



STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
OIL CONSERVATION DIVISION

June 3, 1980

BRUCE KING
GOVERNOR

LARRY KEHOE
SECRETARY

POST OFFICE BOX 2088
STATE LAND OFFICE BUILDING
SANTA FE, NEW MEXICO 87501
(505) 827-2434

RECEIVED

JUN 9 1980

O. C. D.
ARTESIA, OFFICE

Moran Exploration Inc.
400 Wilco Building
Midland, Texas 79701

Attention: Mr. J. E. Scroggins

Re: Shut-In Order
Mershon Gas Unit No. 1

Gentlemen:

Reference is made to your letter dated May 29, 1980, wherein you request authority to produce your Mershon Gas Unit Well No. 1, located in Unit A, Section 21, Township 22 South, Range 23 East, Indian Basin-Upper Penn Gas Pool, Eddy County, New Mexico, for one day per month in order to avoid jeopardizing the lease. The well is six times overproduced and subject to shut-in until it is less than six times over.

Pursuant to the authority vested in me by Rule 15(D) of the Rules and Regulations for Prorated Gas Pools - South-eastern New Mexico, as promulgated by Order No. R-1670, as amended, you are hereby authorized to produce up to 500 MCF per month, provided however, also pursuant to said rule, this authority shall be rescinded if the well is produced in excess of 500 MCF per month.

Very truly yours,

JOE D. RAMEY,
Division Director

JDR/DSN/dr

cc: Marathon Oil Co. - Artesia, New Mexico
Oil Conservation Division - Artesia, New Mexico
Gas Prorating Dept. - Santa Fe