



NEW MEXICO ENERGY, MINERALS
& NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION
2040 South Pacheco Street
Santa Fe, New Mexico 87505
(505) 827-7131

April 28, 1999

Marathon Oil Company
P. O. Box 2490
Hobbs, New Mexico 88240
Attention: Thomas P. Kacir

Administrative Order SD-99-5

Dear Mr. Kacir:

Reference is made to your application dated April 6, 1999 to simultaneously dedicate Blinebry gas production within an existing standard 160-acre gas spacing and proration unit that comprises the NW/4 of Section 11, Township 22 South, Range 37 East, NMPM, Blinebry Oil and Gas Pool, Lea County, New Mexico.

Marathon Oil Company ("Marathon") is hereby authorized to simultaneously dedicate gas production attributed to the Blinebry Oil and Gas Pool within this 160-acre from the following three wells:

- the Lou Worthan Well No. 5 (API No. 30-025-10214), located at a standard gas well location 660 feet from the North line and 1980 feet from the West line (Unit C) of Section 11;
- the Lou Worthan Well No. 9 (API No. 30-025-10218), located at a previously approved unorthodox gas well location [Division Administrative Order NSL-1261, as amended] 1905 feet from the North line and 440 feet from the West line (Unit E) of Section 11; and,
- the recently recompleted Lou Worthan Well No. 19 (API No. 30-025-29469), located at a standard gas well location 680 feet from the North line and 880 feet from the West line (Unit D) of Section 11.

Marathon is hereby permitted to produce the allowable assigned this standard 160-acre gas spacing and proration unit from all three wells in any proportion. Further, all provisions of Division Administrative Order NSL-1261 shall remain in full force and affect until further notice.

Sincerely,

Lori Wrotenbery
Director

LW/MES/kv

cc: New Mexico Oil Conservation Division - Hobbs
File: NSL-1261