

GOVERNOR
EDWIN L. MECHEM
CHAIRMAN

State of New Mexico
Oil Conservation Commission



LAND COMMISSIONER
E. S. JOHNNY WALKER
MEMBER

STATE GEOLOGIST
A. L. PORTER, JR.
SECRETARY - DIRECTOR

P. O. BOX 871
SANTA FE

December 28, 1962

Mr. Charles Malone
Atwood & Malone
Attorneys at Law
Post Office Drawer 700
Roswell, New Mexico

Re: Case No. 2628
Order No. R-2399
Applicant:
Marathon Oil Company

Dear Sir:

Enclosed herewith are two copies of the above-referenced Commission order recently entered in the subject case.

Very truly yours,

A. L. PORTER, Jr.
Secretary-Director

ir/

Carbon copy of order also sent to:

Hobbs OCC x

Artesia OCC x

Aztec OCC

OTHER Mr. J. O. Terrell Couch

Mr. Jason Kellahin

COPY

Encl 2628

ATWOOD & MALONE
LAWYERS

P. O. DRAWER 700
TELEPHONE 505 622-6221
SECURITY NATIONAL BANK BUILDING
ROSWELL, NEW MEXICO

JEFF D. ATWOOD (1883-1960)
ROSS L. MALONE
CHARLES F. MALONE
RUSSELL D. MANN
PAUL A. COOTER
—
BOB F. TURNER
ROBERT A. JOHNSON

August 14, 1962

Mr. A.L. Porter, Jr., Director
New Mexico Oil Conservation Commission
Post Office Box 871
Santa Fe, New Mexico

Re: Application by Marathon Oil Company
for Unorthodox Well Location, Atoka
Penn Gas Pool

Dear Mr. Porter:

In behalf of Marathon Oil Company, application is hereby made for the drilling and completion of a well to be located in the Atoka Penn Gas Pool at a point 990 feet from the North line, and 990 feet from the East line, of N/E 1/4 of Section 30, Township 18 South, Range 26 East, Eddy County, New Mexico.

The applicant believes that this location for a well is necessary in order to recover a fair share of the gas, and that the granting of this application will not cause waste and is necessary for proper protection of correlative rights. It appears that this application cannot be granted administratively.

It would be appreciated if this application is placed upon the docket, and heard as soon as possible.

Thank you for your kind attention, and with regards,

Very truly yours,

ATWOOD & MALONE

CFM/mm

BY: S/ Charles F. Malone

CC: Mr. Warren B. Leach, Jr.
Mr. Tom Webb

Sept 11th *Page 2 of 28*

ATWOOD & MALONE
LAWYERS

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ATWOOD & MALONE

BY: *Charles F. Malone*

Warren B. Leach
8/31/62
W

CFM/mm

CC: Mr. Warren B. Leach, Jr.
Mr. Tom Webb

GOVERNOR
EDWIN L. MECHEM
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State of New Mexico
Oil Conservation Commission

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E. S. JOHNNY WALKER
MEMBER

STATE GEOLOGIST
A. L. PORTER, JR.
SECRETARY - DIRECTOR

P. O. BOX 871
SANTA FE

October 19, 1962

Mr. Charles Malone
Atwood & Malone
Attorneys at Law
P. O. Drawer 700
Roswell, New Mexico

Re: CASE NO. 2628

ORDER NO. R-2330

APPLICANT:

Marathon Oil Company

Dear Sir:

Enclosed herewith are two copies of the above-referenced Commission order recently entered in the subject case.

Very truly yours,

A. L. Porter, Jr.

A. L. PORTER, Jr.
Secretary-Director

ir/

Carbon copy of order also sent to:

Hobbs OCC x

Artesia OCC x

Aztec OCC

OTHER Mr. Jason Kellahin

Hondo Oil & Gas Company

Box 660

Roswell, New Mexico

Donald B. Anderson
Vice President

December 13, 1962

Exploration and Production
Geological - Phil D. Helmig
Lund - H. E. Harrington
Production - J. R. McMan

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

file
↓
Subj: Case No. 2628

Set for December 19, 1962.
Marathon Oil Company Request
for Unorthodox Pennsylvanian
Gas Well Location, 990' fr N
& E Lines of Sec. 30, T-18-S,
R-26-E, Atoka Field,
Eddy County, New Mexico

Gentlemen:

Hondo Oil & Gas Company owns an overriding royalty interest in Martin, Williams & Judson's #1 Hondo-LFE, Pennsylvanian gas well located 990' from the South and East lines of Sec. 19, T-18-S, R-26-E, Eddy County, New Mexico.


Hondo objects to Marathon Oil Company's request to drill an unorthodox Pennsylvanian gas test 990' from North and East Lines of Sec. 30, T-18-S, R-26-E, Eddy County, New Mexico.

Hondo is presenting this letter to evidence our objection at the time of subject hearing.

Hondo believes that since the requested location is contrary to field rules and in view of evidence previously heard pointing towards non-productivity of parts of the spacing unit this unorthodox location is not justified.

The requested location could, in our opinion, drain other acreage inequitably. The requested location, if granted, would warrant only partial allowable.

Yours truly,


Donald B. Anderson

sfc

JOSEPH D. KENNEDY
CONTINENTAL NATIONAL BANK BLDG.
FORT WORTH 2. TEXAS

December 12, 1962

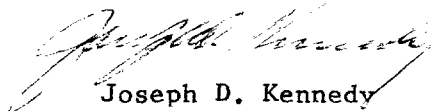
Oil Conservation Commission
Box 871
Santa Fe, New Mexico

Gentlemen:

I have been informed that Marathon Oil Company has requested an unorthodox location 990' FNL and 990' FEL of Section 30, Township 18 South, Range 26 East, Eddy County, New Mexico.

I am the owner of the full mineral interest under the SE/4 of Section 19, Township 18 South, Range 26 East, and I feel that the location of this well, contrary to field rules, will have a detrimental effect upon the value of my mineral interest because of drainage of gas reserves which have been developed by the MWJ Hondo LFE #1. Due to the lenticular nature of the producing zone, this location might possibly result in the dedication of non-productive acreage to the proposed well. If this request for the unorthodox location is granted, and if Marathon Oil Company completes a producing well from the regular pay zone of the field, I feel that their allowable should be adjusted to protect my correlative rights.

Yours sincerely,


Joseph D. Kennedy

JDK:ah

CORDON STREET, INC.
Chattanooga 5, Tennessee

December 7, 1962

OPERATING DIVISIONS
THE WHELAND FOUNDRY
THE WHELAND PRODUCTS
OIL AND GAS PROPERTIES

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

Re: Section 30, T-18S, R-26E

Gentlemen:

I am the owner of 1/2 interest in the Hondo
lease directly ^{North} ~~South~~ of the above reference location.

I wish to oppose Marathon Oil Company's
(formerly Ohio Oil Company) approval for an unorthodox
location 990' FN&EL of Section 30, Township 18 South,
Range 26 East. The granting of this location is contrary
to established field rules and would crowd our lease line.
Certainly if they are granted this unorthodox location,
their allowables should be adjusted to protect my corre-
lative rights.

Respectfully yours,


G. P. Street

GPS:mh

ACE ELECTRIC COMPANY

Box 259
~~2953 EAST 45th PLACE~~

ELECTRICAL CONTRACTING

TELEPHONE ~~7-0858~~ VA 53795

PRYOR
~~TULSA~~ OKLAHOMA

December 13, 1962

Oil Conservation Commission
Box 871
Santa Fe, New Mexico

Gentlemen:

This is to notify you of my objection to the proposed unorthodox location by Marathon Oil Company in the Northeast-quarter of Section 30-T18S-R26E, Eddy County, New Mexico.

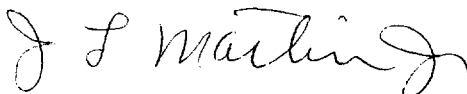
I am one of the working interest owners under Martin, Williams & Judson's Hondo LFE No. 1 in the Southeast-quarter of Section 19-18-26. Our location was located and drilled according to established field rules calling for specific locations within a section. We would have liked to have drilled closer to established production than we did, but believing that field rules were meant to be followed, we accepted them and made no effort to improve our location.

I cannot understand Marathon's request other than as an effort to crowd established production and to drain our acreage. Evidently, they don't think an orthodox location will produce.

Whatever their reason, I feel that their proposed location would result in drainage from my well and impair my correlative rights. Consequently, I feel that they should follow established field rules just as Martin, Williams & Judson did in their well.

In the event their proposed location is granted I request that their allowable be adjusted, since otherwise, there is a strong chance that non-productive acreage will be dedicated to their well.

Sincerely,

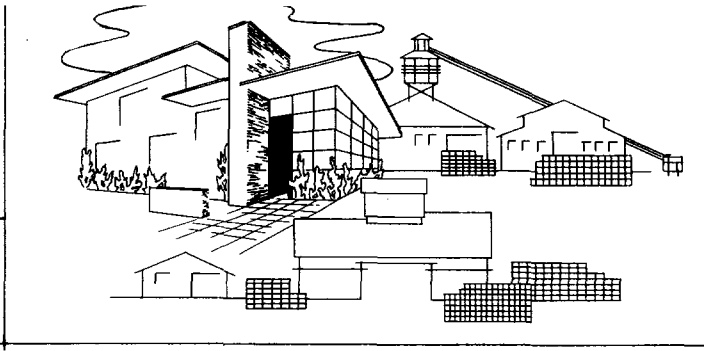


J. L. Martin, Jr.

JLM:fs

HAMILTON

CONCRETE PRODUCTS
COMPANY, INC.



1401 EAST THIRTY-NINTH STREET • P. O. Box 1935 • CHATTANOOGA 7, TENNESSEE

TELEPHONE TAYLOR 1-1521

DECEMBER 10, 1962

OIL CONSERVATION COMMISSION
P. O. Box 871
SANTA FE, NEW MEXICO

REF: SECTION 30, T-18S, R-26E

GENTLEMEN:

WHILE I OWN ONLY A SMALL INTEREST (1/8 W.I.) IN THE HONDO LEASE SOUTH OF THE ABOVE LOCATION, I WISH TO OBJECT TO THE APPLICATION OF MARATHON OIL COMPANY FOR A WELL LOCATION WHICH WILL BE CONTRARY TO THE ESTABLISHED FIELD RULES FOR THIS AREA.

AS YOU KNOW, THE PIPE LINE SERVING THE AREA IS UNABLE TO TAKE ALL THE GAS PRODUCED IN THE FIELD NOW AND MARATHON'S WELL WHICH WOULD CROWD OUR LEASE LINE COULD SERIOUSLY DRAIN OUR PROPERTY.

SINCE MARATHON WISHES TO MOVE THE LOCATION, IT OCCURS TO ME THAT THEY DO NOT THINK PART OF THEIR REGULAR SPACING WOULD BE PRODUCTIVE AND IF SUCH IS THE CASE THEN CERTAINLY IF THE UNUSUAL LOCATION IS GRANTED THEM THEIR ALLOWABLES SHOULD BE ADJUSTED DOWNWARD.

SINCERELY YOURS,

S. M. WARREN

SMW:GT

Sulsa Okla.

Oil Conservation Commission

Box 871

Sante Fe, New Mexico.

Dear Sirs:

It is my understanding that Marathon Oil Co wants to drill a well 990 feet from the north and east lines of Sec. 30, T-18-S, R-36-E Eddy County New Mexico in the Atoka Perm Field.

I am a widow ~~67~~ 7 years old that invested part of my savings in a well which is less than one-half of a mile north of this location in Section 19.

I have faith that you Gentlemen who are on the Commission will look after my rights and not let this major oil company drill at a location that will reduce the amount of Gas eventually rightly receive from the well.

I cannot understand why they do not wish to drill at a regular location, like we did unless they think it would be dry.

Sincerely

Dialtha Martin
6930 E 5th St.
A. Gas. 12 Oklahoma