



NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

GARY E. JOHNSON

Governor

Jennifer A. Salisbury

Cabinet Secretary

January 2, 2002

Lori Wrotenbery

Director

Oil Conservation Division

Marathon Oil Company
P. O. Box 552
Midland, Texas 79702-0552

Attention: Steven F. Millican



Re: *Administrative application (application reference No. **pKRV0-133938634**) for an exception to Division Rule 104.C (2) (a) within the Wolfcamp formation for the existing Federal "IBD" Gas Com. Well No. 2 (API No. 30-015-23313), located 800 feet from the North line and 200 feet from the East line (Unit A) of Section 30, Township 21 South, Range 23 East, NMPM, Eddy County, New Mexico.*

Dear Mr. Millican:

Your application is incomplete: (i) with respect to notice, the 320-acre tract to the northeast of the subject unit is considered to be an adversely affected offsetting tract (the location of the existing well is closer to this unit than a well at the closest standard location within the NE/4 of Section 30); also (ii) please reference the Division's previous approval for the unorthodox Upper-Pennsylvanian gas well location for the Federal "IBD" Gas Com. Well No. 2.

Since the application as submitted is insufficient to review, the application was ruled as incomplete on January 2, 2002. Please submit the above stated information by Wednesday, January 9, 2002.

The Division cannot proceed with your application until the required information is submitted. Upon receipt, the Division will continue to process your application. The additional information can be faxed to (505) 476-3471, or mailed to the Division in Santa Fe. If the necessary information is not submitted, your application will be returned to you.

Should you have any questions concerning this matter, please contact me in Santa Fe at (505) 476-3465. Thank you.

Sincerely,

Michael E. Stogner
Chief Hearing Officer/Engineer

cc: **New Mexico Oil Conservation Division – Artesia**
W. Thomas Kellahin, Legal Counsel for Marathon Oil Company - Santa Fe
Walter Dueease, Marathon Oil Company - Midland