



NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

GARY E. JOHNSON
Governor
Jennifer A. Salisbury
Cabinet Secretary

November 9, 2000

Lori Wrotenbery
Director
Oil Conservation Division

Marathon Oil Company
c/o W. Thomas Kellahin
P. O. Box 2265
Santa Fe, New Mexico 87504-2265

Corrected
Administrative Order NSL-371-A (SD)

Dear Mr. Kellahin:

Per your telephone conversation with Mr. Michael E. Stogner, Engineer/Chief Hearing Officer with the New Mexico Oil Conservation Division in Santa Fe ("Division") on Wednesday, November 8, 2000, it is our understanding that Division Administrative Order NSL-371-A (SD), dated October 19, 2000, does not correctly state the intended order of the Division and should therefore be corrected at this time.

Ordering Paragraph No. (3) on page 3 of Administrative Order NSL-371-A (SD) is hereby amended to read in its entirety as follows:

"(3) Marathon is hereby permitted to produce the allowable assigned the subject GPU from both wells in any proportion; provided however, total combined gas production from these two wells shall not exceed that volume assigned this GPU with its assessed an acreage factor of 0.542 for gas prorationing purposes, which assesses a 46.8% production penalty on Indian Basin-Upper Pennsylvanian Gas Pool production from this GPU".

Further, all other provisions of Division Administrative Order NSL-371-A (SD) shall remain in full force and effect until further notice.

Sincerely,

Lori Wrotenbery
Director

LW/MES/kv

cc: New Mexico Oil Conservation Division - Artesia
New Mexico State Land Office - Santa Fe
William F. Carr, Attorney for Texaco Exploration & Production, Inc. - Santa Fe
David R. Catanach, Gas Proration Umpire - NMOCD, Santa Fe
File: NSL-371

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