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Telephone 982-4285  
Area Code 505

Lison Kellahin  
W. Thomas Kellahin  
Karen Andrus

July 17, 1986

Mr. Richard L. Stamets  
Oil Conservation Division  
P. O. Box 2088  
Santa Fe, New Mexico 87501

"Hand Delivered"

Re: Marathon Oil Company  
Forced Pooling Application  
Benson Well #1, SE/4SE/4  
Section 14, T16S, R38E, NMPM  
Lea County, New Mexico

Dear Mr. Stamets:

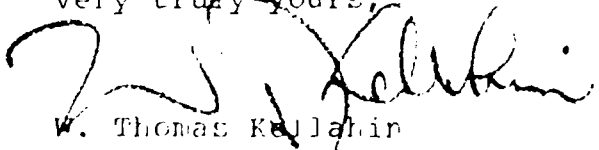
On behalf of Marathon Oil Company, on July 15, 1986 we filed a compulsory pooling application for the referenced well. That application lists Harvey E. Yates Company as one of the parties that has not yet elected to voluntarily join.

Subsequent to filing the application, I am advised that the Harvey E. Yates Company's interest is now held by the following four companies: Explorers Petroleum Corporation, Spiral Inc., Fred G. Yates Inc., and Yates Energy Corporation.

Marathon Oil Company is in contact with representatives of each of those companies in an effort to obtain voluntary joinder. However, in the event that such joinder efforts are unsuccessful, please amend our application to include those companies.

By copy of this letter to those companies we are sending a copy of our application and July 15th letter and thereby advising them of their right to appear at the August 6, 1986 hearing either in support or opposition to the application.

Very truly yours,

  
W. Thomas Kellahin

BEFORE THE  
OIL CONSERVATION COMMISSION  
Santa Fe, New Mexico

Case No. 8960 <sup>WTF:ca</sup> Exhibit No. 1-A  
Submitted by Marathon  
Hearing Date 10-23-86

KELLAHN and KELLAHN

Mr. Richard L. Stanets  
July 17, 1986  
Page 2

cc: Lawrence D. Garcia, Esq.  
Marathon Oil Company  
P. O. Box 3128  
Houston, Texas 77253

*34 Marathon*

Steve Daniels  
Marathon Oil Company  
125 West Missouri  
Midland, Texas 79701

ARCO Oil & Gas  
P. O. Box 1616  
Midland, Texas 79702  
Attn: Rita Bures

*25% FO  
28125 Pooling*

Harvey E. Yates Company  
P. O. Box 1933  
Roswell, New Mexico 88201  
Attn: Mrs. Rosemary Avery

*38.125 Pooling*

Mr. James Davidson  
P. O. Box 494  
Midland, Texas 79702

Mr. & Mrs. W. V. Lawrence  
P. O. Box 2309  
Hobbs, New Mexico 88240

*leased*

Mrs. June D. Speight  
P. O. Drawer 1689  
Lovington, New Mexico 88260

*leased*

"Certified Return-Receipt Requested"  
All Addressees Below:

Explorers Petroleum Corporation  
P. O. Box 1933  
Roswell, New Mexico 88201

Spiral Inc.  
P. O. Box 1933  
Roswell, New Mexico 88201

Fred G. Yates Inc.  
SunWest Center, Suite 1010  
Roswell, New Mexico 88201

Yates Energy Corporation  
SunWest Center, Suite 1010  
Roswell, New Mexico 88201  
Attn: Mr. Tom Edmond

STATE OF NEW MEXICO  
DEPARTMENT OF ENERGY AND MINERALS  
OIL CONSERVATION DIVISION

RECEIVED  
JUL 1 1986  
OIL CONSERVATION DIVISION

IN THE MATTER OF THE APPLICATION  
OF MARATHON OIL COMPANY FOR  
COMPULSORY POOLING, LEA COUNTY,  
NEW MEXICO.

CASE:

A P P L I C A T I O N

Comes now MARATHON OIL COMPANY, and applies to the Oil Conservation Division of New Mexico for an order pooling all mineral interests from the surface to the base of the Siluro-Devonian Formation underlying the SE/4SE/4 of Section 14, Township 16 South, Range 38 East, NMPM, Lea County, New Mexico, for the formation of a proration and spacing unit for the said production, and in support thereof would show the Commission.

1. Applicant is the owner of the right to drill and develop the SE/4SE/4 of Section 14, Township 16 South, Range 38 East.

2. Applicant proposes to drill a well to test the Siluro-Devonian formation by drilling a well at a standard location to a total depth of 13,500 feet.

3. Applicant has sought to obtain the cooperation of all parties.

4. In order to obtain their just and equitable share of the production underlying the above lands, Applicant needs an order pooling the mineral interest involved.

5. Those who have not consented to join in the drilling of the well, with their address, to the best of the applicant's information and belief, are as follows:

	<u>Interest</u>
ARCO Oil & Gas P. O. Box 1610 Midland, Texas 79702 Attn: Rita Buress	25%
Harvey E. Yates Company P. O. Box 1933 Roswell, New Mexico 88201 Attn: Mrs. Rosemary Avery	2.8125%
Mr. James Davidson P. O. Box 494 Midland, Texas 79702	38.125%
Mr. & Mrs. W. V. Lawrence P. O. Box 2309 Hobbs, New Mexico 88240	2.3437%
Mrs. June D. Speight P. O. Drawer 1689 Lovington, New Mexico 88260	2.3437%

6. The parties named in paragraph 5 above have been furnished a copy of this application.

WHEREFORE, applicant prays that this application be set for hearing before the Division's duly appointed examiner, and that after notice and hearing as required by law, the Division enter its order pooling the mineral interest described herein. Applicant further prays that it be named operator of the well, and that the order make provisions for applicant to recover out of production its costs of drilling the subject well, completing and equipping it, costs of operation, including costs of

supervision and a risk factor in the amount of 200% for the drilling of the well, for such other and further relief as may be proper.

Respectfully submitted,

Marathon Oil Company

By 

W. Thomas Kellahin  
Kellahin & Kellahin  
P. O. Box 2265  
Santa Fe, NM 87504

Attorneys for Applicant

**SENDER: Complete items 1, 2, 3 and 4.**  
Put your address in the "RETURN TO" space on the reverse side. Failure to do this will prevent this card from being returned to you. The return receipt fee will provide you the name of the person delivered to and the date of delivery. For additional fees the following services are available. Consult postmaster for fees and check box(es) for service(s) requested.

1.  Show to whom, date and address of delivery.  
2.  Restricted Delivery.

3. Article Addressed to:  
Explorers Petroleum Corp.  
P. O. Box 1933  
Roswell, New Mexico 88201

4. Type of Service: Article Number  
 Registered  Insured P 131 003 362  
 Certified  COD  
 Express Mail

Always obtain signature of addressee or agent and DATE DELIVERED.

5. Signature - Addressee  
X

6. Signature - Agent  
X *Back Mail*

7. Date of Delivery  
*7-21-86*

8. Addressee's Address (ONLY if requested and fee paid)

UNITED STATES POSTAL SERVICE  
OFFICIAL BUSINESS



PENALTY FOR PRIVATE USE \$300

**SENDER INSTRUCTIONS**  
Print your name, address, and ZIP Code in the space below.

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- Attach to front of article if space permits, otherwise affix to back of article.
- Endorse article "Return Receipt Requested" adjacent to number.

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(Name of Sender) \_\_\_\_\_  
 (No. and Street, Apt., Suite, P.O. Box or R.D. No.) \_\_\_\_\_  
 (City, State, and ZIP Code) \_\_\_\_\_

PS Form 3811, July 1983 447-845

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1.  Show to whom, date and address of delivery.  
2.  Restricted Delivery.

3. Article Addressed to:  
Spiral Inc.  
P. O. Box 1933  
Roswell, New Mexico 88201

4. Type of Service: Article Number  
 Registered  Insured P131 003 364  
 Certified  COD  
 Express Mail

Always obtain signature of addressee or agent and DATE DELIVERED.

5. Signature - Addressee  
X

6. Signature - Agent  
X *Back Mail*

7. Date of Delivery  
*7-21-86*

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Show to whom, date and address of delivery.  
 Restricted Delivery.

Article Addressed to:  
 Fred G. Yates Inc.  
 Sunwest Center, Suite 1010  
 Roswell, New Mexico 88201

Type of Service:	Article Number
Registered <input type="checkbox"/>	
Certified <input type="checkbox"/>	
Express Mail <input type="checkbox"/>	
<input checked="" type="checkbox"/> COD	P 131 003 365

Always obtain signature of addressee or agent and DATE DELIVERED.

Signature - Addressee \_\_\_\_\_  
 Signature - Agent \_\_\_\_\_  
 Date of Delivery \_\_\_\_\_  
 Addressee's Address (ONLY if requested and fee paid) \_\_\_\_\_

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- Endorse article "Return Receipt Requested" adjacent to number.

**RETURN TO**

\_\_\_\_\_  
 (Name of Sender)

\_\_\_\_\_  
 (No. and Street, Apt., Suite, P.O. Box or R.D. No.)

\_\_\_\_\_  
 (City, State, and ZIP Code)

PS Form 3811, July 1983 44-7845

**SENDER: Complete items 1, 2, 3, and 4.**

Put your address in the "RETURN TO" space on the reverse side. Failure to do this will prevent this card from being returned to you. The return receipt fee will provide you the name of the person delivered to and the date of delivery. For additional fees the following services are available. Consult postmaster for fees and check box(es) for service(s) requested.

Show to whom, date and address of delivery.  
 Restricted Delivery.

Article Addressed to:  
 Yates Energy Corporation  
 Attn: Mr. Ken Hammons  
 Sunwest Center, Suite 1010  
 Roswell, New Mexico 88201

4. Type of Service:	Article Number
Registered <input type="checkbox"/>	
Certified <input type="checkbox"/>	
Express Mail <input type="checkbox"/>	
<input checked="" type="checkbox"/> COD	P 131 003 366

Always obtain signature of addressee or agent and DATE DELIVERED.

5. Signature - Addressee \_\_\_\_\_  
 X  
 6. Signature - Agent \_\_\_\_\_  
 X  
 7. Date of Delivery \_\_\_\_\_  
 7-21-86  
 8. Addressee's Address (ONLY if requested and fee paid)  
 Sunwest Center #1010

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 (Name of Sender)

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 (No. and Street, Apt., Suite, P.O. Box or R.D. No.)