



NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

GARY E. JOHNSON
Governor
Jennifer A. Salisbury
Cabinet Secretary

November 9, 2000

Lori Wrotenbery
Director
Oil Conservation Division

Marathon Oil Company
c/o W. Thomas Kellahin
P. O. Box 2265
Santa Fe, New Mexico 87504-2265

Corrected
Administrative Order NSL-371-A (SD)

Dear Mr. Kellahin:

Per your telephone conversation with Mr. Michael E. Stogner, Engineer/Chief Hearing Officer with the New Mexico Oil Conservation Division in Santa Fe ("Division") on Wednesday, November 8, 2000, it is our understanding that Division Administrative Order NSL-371-A (SD), dated October 19, 2000, does not correctly state the intended order of the Division and should therefore be corrected at this time.

Ordering Paragraph No. (3) on page 3 of Administrative Order NSL-371-A (SD) is hereby amended to read in its entirety as follows:

*"(3) Marathon is hereby permitted to produce the allowable assigned the subject GPU from both wells in any proportion; **provided however**, total combined gas production from these two wells shall not exceed that volume assigned this GPU with its assessed an acreage factor of 0.542 for gas prorationing purposes, which assesses a 46.8% production penalty on Indian Basin-Upper Pennsylvanian Gas Pool production from this GPU".*

Further, all other provisions of Division Administrative Order NSL-371-A (SD) shall remain in full force and effect until further notice.

Sincerely,

Lori Wrotenbery
Director

LW/MES/kv

cc: New Mexico Oil Conservation Division - Artesia
New Mexico State Land Office - Santa Fe
William F. Carr, Attorney for Texaco Exploration & Production, Inc. - Santa Fe
David R. Catanach, Gas Proration Umpire - NMOCD, Santa Fe
File: NSL-371 /