



Marathon  
Oil Company

Oil Conservation  
RE: ACE  
55 AU: 1 117 8 52

P.O. Box 552  
Midland, Texas 79702  
Telephone 915/682-1626

July 27, 1995

Mr. William J. LeMay  
Oil Conservation Division  
Energy, Minerals and Natural Resources Department  
2040 South Pacheco  
Santa Fe, New Mexico 87505

RE: Prorated Gas Allowable for October, 1995 through March, 1996 Period  
Eumont Gas Pool  
Lea County, New Mexico

Dear Mr. LeMay,

Marathon Oil Company operates eighteen active wells in the Eumont Gas Pool. Although we will not present testimony at the August 3, 1995 hearing, we would like to express our position regarding the proposed gas allowable for the Eumont Gas Pool.

Marathon Oil Company supports the proposed acreage allocation factor of 38,000 MCF per month. We believe this will permit equitable sharing between the owners in the gas pool based on the present production capacity of the producers in the pool. The Eumont Field has been an area of recent activity for Marathon and we are planning to drill more wells if the allowable is kept at 38,000 MCF per month. This allowable will protect the current income of those operators who have made investments to obtain production increases.

Sincerely yours,

A handwritten signature in cursive script, appearing to read 'T. N. Tipton'.

T. N. Tipton  
Engineering Manager  
Midland Operations