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  
 Signature & Seal of Professional Surveyor  
 Certificate No.



Submit to Appropriate  
District Office  
State Lease - 4 copies  
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Santa Fe, New Mexico 87504-2088

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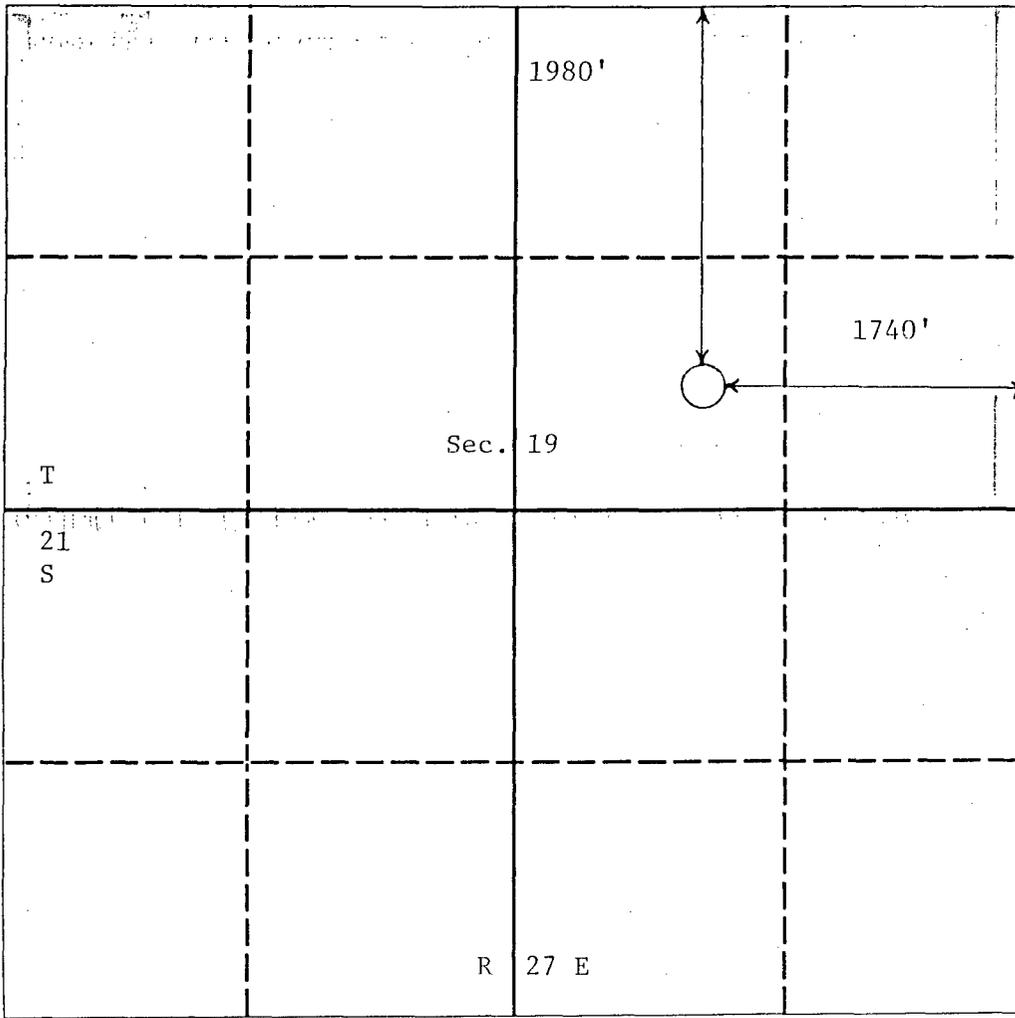
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**WELL LOCATION AND ACREAGE DEDICATION PLAT**

All Distances must be from the outer boundaries of the section

Operator Marathon Oil Company			Lease Pioneer Federal			Well No. 1		
Unit Letter G	Section 19	Township 21S	Range 27E			County Eddy		
Actual Footage Location of Well: 1980 feet from the North line and 1740 feet from the East line								
Ground level Elev. 3181		Producing Formation Strawn			Pool Wildcat (Strawn)		Dedicated Acreage: 320 Acres	

- Outline the acreage dedicated to the subject well by colored pencil or hachure marks on the plat below.
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I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.

Signature <i>Steven P. Guidry</i>
Printed Name Steven P. Guidry
Position Production Superintendent
Company Marathon Oil Company
Date 12/12/91

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Date Surveyed
Signature & Seal of Professional Surveyor
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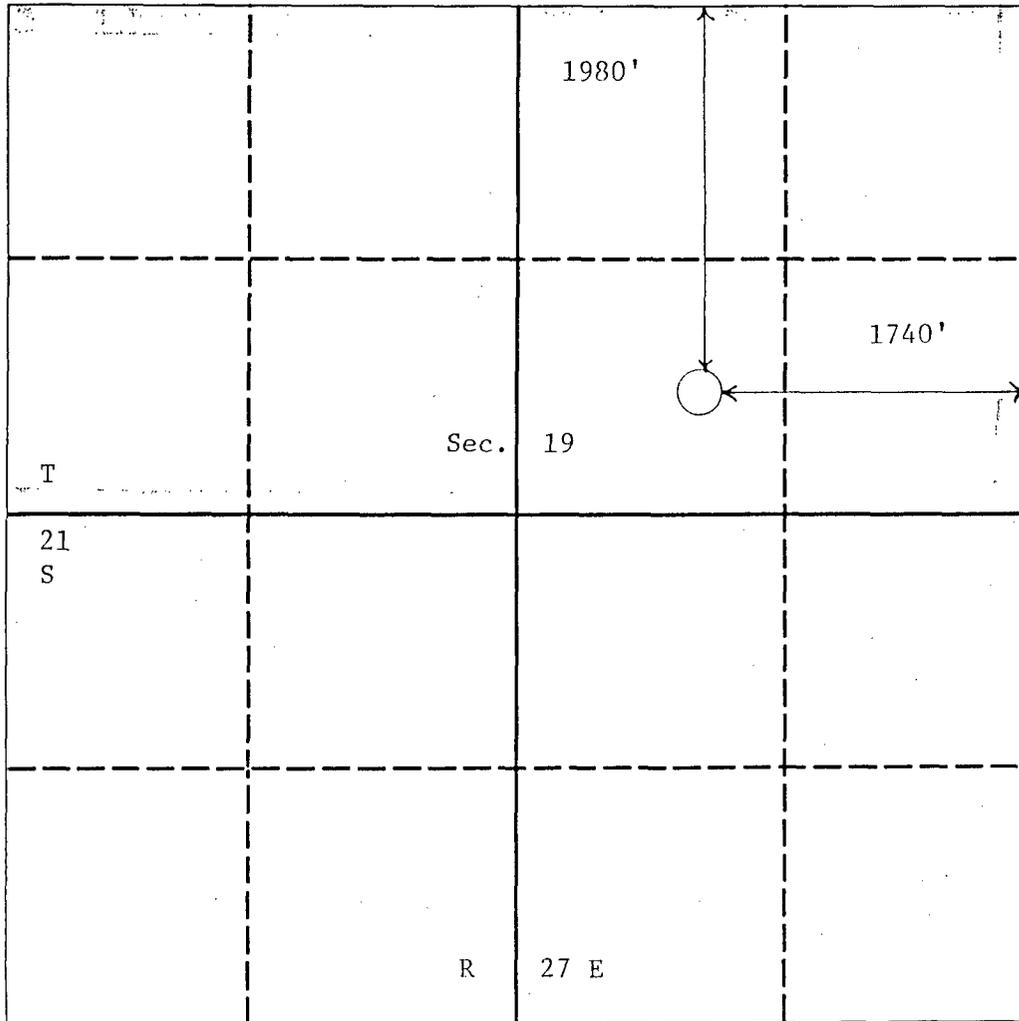
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Operator Marathon Oil Company		Lease Pioneer Federal		Well No. 1
Unit Letter G	Section 19	Township 21S	Range 27E	County Eddy

Actual Footage Location of Well:  
1980 feet from the North line and 1740 feet from the East line

Ground level Elev. 3181	Producing Formation La Huerta Atoka	Pool La Huerta Atoka	Dedicated Acreage: 320 Acres
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*Steven P. Guidry*  
Signature

Steven P. Guidry  
Printed Name

Production Superintendent  
Position

Marathon Oil Company  
Company

12/12/91  
Date

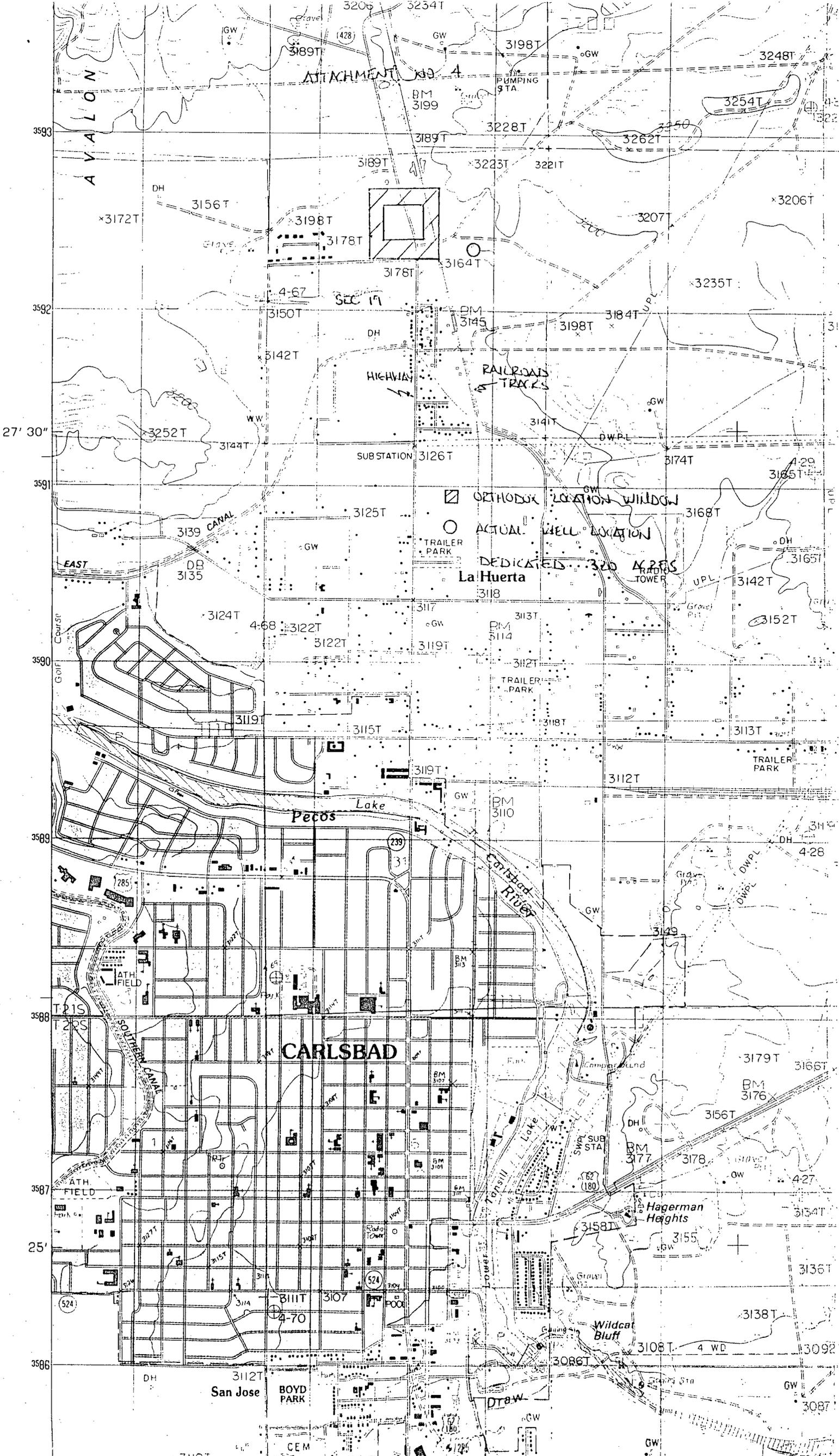
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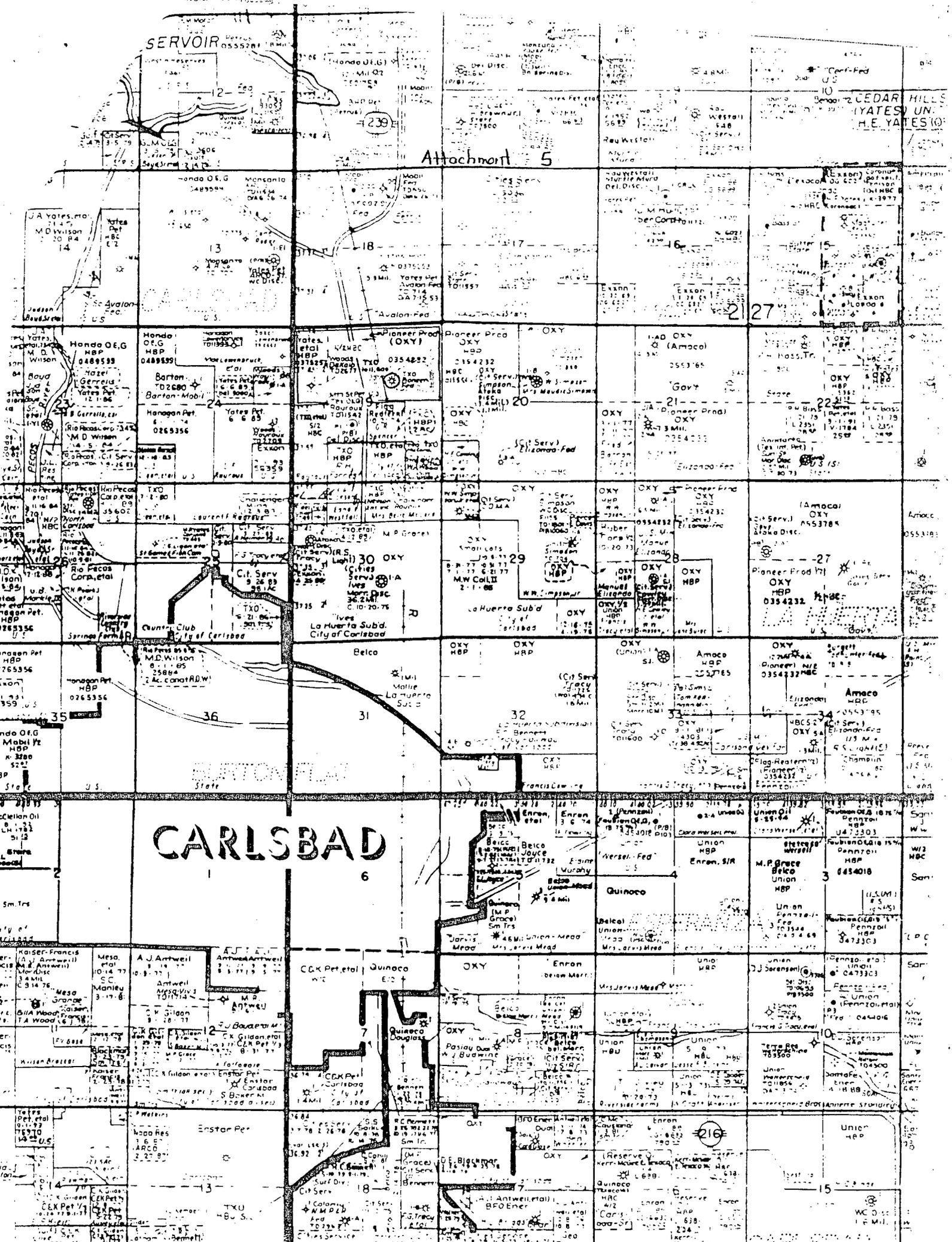




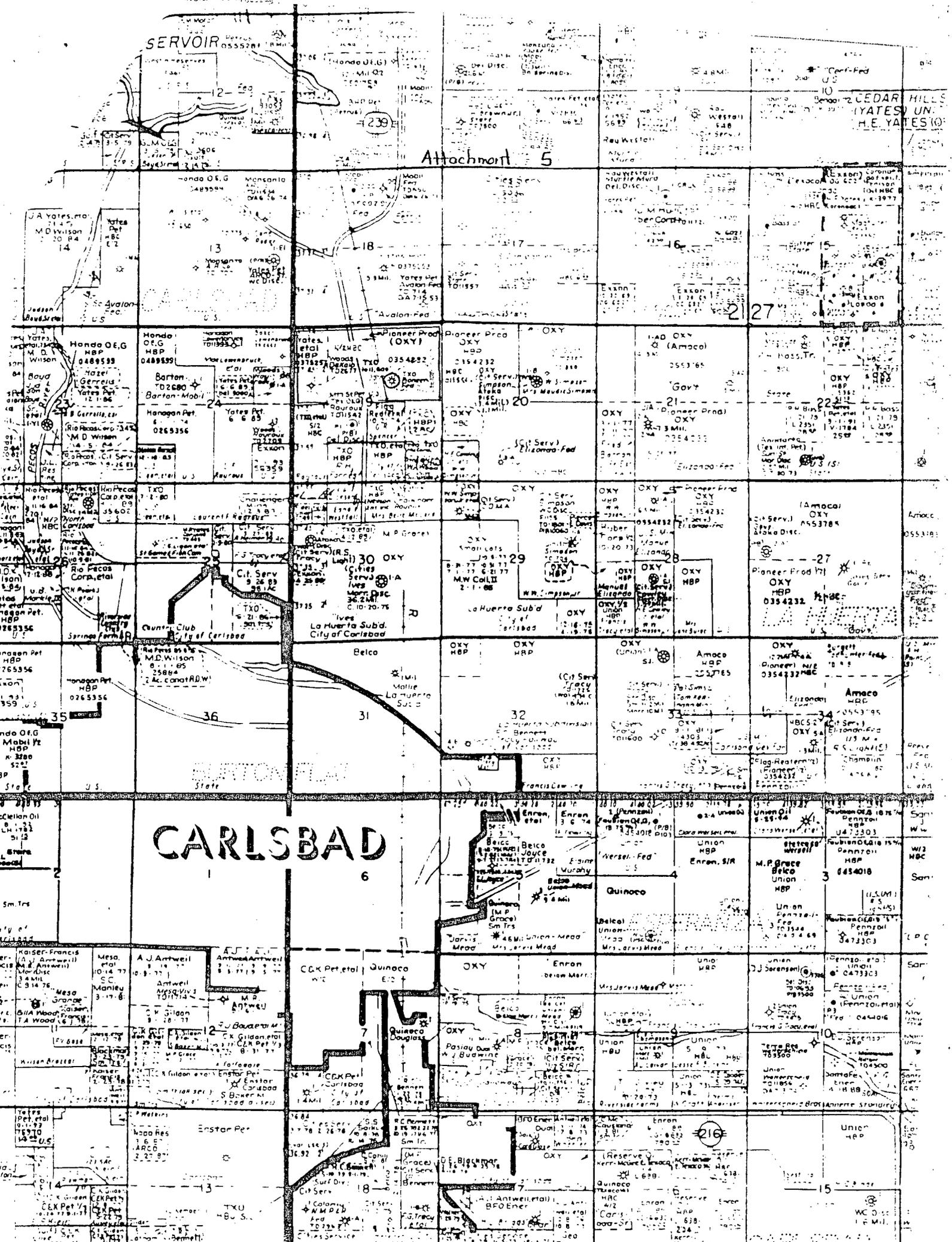
SERVOIR

Attachment 5

CARLSBAD



CARLSBAD



Mid-Continent Region  
Production United States



**Marathon  
Oil Company**

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

November 7, 1991

Yates Petroleum  
105 S. 4th  
Artesia, New Mexico 88210

RE: Request for Exemption from Rule 303-A  
(Downhole Commingle) and Administrative Approval  
For Unorthodox Locations  
Pioneer Federal Com No. 1  
Section 19, T-21-S, R-37-E  
La Huerta Strawn, La Huerta Atoka Formations  
Eddy County, New Mexico

Marathon Oil Company is requesting an exemption from Rule 303-A (Downhole Commingling) and an unorthodox locations for the La Huerta Strawn and La Huerta Atoka in the subject well.

A waiver along with a self addressed, stamped envelope has been provided for your convenience. All information required by the New Mexico Oil Conservation Division to apply for the exemptions is also included for your review.

Should you have any questions, please contact me and the letterhead address. Thank you for your consideration.

Sincerely

A handwritten signature in cursive script that reads 'R. W. Tracy'.

R. W. Tracy  
Operations Engineering Supervisor

JRC/044.274/sk

A subsidiary of USX Corporation

An Equal Opportunity Employer

Mid-Continent Region  
Production United States



**Marathon  
Oil Company**

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

November 7, 1991

OXY USA, Inc.  
P. O. Box 50250  
Midland, Texas 79710

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Mid-Continent Region  
Production United States



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November 7, 1991

Bureau of Land Management  
Roswell District Office  
1717 W. Second St.  
P. O. Box 1397  
Roswell, NM 88202-1397

*This should have gone  
to OCD - Santa Fe  
Attn: Mike Stogner*

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91 DEC 16 10 01 AM '91

December 12, 1991

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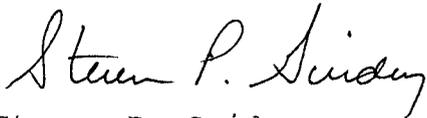
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