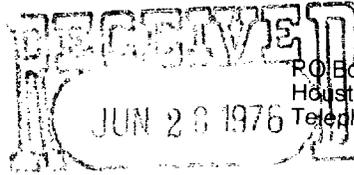


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Houston Texas 77001
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Oil CONSERVATION COMM.
Santa Fe

June 25, 1976

Oil Conservation Commission
State of New Mexico
P. O. Box 2088
Santa Fe, New Mexico 87501

Re: Unit Agreement for Northeast Anderson Ranch Unit, Embracing 2,720.00 acres, more or less, situated in Township 15 South, Range 32 East, N.M.P.M., Lea County, New Mexico.

Gentlemen:

Marathon Oil Company hereby makes application for approval of the Unit Agreement for the development and operation of the Northeast Anderson Ranch Unit Area, embracing 2,720.00 acres, more or less, in Lea County, New Mexico, and more fully described as follows:

T-15-S, R-32-E, N.M.P.M., Section 11, E/2;
Section 12, all; Section 13, all; Section
14, all; and Section 23, N/2, SW/4.

In support of this application, Marathon respectfully shows:

(1) That there is filed herewith, in triplicate, the proposed Unit Agreement for the development and operation of the Northeast Anderson Ranch Unit Area, which is in substantially the same form as has heretofore been approved by the Commissioner of Public Lands of the State of New Mexico, in instances in which state lands were involved.

(2) That all owners of interest within the Unit Area have been or will be offered the opportunity to join in the Unit Agreement.

(3) That the Unit Agreement has been approved by most of the working interest owners holding interests within the proposed Unit Area. It is expected that by the date which will be set for a hearing on this application, the Unit

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Agreement will have been executed by all, or substantially all, of the owners of working interest, overriding royalty interest and other interests in the land included within the Unit Area.

(4) That applicant, Marathon Oil Company, is designated as Unit Operator in said Unit Agreement and all oil and gas in any and all formations are unitized under the terms of the agreement.

(5) That preliminary approval of the Unit Agreement as to form and content and as a logical area for unitization was given by the Land Commissioner of the State of New Mexico by letter dated May 4, 1976, and amended by letter dated May 18, 1976.

(6) That in the opinion of applicant, the proposed Unit Area covers all, or substantially all, of the geological structures or anomaly involved; and in the event said Unit Agreement is approved and production of unitized substances is obtained, it is believed that said Unit Agreement will be in the interest of conservation and the prevention of waste, and that it will protect the correlative rights of all parties concerned.

(7) A list of all interested parties known to applicant is attached hereto.

Marathon Oil Company respectfully requests that this application be set for hearing before a duly appointed Examiner of the Oil Conservation Commission at the earliest possible date, that notice be given as required by law and the regulations, and that the Northeast Anderson Ranch Unit Area and the Unit Agreement be approved.

Respectfully submitted,
MARATHON OIL COMPANY

By 
Robert J. Pickens
P. O. Box 3128
Houston, Texas 77001

Case 5 113

LIST OF INTERESTED PARTIES
Northeast Anderson Ranch Unit Area
Lea County, New Mexico

Allied Chemical Corporation
1300 Wilco Building
Midland, Texas 79701

Michael P. Grace
P. O. Box 1418
Carlsbad, New Mexico 88220

Amoco Production Company
P. O. Box 3092
Houston, Texas 77001

Estate of Ernest A. Hanson
P. O. Box 1515
Roswell, New Mexico 88201

Max H. Christensen
602 Petroleum Building
Midland, Texas 79701

George P. Hill
2400 Fort Worth National
Bank Building
Fort Worth, Texas 76102

Colorado Oil and Gas Corporation
P. O. Box 235
Midland, Texas 79701

McAllister Fuel Company
P. O. Box 10
Magnolia, Arkansas 71753

Commissioner of Public Lands
State of New Mexico
P. O. Box 791
Santa Fe, New Mexico 87501

Oil Development Company
P. O. Box 12058
Amarillo, Texas 79101

Exxon Corporation
P. O. Box 1600
Midland, Texas 79701

W. C. Partee
409 North Vine
Magnolia, Arkansas 71753

Featherstone Farms, Limited
1717 West Second
Roswell, New Mexico 88201

The Superior Oil Company
P. O. Box 1900
Midland, Texas 79701

W. J. Goldston Estate
1411 First City National
Bank Building
Houston, Texas 77002

B. F. Turner
485 North Lindhurst
Dallas, Texas 75229

W. L. Goldston Estate
P. O. Box 22568
Houston, Texas 77027

Union Oil Company of
California
P. O. Box 671
Midland, Texas 79701