

Mid-Continent Region
Production United States



P.O. Box 552
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Case 11211

February 17, 1995

RECEIVED

FEB 20 1995

Oil Conservation Division

Mr. William J. LeMay
Oil Conservation Division
Energy, Minerals and Natural Resources Department
2040 South Pacheco
Santa Fe, New Mexico 87505

RE: Prorated Gas Allowable for April, 1995 through September, 1995 Period
Eumont Gas Pool
Lea County, New Mexico

Dear Mr. LeMay,

Marathon Oil Company operates fifteen active wells in the Eumont Gas Pool. Although we will not present testimony at the February 23, 1995 hearing, we would like to express our position regarding the proposed gas allowable for the Eumont Gas Pool.

Marathon Oil Company supports the proposed acreage allocation factor of 38,000 MCF per month. We believe this will permit equitable sharing between the owners in the gas pool based on the present production capacity of the producers in the pool. In 1994, Marathon drilled eight development wells. The drilling of those wells was justified based on the higher allowable. Marathon is planning to drill more wells if the allowable is kept at 38,000 MCF per month. This allowable will protect the current income of those operators who have made investments to obtain production increases.

Sincerely yours,

A handwritten signature in cursive script, appearing to read 'T. N. Tipton'.

T. N. Tipton
Engineering Manager
Midland Operations

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