



BRUCE KING
GOVERNOR

ANITA LOCKWOOD
CABINET SECRETARY

STATE OF NEW MEXICO

ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION



2040 S. PACHECO
SANTA FE, NEW MEXICO 87505
(505) 827-7131

November 10, 1994

Marathon Oil Company
P. O. Box 552
Midland, Texas 79702-0552

Attention: Meftah Tiss

Administrative Order SD-94-1.1

Dear Mr. Tiss:

Reference is made to your application dated July 15, 1994. Marathon Oil Company ("Marathon") is hereby authorized to simultaneously dedicate Eumont Gas Pool production to the previously approved non-standard 320.56-acre gas spacing and proration unit ("GPU") comprising the S/2 SW/4 of Section 32, Township 19 South, Range 37 East, NMPM and **Lots 3 and 4 (N/2 NW/4 equivalent), the S/2 NW/4, and the N/2 SW/4** of Section 5, Township 20 South, Range 37 East, NMPM, all in Lea County, New Mexico (Division Order No. R-576, dated February 9, 1955) from the following seven five wells:

- the existing Bertha Barber Well No. 11 (API No. **30-025-05916**) located at a previously approved unorthodox gas well location (also authorized by said Order No. R-576) 990 feet from the North line and 330 feet from the East line (Unit D) of said Section 5;
- the existing Bertha Barber Well No. 4 (API No. **30-025-05909**) located at a previously approved unorthodox gas well location [Division Administrative Order NSL-3203(SD), dated November 30, 1992 and corrected on December 5, 1992] 1980 feet from the South and West lines (Unit K) of said Section 5;
- the existing Bertha Barber Well No. 6 (API No. **30-025-05911**) located at a previously approved unorthodox gas well location [Division Administrative Order NSL-3203-A(SD), dated December 29, 1992] 1980 feet from the South line and 660 feet from and West line (Unit L) of said Section 5;

Administrative Order SD-94-1.1

Marathon Oil Company

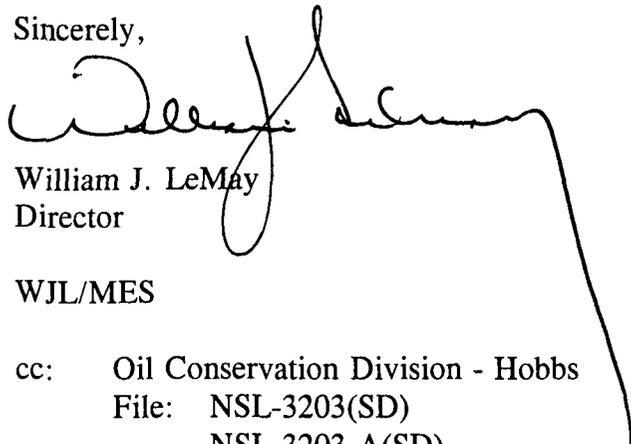
November 10, 1994

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- the existing Bertha Barber Well No. 8 (API No. 30-025-05913) to be recompleted up-hole from the Eunice-Monument Grayburg San Andres Pool and located at a standard Eumont gas well location 1980 feet from the North line and 660 feet from and West line (Unit E) of said Section 5;
- the existing Bertha Barber Well No. 13 (API No. 30-025-32384) located at a standard Eumont gas well location 330 feet from the South line and 1980 feet from and West line (Unit N) of said Section 32;.
- the newly drilled Bertha Barber Well No. 14 (API No. 30-025-32385) located at a standard Eumont gas well location 330 feet from the South line and 730 feet from and West line (Unit M) of said Section 32; and,
- from the proposed Bertha Barber Well No. 15 (API No. 30-025-32532) to be drilled at a standard Eumont gas well location 990 feet from the North line and 1980 feet from and West line (Lot 3/Unit C) of said Section 5.

Further, Marathon is permitted to produce the allowable assigned said non-standard 320.56-acre GPU from all seven wells in any proportion.

Sincerely,



William J. LeMay
Director

WJL/MES

cc: Oil Conservation Division - Hobbs
File: NSL-3203(SD)
NSL-3203-A(SD)
SD-94-1



NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

GARY E. JOHNSON
Governor
Jennifer A. Salisbury
Cabinet Secretary

October 16, 2001

Lori Wrotenbery
Director
Oil Conservation Division

Marathon Oil Company
P. O. Box 2490
Hobbs, New Mexico 88240
Attention: Thomas P. Kacir
TPKacir@MarathonOil.com

Administrative Order NSL-3203-B (SD)

Dear Mr. Kacir:

Reference is made to the following: (i) your application submitted to the New Mexico Oil Conservation Division ("Division") on August 15, 2001 (*application reference No. pKRV0-122754393*); (ii) the Division's initial response by letter dated August 30, 2001 from Mr. Michael E. Stogner, Engineer in Santa Fe; (iii) your response of September 6, 2001 with the required data attached to complete this application; and (iv) the Division's records in Santa Fe: all concerning Marathon Oil Company's ("Marathon") requests for an unorthodox Eumont infill gas well location within an existing non-standard 320.56-acre gas spacing and proration unit ("GPU") for the Eumont Gas Pool (76480) comprising the following described acreage in Lea County, New Mexico:

TOWNSHIP 19 SOUTH, RANGE 37 EAST, NMPM
Section 32: S/2 SW/4

TOWNSHIP 20 SOUTH, RANGE 37 EAST, NMPM
Section 5: Lots 3 and 4, S/2 NW/4, and N/2 SW/4.

The rules and procedures currently governing the Eumont Gas Pool include but are not necessarily limited to:

- (i) the "*Special Rules and Regulations for the Eumont Gas Pool*," as promulgated by Division Order No. R-8170, as amended;
- (ii) Division Rule 605.B;
- (iii) Division Rule 104.F, revised by Division Order No. R-11231, issued by the New Mexico Oil Conservation Commission in Case No. 12119 on August 12, 1999;
- (iv) Rule 1207.A (2); and

(v) the amended Stipulated Declaratory Judgment of the First Judicial District Court in Santa Fe County, New Mexico issued on July 11, 2001 in Hartman vs. Oil Conservation Division, Cause No. D-0101-CV-9902927 ("Stipulated Declaratory Judgment").

By Division Order No. R-576, issued in Case No. 799 on February 9, 1955, this 320.56-acre GPU was initially established for the Bertha Barber Well No. 11 (**API No. 30-025-05916**), located 990 feet from the North line and 330 feet from the East line (Lot 4/Unit D) of Section 5.

By Division Administrative Order NSL-3203 (SD), dated November 30, 1992, the following described initial infill well at an unorthodox gas well location was approved for this GPU:

Bertha Barber Well No. 4 (**API No. 30-025-05909**), located 1980 feet from the South and West lines (Unit K) of Section 5.

By Division Administrative Order NSL-3203-A (SD), dated December 29, 1992, a second infill well for this GPU, the Bertha Barber Well No. 6 (**API No. 30-025-05911**), located at an unorthodox gas well location 1980 feet from the South line and 660 feet from the West line (Unit L) of Section 5 was approved.

As referenced by Division correspondence dated February 3, 1994 entitled "Administrative Order SD-94-1" the Division acknowledged the addition of the following two wells to this 320.56-acre GPU:

(1) Bertha Barber Well No. 8 (**API No. 30-025-05913**), located at a standard infill gas well location for this GPU 1980 feet from the North line and 660 feet from the West line (Unit E) of Section 5; and

(2) Bertha Barber Well No. 13 (**API No. 30-025-32384**), also located at a standard infill gas well location for this GPU 330 feet from the South line and 1980 feet from the West line (Unit N) of Section 32.

The most recent correspondence from the Division to address this GPU and the number of wells simultaneously dedicated to it was "Administrative Order SD-94-1.1", dated November 10, 1994, which acknowledged the addition of the following two described wells:

(1) Bertha Barber Well No. 14 (**API No. 30-025-32385**), located at a standard infill gas well location for this GPU 330 feet

from the South line and 730 feet from the West line (Unit M) of Section 32; and

(2) Bertha Barber Well No. 15 (**API No. 30-025-32532**), located at a standard infill gas well location for this GPU 990 feet from the North line and 1980 feet from the West line (Lot 3/Unit C) of Section 5.

From your application, it is our understanding that the above-described Bertha Barber Well No. 6, which was the subject of Division Administrative Order NSL-3203-A (SD), was plugged and abandoned in March, 1999 and should therefore be omitted from this GPU.

It is further understood that the subject well to be considered at this time is currently completed in the Monument-Blinebry Pool at a standard oil well location within a standard 40-acre oil spacing and proration unit comprising the NW/4 SW/4 (Unit L) of Section 5; however, it is to be plugged back and recompleted up-hole into the Eumont Gas Pool upon issuance of this order. Pursuant to Rule 2 (b) 4 of the Eumont special pool rules, this location is considered to be unorthodox for the subject 320.56-acre GPU.

By the authority granted me under the provisions of these rules, regulations, and directives, the following described well, located at an unorthodox Eumont gas well location in Section 5, is hereby approved:

Bertha Barber Well No. 10
1980' FSL & 560' FWL (Unit L)
(API No. 30-025-05915).

Also, Marathon is hereby authorized to simultaneously dedicate Eumont gas production from the Bertha Barber Well No. 10 with the existing Bertha Barber Wells No. 4, 8, 11, 13, 14, and 15. Furthermore, Marathon is permitted to produce the allowable assigned the subject 320.56-acre GPU from all seven wells in any proportion

It is further ordered that Division Administrative Order NSL-3203-A (SD) is hereby rescinded at this time and that all provisions applicable to the subject GPU in Division Administrative Orders NSL-3203 (SD), SD-94-1, and SD-94-1.1, not in conflict with this order, shall remain in full force and affect until further notice.

Administrative Order NSL-3203-B(SD)
Marathon Oil Company
October 16, 2001
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Jurisdiction of this matter shall be further retained for the entry of any such subsequent orders, as the Division may deem necessary.

Sincerely,

A handwritten signature in cursive script, appearing to read "Lori Wrotenbery".

Lori Wrotenbery
Director

LW/MES/kv

cc: New Mexico Oil Conservation Division - Hobbs
File: NSL-3203 (SD),
NSL-3203-A (SD) /
SD-94-1
SD-94-1.1



NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

GARY E. JOHNSON
Governor
Jennifer A. Salisbury
Cabinet Secretary

November 1, 2001

Lori Wrotenbery
Director
Oil Conservation Division

Marathon Oil Company
P. O. Box 552
Midland, Texas 79702-0552
Attention: Tim Chase
TChase@MarathonOil.com

Administrative Order SD-01-07

Dear Mr. Chase:

Reference is made to the following: (i) your application submitted to the New Mexico Oil Conservation Division ("Division") on October 12, 2001 (*application reference No. pKRV0-128837574*); and (ii) the records of the Division in Santa Fe, including the files in Division Case No. 799 and on Division Administrative Orders NSL-3203 (SD), NSL-3203-A (SD), SD-94-1, SD-94-1.1, and NSL-3203-B (SD): all concerning Marathon Oil Company's ("Marathon") request for an eighth Eumont gas well within an existing 320.56-acre non-standard gas spacing and proration unit ("GPU") comprising the following described acreage in Lea County, New Mexico (approved by Division Order No. R-576, issued in Case No. 799 on February 9, 1955):

TOWNSHIP 19 SOUTH, RANGE 37 EAST, NMPM
Section 32: S/2 SW/4

TOWNSHIP 20 SOUTH, RANGE 37 EAST, NMPM
Section 5: Lots 3 and 4, S/2 NW/4, and N/2 SW/4.

The rules and procedures currently governing the Eumont Gas Pool (76480) include but are not necessarily limited to:

- (i) the "*Special Rules and Regulations for the Eumont Gas Pool*," as promulgated by Division Order No. R-8170, as amended;
- (ii) Division Rule 605.B;
- (iii) Division Rule 104.F, revised by Division Order No. R-11231, issued by the New Mexico Oil Conservation Commission in Case No. 12119 on August 12, 1999;
- (iv) Rule 1207.A (2); and

(v) the amended Stipulated Declaratory Judgment of the First Judicial District Court in Santa Fe County, New Mexico issued on July 11, 2001 in Hartman vs. Oil Conservation Division, Cause No. D-0101-CV-9902927 ("Stipulated Declaratory Judgment").

By the authority granted me under the provisions of these rules, regulations, and directives, Marathon is hereby authorized to simultaneously dedicate gas production from the Eumont Gas Pool to the above-described 320.56-acre GPU from the following eight wells:

(1) its existing Bertha Barber Well No. 4 (**API No. 30-025-05909**), located at an unorthodox infill gas well location for this GPU 1980 feet from the South and West lines (Unit K) of Section 5, which was the subject of Division Administrative Order NSL-3203 (SD), dated November 30, 1992;

(2) its existing Bertha Barber Well No. 8 (**API No. 30-025-05913**), located at a standard infill gas well location for this GPU 1980 feet from the North line and 660 feet from the West line (Unit E) of Section 5, which was the subject of Division Administrative Order SD-94-1, dated February 3, 1994;

(3) its existing Bertha Barber Well No. 10 (**API No. 30-025-05915**), located at an unorthodox infill gas well location for this GPU 1980 feet from the South line and 560 feet from the West line (Unit L) of Section 5, which was the subject of Division Administrative Order NSL-3203-B (SD), dated October 16, 2001;

(4) its existing Bertha Barber Well No. 11 (**API No. 30-025-05916**), located 990 feet from the North line and 330 feet from the East line (Lot 4/Unit D) of Section 5, which was also the subject of Division Order No. R-576;

(5) its existing Bertha Barber Well No. 13 (**API No. 30-025-32384**), also located at a standard infill gas well location for this GPU 330 feet from the South line and 1980 feet from the West line (Unit N) of Section 32, which was also the subject of Division Administrative Order SD-94-1;

(6) its existing Bertha Barber Well No. 14 (**API No. 30-025-32385**), located at a standard infill gas well location for this GPU 330 feet from the South line and 730 feet from the West line (Unit

M) of Section 32, which was the subject of Division Administrative Order SD-94-1.1, dated November 10, 1994;

(7) its existing Bertha Barber Well No. 15 (**API No. 30-025-32532**), located at a standard infill gas well location for this GPU 990 feet from the North line and 1980 feet from the West line (Lot 3/Unit C) of Section 5, which was also the subject of Division Administrative Order SD-94-1.1; and

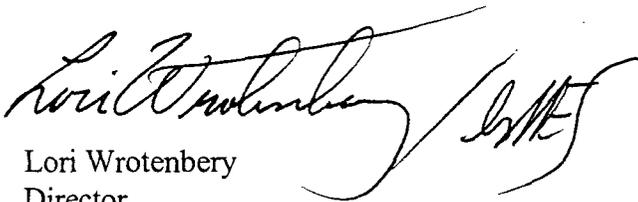
(8) its proposed Bertha Barber Well No. 19 to be drilled at a standard infill gas well location for this GPU 2220 feet from the North line and 1972 feet from the West line (Unit F) of Section 5.

Marathon is hereby authorized to simultaneously dedicate Eumont gas production from its proposed Bertha Barber Well No. 19 with the existing Bertha Barber Wells No. 4, 8, 10, 11, 13, 14, and 15. Furthermore, Marathon is hereby permitted to produce the allowable assigned the subject 320.56-acre GPU from all eight wells in any proportion

All provisions applicable to the subject GPU in Division Administrative Orders NSL-3203 (SD), NSL-3203-B (SD), SD-94-1, and SD-94-1.1, not in conflict with this order, shall remain in full force and affect until further notice.

Jurisdiction of this matter shall be further retained for the entry of any such subsequent orders, as the Division may deem necessary.

Sincerely,



Lori Wrotenbery
Director

LW/MES/kv

cc: New Mexico Oil Conservation Division - Hobbs
File: NSL-3203 (SD)
NSL-3203-A (SD) ✓
NSL-3203-B (SD)
SD-94-1
SD-94-1.1