

STATE OF NEW MEXICO

ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION

RECEIVED



GARREY CARRUTHERS
GOVERNOR

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SANTA FE, NEW MEXICO 87504
(505) 827-5800

August 15, 1989

Bill Fenn, Inc.
P.O. Drawer 569
Giddings, TX 78942

Attention: Jeffrey L. Bowman

RE: Unorthodox Strawn gas well
location request; Roaring
Springs Federal Com Well
No. 1, 1650' FNL - 990'
FWL, E-14-T21S-R23E,
Eddy County, New Mexico.

Dear Mr. Bowman:

On August 14, 1989 the OCD office in Santa Fe received a letter from Marathon Oil Company in which the OCD has interpreted as a letter of protest to the subject filing. Marathon has requested the OCD to impose a 50% penalty on the allowable for Strawn production (see letter, dated August 11, 1989, attached); however, the Strawn formation in this area is considered wildcat and not within the boundary of any prorated Strawn Gas pool.

I have therefore set this application for hearing on the September 6, 1989 Examiner Docket. Please advise this office if you wish to pursue this matter at a hearing or if you need additional time to prepare for the hearing.

If you should have any questions, please contact me.

Sincerely,

Michael E. Stogner
Chief Hearing Officer/Engineer

cc: Oil Conservation Division - Artesia ✓
Marathon Oil Company - Steve Daniels