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10462

Section 26: W $\frac{1}{2}$
Section 27: All
Section 28: All

Township 17 South, Range 35 East, N.M.P.M., (cont.)

Section 29: All
Section 30: All
Section 31: All
Section 32: All
Section 33: All
Section 34: $W\frac{1}{2}$

Township 18 South, Range 34 East, N.M.P.M.

Section 1: $N\frac{1}{2}$
Section 2: $NE\frac{1}{4}$

Township 18 South, Range 35 East, N.M.P.M.

Section 5: $N\frac{1}{2}$
Section 6: $N\frac{1}{2}$

3. Applicant requests an order establishing a special allowable for each well producing from the Vacuum-Glorietta Pool equal to the producing capability of each such well. The current daily allowable for wells producing from the pool is 107 barrels. Said order will not impair correlative rights in the pool, and will not result in waste or damage to the pool.

4. There are currently seven wells producing from the Vacuum-Glorieta Pool which are capable of producing in excess of the currently applicable daily allowable. Five of these wells are operated by EXXON Company U.S.A., and are known as the New Mexico K State Nos. 27, 28, 29, 34 and 36. Two of these wells are operated by Marathon Oil Company, and are known as the Warn State A/C 3 Nos. 6 and 7.

5. Phillips Petroleum Company has proposed the unitization of that portion of the Vacuum-Glorieta Pool underlying the following land:

Township 17 South, Range 35 East, N.M.P.M.

Section 26: $N\frac{1}{2}NW\frac{1}{4}$, $SW\frac{1}{2}NW\frac{1}{4}$, $NW\frac{1}{4}SW\frac{1}{2}$
Section 27: All
Section 28: $S\frac{1}{2}$, $NE\frac{1}{4}$, $E\frac{1}{2}NW\frac{1}{4}$, $SW\frac{1}{4}NW\frac{1}{4}$
Section 29: $S\frac{1}{2}N\frac{1}{2}$, $S\frac{1}{2}$
Section 30: $S\frac{1}{2}NE\frac{1}{4}$, $SE\frac{1}{4}NW\frac{1}{4}$, $E\frac{1}{2}SW\frac{1}{4}$, $SE\frac{1}{4}$
Section 31: $E\frac{1}{2}W\frac{1}{2}$, $E\frac{1}{2}$
Section 32: All
Section 33: $N\frac{1}{2}$, $N\frac{1}{2}S\frac{1}{2}$, $SW\frac{1}{4}SW\frac{1}{4}$
Section 34: $N\frac{1}{2}NW\frac{1}{4}$, $SW\frac{1}{4}NW\frac{1}{4}$, $NW\frac{1}{4}SW\frac{1}{4}$

Township 18 South, Range 35 East, N.M.P.M.

Section 5: $N\frac{1}{2}N\frac{1}{2}$, $SW\frac{1}{4}NW\frac{1}{4}$

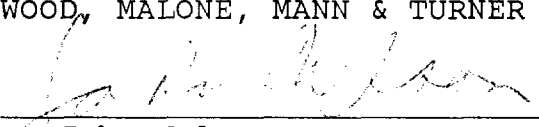
In order to obtain sufficient information to establish a fair, reasonable and equitable formula for the allocation of costs and production in the proposed unit, it is necessary to produce wells in the Vacuum-Glorieta Pool at their full capacity. In certain instances, as stated above, such capacity may exceed the allowable currently applicable to said pool.

Applicant therefore requests that this Application be set for hearing before an examiner of the Oil Conservation Division on April 2, 1992, and that, after notice and hearing as required by law, the Division enter its order establishing a special pool allowable applicable to the Vacuum-Glorieta Pool, as stated above.

Respectfully submitted,

ATWOOD, MALONE, MANN & TURNER

By


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(505) 622-6221

Attorneys for Marathon Oil Company

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

IN THE MATTER OF THE HEARING
CALLED BY THE OIL CONSERVATION
DIVISION FOR THE PURPOSE OF
CONSIDERING:

CASE NO. 10462
Order No. R-9677

APPLICATION OF MARATHON OIL
COMPANY FOR TERMINATION OF OIL
PRORATIONING IN THE VACUUM-
GLORIETA POOL, LEA COUNTY, NEW
MEXICO.

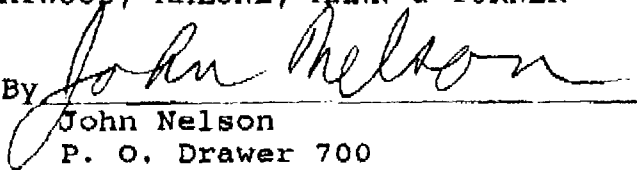
APPLICATION FOR HEARING DE NOVO

The Division rendered its Order No. R-9677 on May 22, 1992. Pursuant to §70-2-13 NMSA (1978) and Rule 1220 of the Division's Rules and Regulations, the Applicant, Marathon Oil Company, hereby requests that its Application be heard de novo before the Oil Conservation Commission. Marathon's request for a hearing de novo is limited to the issue of whether the relief requested by Marathon's Application should be allowed for a limited test period of nine months.

Respectfully submitted,

ATWOOD, MALONE, MANN & TURNER

By



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Roswell, NM 88202
(505) 622-6221

Attorneys for Marathon Oil Company

CERTIFICATE OF SERVICE

I hereby certify that a copy of the foregoing Application for Hearing De Novo was mailed this 19 day of June, 1992, to James Bruce, P. O. Box 2068, Santa Fe, NM 87504, attorney for Phillips Petroleum Company and Exxon Company USA, and to W. Perry P. O. Box 2307, Santa Fe, NM 87504, attorney for Mobil Exploration & Producing U.S., Inc.


John Nelson