



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: Thomas M. Price

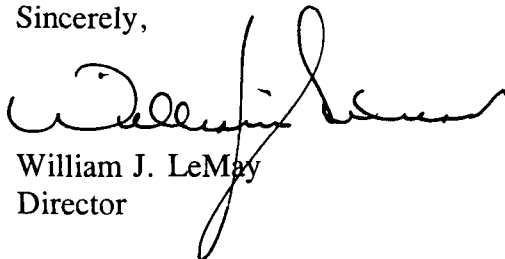
Administrative Order SD-94-5

Dear Mr. Price:

Per your application dated August 22, 1994, you are hereby authorized to simultaneously dedicate Jalmat Gas Pool production to the previously approved non-standard 320-acre gas spacing and proration unit comprising the W/2 of Section 15, Township 22 South, Range 36 East, NMPM, Lea County, New Mexico (Division Administrative Order NSP-1664(SD), dated March 3, 1993), from the existing McDonald State "WN" Well Nos. 15 (API No. 30-025-08914) and 23 (API No. 30-025-24651) with the existing McDonald "WN" State Well No. 2 (API No. 30-025-08916), formerly the McDonald State A/C-1 "A" Well No. 2, to be recompleted up-hole from the Eunice-Monument Grayburg San Andres Pool and located at a standard Jalmat gas well location 1980 feet from the South and West lines (Unit K) of said Section 15.

Further, you are permitted to produce the allowable assigned said non-standard 320-acre unit from all three wells in any proportion.

Sincerely,



William J. LeMay
Director

WJL/MES

cc: Oil Conservation Division - Hobbs
File: NSP-1664(SD)