



MARATHON OIL COMPANY
FORMERLY THE OHIO OIL COMPANY

file jmc

LEGAL DEPARTMENT

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December 31, 1962

SOUTHERN NATIONAL BANK BUILDING
P. O. BOX 3128
HOUSTON 1, TEXAS

New Mexico Oil Conservation Commission
P. O. Box 871
Santa Fe, New Mexico

Att. Mr. Jim Durrett

Dear Jim:

Re: NMOCC Hearing December 19, 1962
Cases 2118 and 2459 Reopened

I received copy of letter dated December 26, 1962 from Pure Oil Company stating Pure's concurrence in our proposals in these cases, and to complete the Commission's file evidencing concurrence of all the Working Interest Owners in the Unit, I enclose copy of letter dated December 27, 1962 signed by Wm. G. Ross and Vee K. Ross.

I received today a copy of the Commission's order in these cases and, of course, was pleased to learn that the Commission had made the existing rules permanent with the exception of granting us the additional allowable as requested.

In the same envelope came the Commission's order in the Atoka-Penn Unorthodox location case denying the relief we requested. Frankly, I was surprised that our application was denied on the basis of the record made before the Commission. We have not yet determined what further action we should take in connection with that case.

Very truly yours,

J. O. Terrell
J. O. TERRELL COUCH

JOTC/1
encl

WM. G. ROSS
OIL INVESTMENTS
BOX 1094
MIDLAND, TEXAS

file pm
BUS. PHONE MU 3-1412
RES. PHONE MU 2-2983

December 27, 1962

Re: 50th-Lea County, New Mexico

NMOCC Hearing December 19, 1962,
Cases 2118 & 2459 Reopened

C
Mr. J. O. Terrell Couch
Marathon Oil Company
Box 3128
Houston 1, Texas

Dear Sir:

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With reference to your letter of December 12, 1962, which stated in part as follows:

"As you will no doubt recall, following the hearing in the above numbered cases in December, 1961, the New Mexico Oil Conservation Commission entered an order adopting temporary rules and regulations for the Lea-Devonian Pool fixing 160-acre proration units but retaining an 80-acre allowable for the wells. That order specifically provided that the cases should be heard again by the Commission at the regular monthly hearing in December, 1962, for the purpose of adopting permanent proration units and to consider what allowable factor should be used in fixing allowables for the wells."

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"At the December 19th hearing we intend to recommend that the 160-acre proration units be made permanent and that the Commission assign allowables on the basis of the proportional factor of 12.33, being two (2) normal unit allowables greater than the 80-acre allowable applicable under statewide rules. We are in the process of making final preparations for presentation of the case and will arrive in Santa Fe by mid-afternoon December 18. If any of you desire to review our preparations or to discuss our plans prior to the hearing, please contact us at the La Fonda Hotel on the afternoon of December 18."

This is to advise you that the undersigned are in accordance with your company as set out above.

Yours very truly,

W. G. Ross
Wm. G. Ross

WGR/brf

cc: Mr. C. L. Southard, Jr.
9th Floor
Midland National Bank Bldg.
Midland, Texas

Vee K. Ross
Vee K. Ross

State of New Mexico
Oil Conservation Commission



P. O. BOX 871
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OTHER **Mr. J. O. Terrell Couch**