



STATE OF NEW MEXICO
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION

2040 S. PACHECO
SANTA FE, NEW MEXICO 87505
(505) 827-7131

June 7, 1996

Marathon Oil Company
P.O. Box 552
Midland, Texas 79702-0552
Attention: Thomas M. Price

Administrative Order SD-96-9

Dear Mr. Price:

Reference is made to your application dated May 29, 1996. Marathon Oil Company is hereby authorized to simultaneously dedicate Indian Basin-Upper Pennsylvanian Gas Pool production to the established 640.56-acre standard gas spacing and proration unit ("GPU") comprising all of Section 3, Township 21 South, Range 23 East, NMPM, Eddy County, New Mexico, from the existing North Indian Basin Unit Gas Com Well No. 3 (API No. 30-015-10557) located at a standard gas well location 1650 feet from the South line and 2310 feet from the West line (Unit K) of said Section 3 and to your proposed Comanche "3" Federal Well No. 1 (API No. 30-015-28720) to be drilled at a standard gas well location 1650 feet from the North line and 1850 feet from the East line (Unit G) of said Section 3.

Further, Marathon Oil Company is permitted to produce the allowable assigned said 640.56-acre GPU from both wells in any proportion.

Sincerely,

A handwritten signature in black ink, appearing to read "William J. LeMay". The signature is written over a large, stylized flourish that extends downwards and to the right.

William J. LeMay
Director

WJL/MES/kv

cc: Oil Conservation Division - Artesia
U. S. Bureau of Land Management - Carlsbad