

STATE OF NEW MEXICO
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT
OIL CONSERVATION DIVISION

msy

CASE NO. 11835

RECEIVED

AUG 18 1997

Oil Conservation Division

APPLICATION OF MARATHON OIL
COMPANY FOR COMPULSORY POOLING,
EDDY COUNTY, NEW MEXICO.

PRE-HEARING STATEMENT

This pre-hearing statement is submitted by Marathon Oil Company, as required by the Oil Conservation Division.

APPEARANCE OF PARTIES

APPLICANT

Marathon Oil Company
P. O. Box 552
Midland, Texas 79702
(915) 687-8144
attn: Thomas C. Lowry, Esq.

ATTORNEY

W. Thomas Kellahin
KELLAHIN AND KELLAHIN
P.O. Box 2265
Santa Fe, New Mexico 87504
(505) 982-4285

STATEMENT OF CASE

Marathon has a working interest ownership in the oil and gas minerals from 500 feet below the top of the San Andres formation to the base of the Morrow formation underlying the E/2 of Section 33, T18S, R28E, NMPM, Eddy County, New Mexico.

The subject tract is located within one-mile of the current boundaries of the North Turkey Track-Morrow Gas Pool.

Marathon proposes to drill its James Buchanan "33" State Well No. 1 at a standard gas well location in Unit I of Section 33 to test any and all formations in the pooled interval from 500 feet below the top of the San Andres formation to the base of the Morrow formation and to be dedicated to the appropriate sized spacing unit for the appropriate pool.

Despite its good faith efforts, Marathon has been unable to obtain a written voluntary agreement from all of the parties.

Pursuant to Section 70-2-17(c) NMSA (1978) and in order to obtain its just and equitable share of potential production underlying this spacing unit, the applicant needs an order of the Division pooling the identified and described mineral interests involved in order to protect correlative rights and prevent waste.

PROPOSED EVIDENCE

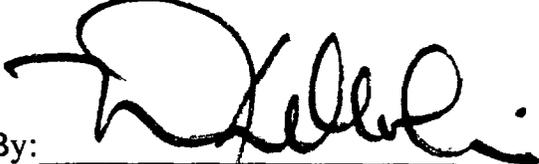
APPLICANT:

| WITNESSES | EST. TIME | EXHIBITS |
|-------------------------|-----------|--------------|
| Tim Robertson (landman) | 15 Min. | @ 6 exhibits |
| Bill DeMis (geologist) | 15 Min. | @ 2 exhibits |

PROCEDURAL MATTERS

None anticipated at this time

KELLAHIN AND KELLAHIN

By: 

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