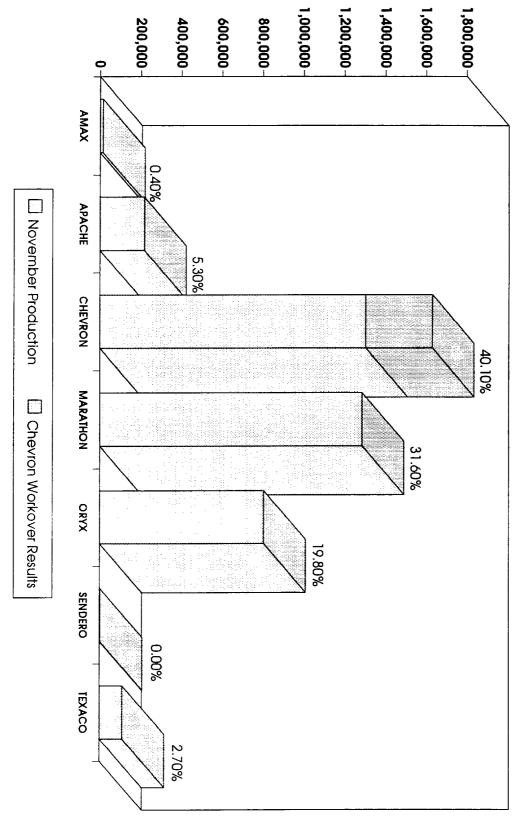
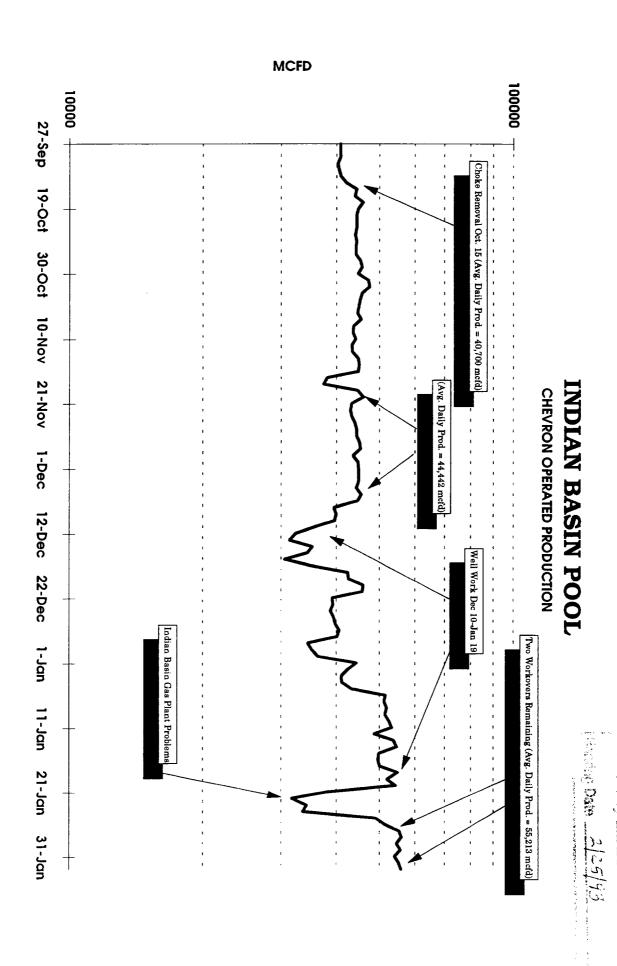
Indian Basin Upper Penn Pool





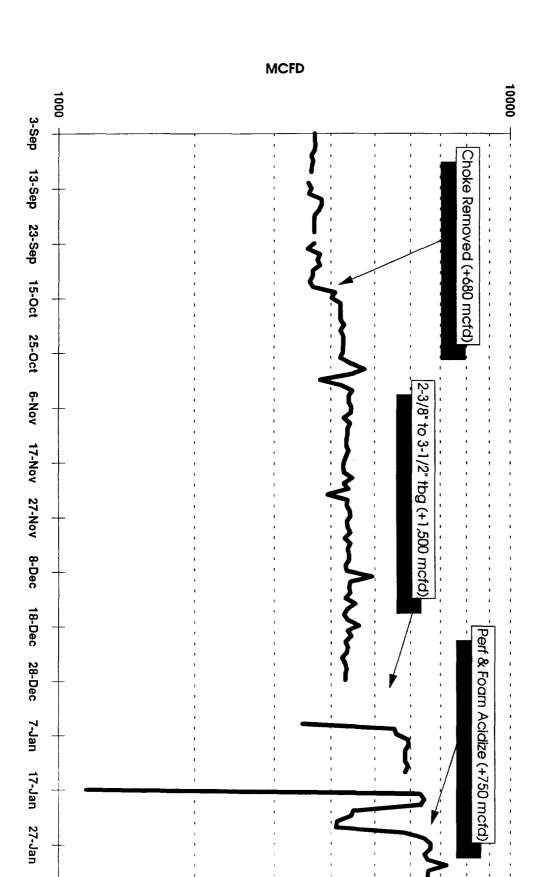
MCFM

10.872 Shewon 45A



SHEYLOA WIA

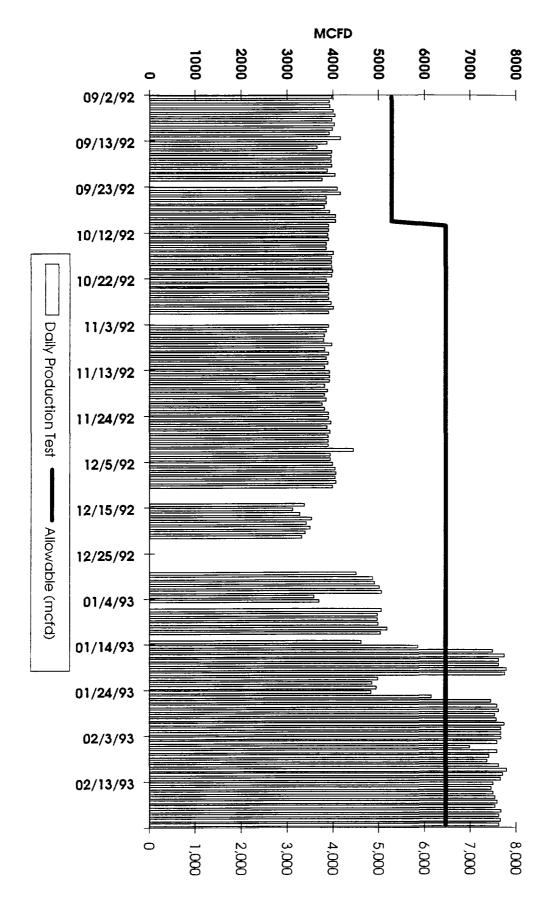
IBPRSUM.XLS Chart 1



Chevron's Federal Gas Com '33' #1

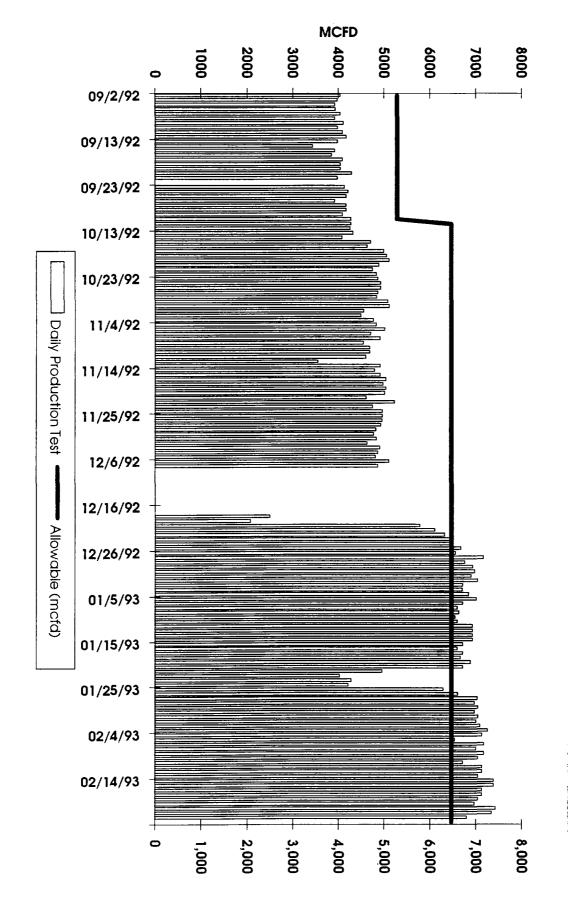
chevron U.S.A.

F331DUNN.XLS Chart 1

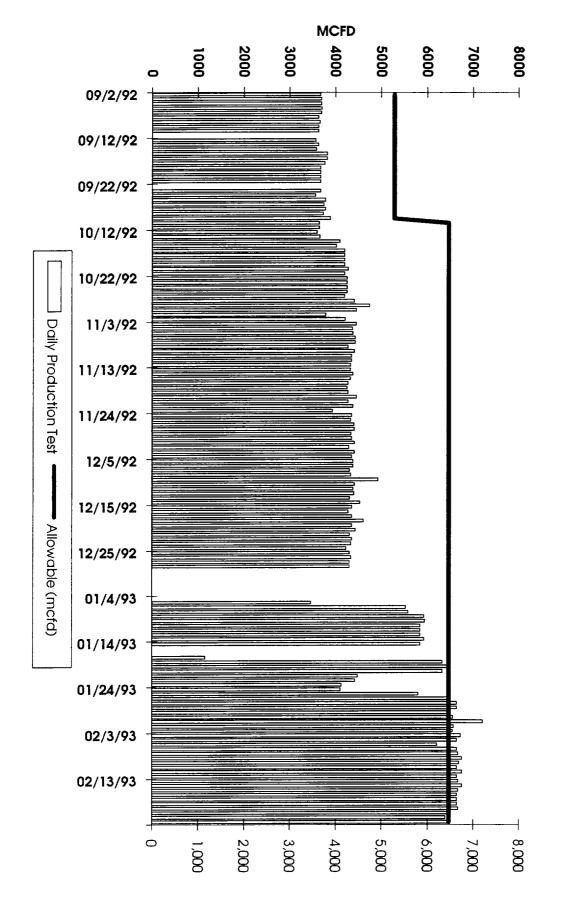


CHEVRON'S BOGLE FLATS UNIT #3

Chevron 45 A



CHEVRON'S BOGLE FLATS UNIT #4



CHEVRON'S FEDERAL GAS COM '33' #1

2/25/93

AMOCO RECOMMENDED POOL ALLOWABLES NORTHWEST NEW MEXICO APRIL 93 - SEPTEMBER 93

MONTHLY POOL 9,671,546	AMOCO RECOMMENDED 1,500,000 ADJUSTMENT	PRELIMINARY ESTIMATE 8,171,546	BASEN DAKOTA
17.217.142	2,900,000	14,317,142	BLANCO MESAVERDE
1,357,285	100,000	1,257,285	BLANCO P.C. SOUTH
309,942	75,000	234,942	TAPACITO

AMOCO PRODUCTION COMPANY
NMOCD HEARINGS
FEBRUARY 24, 1993
CASE NO. 10672
EXHIBIT #1

ALLOWABLE

AMOCO RECOMMENDED POOL ALLOWABLES NORTHWEST NEW MEXICO APRIL 93 - SEPTEMBER 93

MONTHLY POOL 9,671,546	AMOCO RECOMMENDED 1,500,000 ADJUSTMENT	PRELIMINARY ESTIMATE 8,171,546	NMOCD BASIN E
17,217,142	2,900,000	14,317,142	BLANCO MESAVERDE
1,357,285	100,000	1,257,285	BLANCO P.C. SOUTH
309,942	75,000	234,942	TAPACITO

AMOCO PRODUCTION COMPANY
NMOCD HEARINGS
FEBRUARY 24, 1993
CASE NO. 10672
EXHIBIT #1

Exxon Exhibit 1 Complete

Tubb Prorated Gas Pool April-October 1993 Allowables

NMOCD proposed pool monthly allowable

288,492 mcf/mo.

Wells which remain limited by allowable

5 wells

Additional capacity which would be limited by proposed allowable

5,928 mcf/mo

Exxon Exhibit 1

Tubb Prorated Gas Pool April-October 1993 Allowables

NMOCD proposed pool monthly allowable 288,492 mcf/mo. Wells which remain limited by allowable 5 wells

Additional capacity which would be limited by proposed allowable 5,928 mcf/mo.

> Exhibit No. $\frac{1}{2}$ Exxon Corporation Case No. 10672 February 25, 1993

NORTHWEST NEW MEXICO

REASONS FOR INCREASED PRODUCTION:

Increased pipeline capacity out of San Juan Basin

EPNG Expansion

Transwestern Expansion

Increased and firming of natural gas prices



APRIL, 1993 - SEPTEMBER, 1993 NORTHWEST NEW MEXICO RECOMMENDATIONS **POOL ALLOWABLES** MCF PER MONTH

BASIN DAKOTA	
BLANCO ME	

ESAVERDE

BLANCO P.C. SOUTH

ADJUSTMENTS CURRENT 8,171,546

+2,000,000

14,317,142

1,257,285

+3,000,000

+150,000

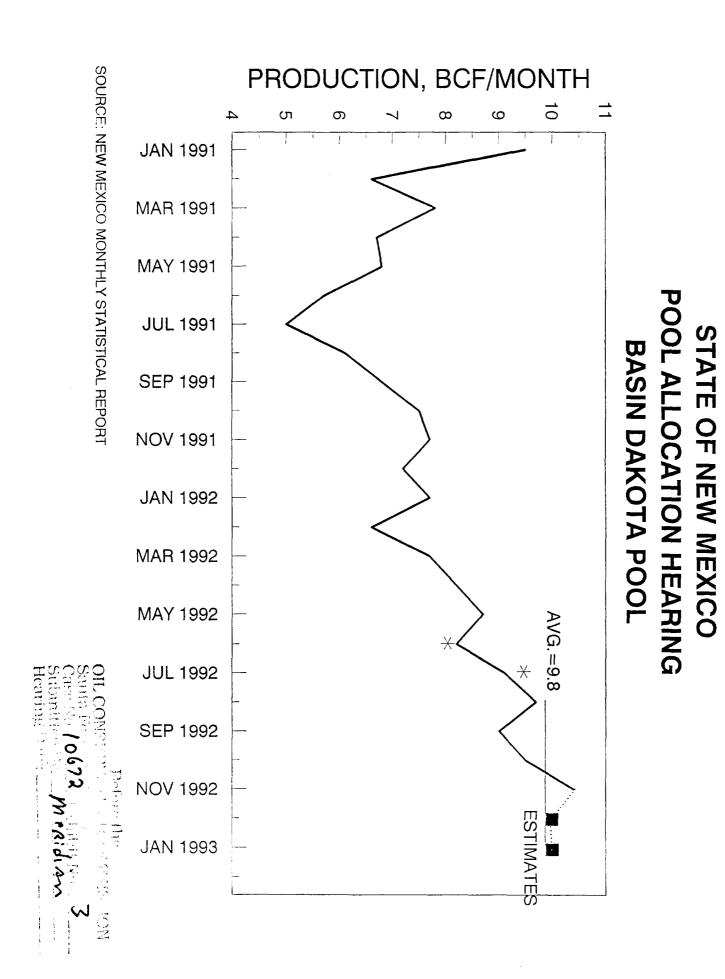
MONTHLY POOL ALLOWABLE

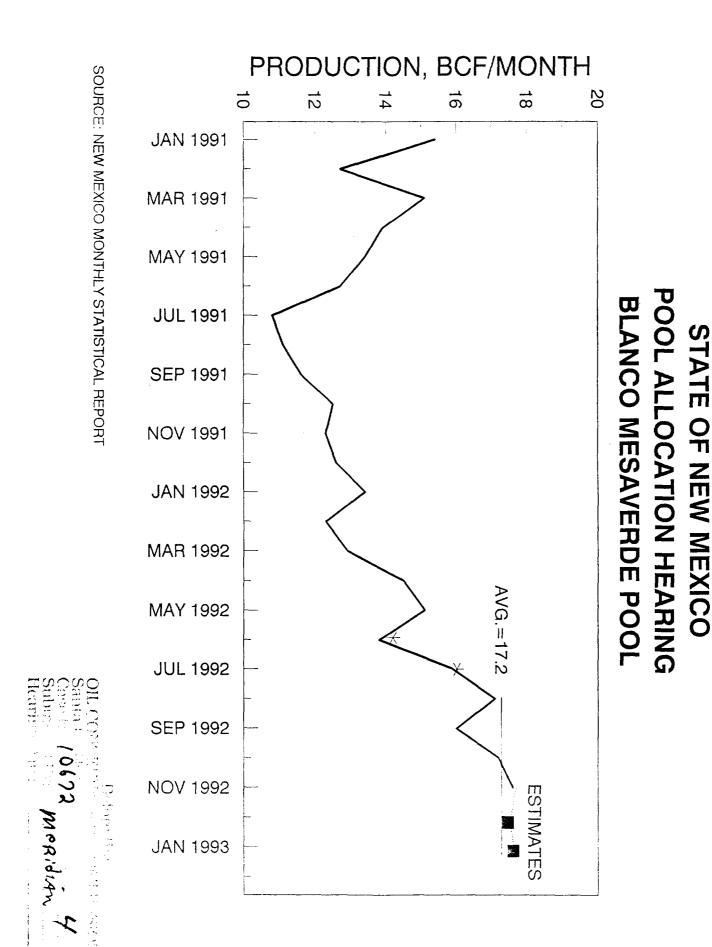
10,171,546

17,317,142

1,407,285

Substitute of months of the Hearth of the Market of the Ma





BASIN DAKOTA POOL PRODUCTION BCF PER MONTH

1991	1992	Difference
6.1	9.7	+59%
6.8	9.0	+32%
7.5	9.5	+27%
7.7	10.4	+35%
7.2	10.0 (est.)	+39%
7.7	10.0 (est.)	+30%
7.2	9.8	+36% Reflect th OIL CONSET NAME OF
	1991 6.1 6.8 7.5 7.7 7.2 7.2	

OIL CONSERVATION COMMISSION Sanda For 10672 Mark 1987 5

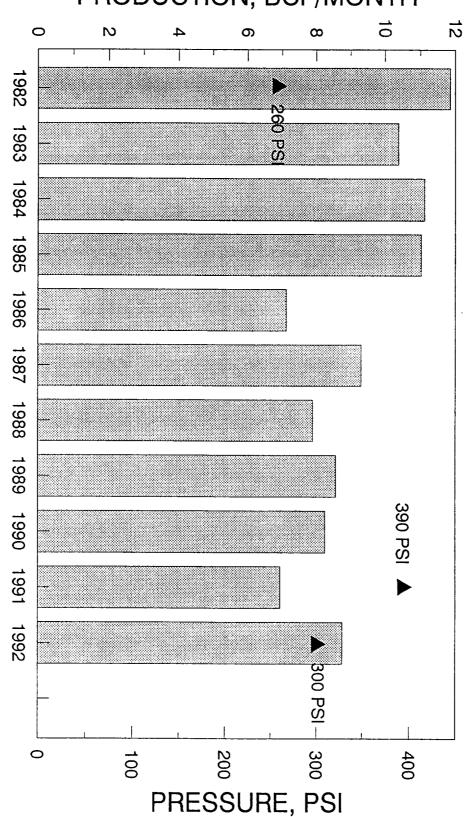
BLANCO MESAVERDE POOL PRODUCTION BCF PER MONTH

AVERAGE		JANUARY (92/93)	DECEMBER	NOVEMBER	OCTOBER	SEPTEMBER	AUGUST	
12.2	COMPANY TO THE TOTAL TOTAL COMPANY TO THE TOTAL COM	13.4	12.6	12.3	12.5	11.6	11.1	1991
17.2		17.6 (est.)	17.5 (est.)	17.6	17.2	16.0	17.1	1992
Before the OIL COMMISSION SAME (0672 MOR. MISSION COMMISSION COMMISSION COMMISSION MOR. MOR. MOR. MOR. MOR. MOR. MOR. MOR.	#1 #1 #1 #1	+31%	+39%	+43%	+38%	+38%	+54%	Difference

BLANCO P.C. SOUTH POOL PRODUCTION BCF PER MONTH

AVERAGE	JANUARY (92/93)	DECEMBER	NOVEMBER	OCTOBER	SEPTEMBER	AUGUST	
1.0	1.2	=======================================	1.0	0.9	0.9	0.7	1991
1.4	1.4 (est.)	1.5 (est.)	1.4	1.4	1.2	1.4	1992
#40% Before the OIL CONSERVATION COMMISSION Santa Pr. New Mexico Cenc No. 1022 Exhibit No. 7 Submit of Lby: Marking Date:	+17%	+36%	+40%	+56%	+33%	+100%	Difference

PRODUCTION, BCF/MONTH



PRORATED POOL PRODUCTION

BASIN DAKOTA

NORTHWEST NEW MEXICO

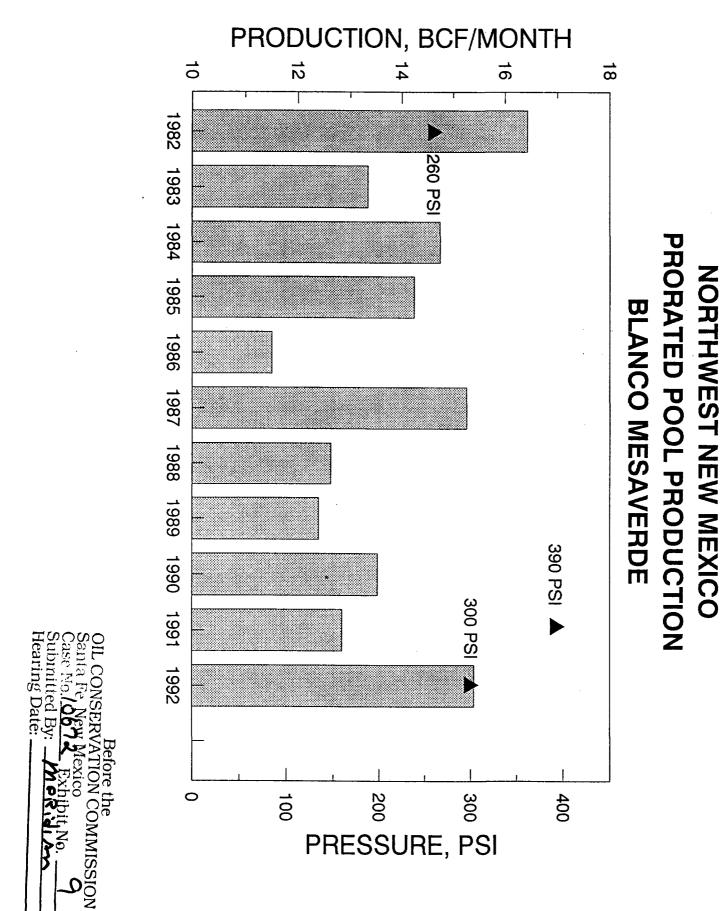


Exhibit "B" Case No. 10377 Order No. R-9586

ENGP216AT-ENGP216A-01 RUN-TIME: 08:13:57

MARKET DEMAND AND ALLOWABLE DETERMINATION SCHEDULE PRORATED GAS POOLS - NORTHWEST NEW MEXICO FOR OCT 91 THRU MAR 92

	BASIH DAKOTA	BLANCO MESA VERDE	BLANCO P.C. SOUTH	TAPACITO
(1) AVERAGE MONTHLY POOL SALES OCT90-HAR91 ALL VOLUME ARE IN		13,999,619	1,185,220	204,195
(2) TOTAL NOMINATIONS AVG MONTH VOL.	795,852	555,611	56,094	41,426
(3) ADJUSTMENTS.		46,000	•	
(4) MONTHLY POOL ALLOWABLE OCT91-MAR92 (LINE 1 + LINE		14,045,619	1,185,220	204,195
(5) MATHLY MARGINAL POOL ALLOWABLE OCT91-MAR92	4,180,677	6,597,257	515,312	81,801
(6) HONTHLY HON-HARGINAL POOL ALLOHABLES OCT91-HAR92 LINE 4 - LINE 5	3,852,865	7,448,362	669,908	122,394
(7) MUMBER OF NON-MARGINAL ACREAGE FACTORS	433.65	599.93	456.61	91.74
(8) NAMBER OF NON-MARGINAL ACREAGE TIMES DELIVERABILITY FACTORS	206,913	442,938	27,586	9,304
(9) MONTHLY ACREAGE ALLOCATE FACTOR OCT91-MAR92	5,330	3,103	366	333
(10) MONTHLY ACREAGE TIMES DELIVERABILITY ALLOCATE FACTOR OCT91-MAR92	7.44	12.61	18.21	9.86

ENGP216T--ENGP216-01 RUN4-TIME: 06:56:50

EXHIBIT "B" CASE NO. 10450
MARKET DEMAND AND ALLOWABLE DETERMINATION SCHEDULE
PROPATED GAS POOLS - NORTHWEST NEW HEXICO
FOR APR92 THRU SEP92

DAKOT**A** BLANCO BLANCO MESA VERDE P.C. SOUTH TAPACITO

(1) AVERAGE MONTHLY 5,063,716 12,179,306 POOL SALES
AFR91-SEP91
ALL VOLUME ARE IN MCF. 864,713 197,234

(10) HONTIFLY ACREAGE TIMES DELIVERABILITY ALLOCATE FACTOR APR92-SEP92	(9) HOHTHLY ACREAGE ALLOCATE FACTOR APR92-SEP92	(8) KUMBER OF HON-HARGINAL ACREAGE TIMES DELIVERABILITY FACTORS	(7) ANTIBER OF NON-HARGINAL ACREAGE FACTORS	(6) HOHTHLY HOH-HARGINAL POOL ALLOHABLES APR92-SEP92 LINE 4 - LINE 5	(5) MITHLY MARGINAL POOL ALLOWABLE APR91-SEP91	(4) MONTHLY FOOL ALLOWABLE APR 92 - SEP 92 (LINE 1 + LINE	(3) ADJUSTMENTS.	(2) TOTAL HONTHATIONS AVG MONTH VOL.
10.68	8,411	151,620	289.09	4,052,683	3,811,033	7,863,716	2,000,000	
21.30	4,390	351,062	567.72	9,969,674	5,209,632	15,179,306 1,014,713	3,000,000	
23.19	449	18,945	326.02	585,774	428,939	1,014,713	150,000	
26.52	. 653	5,808	78.68	205,407	91,827	297,234	100,000	

11

EXHIBIT XX. COMMISSION ORDER NO. R--9734 MARKET DEMAND AND ALLOWABLE DETERMINATION SCHEDULE PROPRATED GAS POOLS - NORTHH EST NEW MEXICO FOR OCT92 THRU MAR93

OCT91-HAR92 ALL VOLUME ARE IN MCF.	(1) AVERAGE MONTHLY 7,145,484 12,265,486 1,061,345	
HCF.	7,145,48	BASIN DAKOTA
	14 12,265,486	BLANCO BLANCO HESA VERDE P.C. SOUTH
	1,061,345	BLANCO P.C. SOUTH
	228,640	BLANCO TAPACITO C. SOUTH

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9	્ \$	0)	7)	•	5)		3)	∾
(10) MONTHLY ACREAGE TIMES DELIVERABILITY ALLOCATE FACTOR OCT92-MAR93	9) HONTHLY ACREAGE ALLOCATE FACTOR OCT92-MAR93	NUMBER OF NON-MARGINAL ACREAGE TIMES DELIVERABILITY FACTORS	NUMBER OF NON-MARGINAL ACREAGE FACTORS	MONTHLY NON-MARGINAL POOL ALLOWABLES OCT92-MAR93 LINE 4 - LINE 5	5) HNTHLY MARGINAL POOL ALLOWABLE OCT91-MAR92	HONTHLY POOL ALLOWABLE OCT92-HAR93 (LINE 1 + LINE	3) ADJUSTMENTS.	TOTAL NOMINATIONS AVG MONTH VOL.
13.74	10,688	119,193	229.86	4,094,727	5,050,757	9,145,484	2,000,000	
22.20	4,582	289,803	468.11	8,579,218	6,686,273	15,265,486	3,000,000	
27.66	436	14,340	303.30	528,869	682,476	1,211,345	150,000	
25.41	582	5,710	83.10	193,423	135,217	328,640	100,000	

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EXHIBIT "B" COMMISSION ORDER NO. MARKET DEMAND AND ALLOWABLE DETERMINATION SCHEDULE PRORATED GAS POOLS - NORTHHEST NEW MEXICO FOR APR93 THRU SEP93

TAPACITO

BASIN Dakota BLANCO MESA VERDE BLANCO P.C. SOUTH

D'AVERAGE MONTHLY 8,171,546 14,317,142 POOL SALES APR92-SEP92 1,257,285 234,942

ALLEVOLUME ARE IN MCF.

AVE HONTH VOL. TOTAL

84 150 150

ADJUSTMENTS.

HONTHLY POOL APR93-SEP93 ALLOWABLE 8,171,546 14,317,142 1,257,285 234,942

(LINE 1 + LINE 3.)

868,301

146,291

HATTHLY MARGINAL 6,377,077 8,886,664
POOL ALLOWABLE
APR92-SEP92 HOHITHLY 1,794,469 5,430,478 388,984 88,651

POOL ALLOHABLES
APR93-SEP93 LINE 4 - LINE 5

NON-MARGINAL NUMBER OF ACREAGE FACTORS 259.84 471.26 332.22 79.10

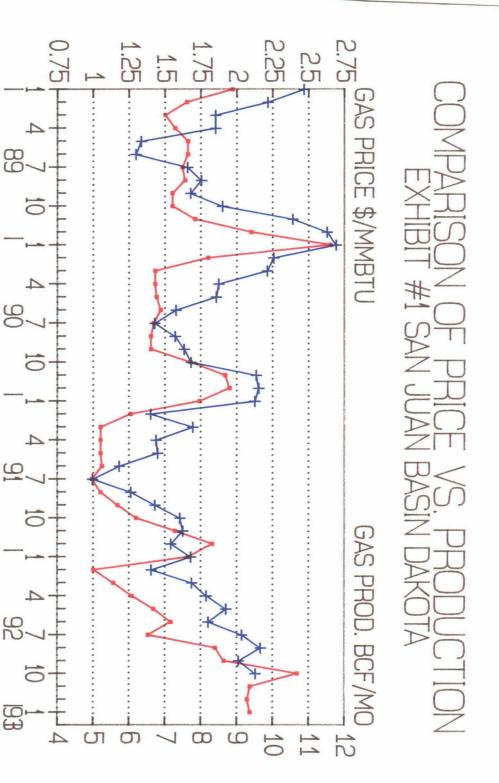
B) NUMBER OF ACREAGE TIMES
DELIVERABILITY 117,671 241,798 15,894

FACTORS

10) HOHIHLY ACREAGE ALLOCATE FACTOR
APR93-SEP93 4,143 16.84 2,680 18.35 292 10.87

ALLOCATE FACTOR
APR93-SEP93 TIMES

RUN-DATE 02/08/93





EPNG PRICE \$/MMBTU

-- DAKOTA PROD BCF/MO

BASIN DAKOTA PRORATION ALLOWABLE PERIOD 4/93 - 9/93 EFFECT OF NON-MARGINAL POOL ALLOWABLE ON GPU ALLOWABLE

EXHIBIT # 2

		/92-9/92	4/93-9/93	4/93-9/93
	A	CTUAL	OCD PROP.	PHILLIPS PROP.
NON MARGINAL POOL ALLOWABLE		4052683.00	1794469.00	4400000.00
NO. OF NON MARGINAL ACREAGE FACTORS		289.09	259.84	259.84
NON MARGINAL AD FACTORS		151820.00	1	117671.00
F1 MO. ACREAGE ALLOCATION FACTOR		8411.26		10160.10
F2 MO. AD ALLOCATION FACTOR		10.68	6.10	14.96
GPU DELIVERABILITY MCFD	425			
GPU ACREAGE FACTOR	1			
ACREAGE PORTION OF ALLOWABLE 60% N	•	8411.26	4143.63	10160.10
AD PORTION OF ALLOWABLE 40% MCF/MO		4537.98	2592.48	6356.71
TOTAL GPU ALLOWABLE MCF/MO		12949.24	6736.11	16516.80
GPU ALLOWABLE, % OF DELIVERABILITY		1.00	0.52	1.28
GPU DELIVERABILITY MCFD	650			
GPU ACREAGE FACTOR	1			
ACREAGE PORTION OF ALLOWABLE 60% N	•	8411.26	4143.63	10160.10
AD PORTION OF ALLOWABLE 40% MCF/MO		6940.44	3964.97	9722.02
TOTAL GPU ALLOWABLE MCF/MO		15351.70		19882.12
GPU ALLOWABLE, % OF DELIVERABILITY		0.78	0.41	(1.01)
GPU DELIVERABILITY MCFD	750			
GPU ACREAGE FACTOR	1			
ACREAGE PORTION OF ALLOWABLE 60% N	•	8411.26	4143.63	10160.10
AD PORTION OF ALLOWABLE 40% MCF/MO		8008.20		11217.72
TOTAL GPU ALLOWABLE MCF/MO		16419.46		21377.82
GPU ALLOWABLE, % OF DELIVERABILITY		0.72	0.38	0.94
GPU DELIVERABILITY MCFD	1000			
GPU ACREAGE FACTOR	1			
ACREAGE PORTION OF ALLOWABLE 60% N	•	8411.26	4143.63	10160.10
AD PORTION OF ALLOWABLE 40% MCF/MO		10677.60	6099.95	14956.96
TOTAL GPU ALLOWABLE MCF/MO		19088.86	10243.59	25117.05
GPU ALLOWABLE, % OF DELIVERABILITY		0.63	0.34	0.83

BASIN DAKOTA GAS POOL EXHIBIT #3 FEB. 1993 HEARING

HISTORICALLY PHILLIPS HAS SOUGHT TOTAL POOL ALLOWABLES IN THE 10-11 BCF/MO. RANGE BASED ON CAPACITY TO PRODUCE AND GPU ALLOWABLES NEEDED TO ENCOURAGE DEVELOPMENT.

OPERATORS NOT CONCERNED ABOUT RESERVOIR RELATED CORRELATIVE RIGHTS OR THEY WOULD NOT CURTAIL WHEN PRICES ARE LOW.

PHILLIPS' RECOMMENDATION OF A 2.6 BCF/MO ADJUSTMENT WOULD YIELD AN OVERALL POOL ALLOWABLE OF 10.8 BCF/MO. AND PROVIDE FOR CURTAILMENT ON GPU'S WITH DELIVERABILITIES IN EXCESS OF 650 MCFD. THIS LEVEL IS NECESSARY TO PROMOTE INFILL DRILLING SINCE EXISTING PARENT WELLS OFTEN PRODUCE IN EXCESS OF 200 MCFD.

A MARKET EXISTS FOR THE GAS AS EVIDENCED BY GENERALLY STRONG PRICES.

YITAKIUUN UT TKIUT VS. EXHIBIT # 4 SAN JUAN BASIN

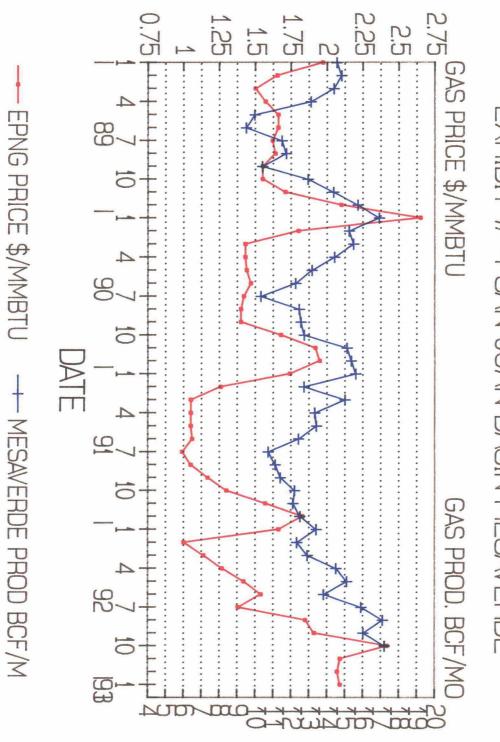


EXHIBIT #5

BLANCO MESAVERDE PROPATION ALLOWABLE PERIOD 4/93 - 9/93 EFFECT OF NON-MARGINAL POOL ALLOWABLE ON GPU ALLOWABLE

NON MARGINAL POOL ALLOWABLE NO. OF NON MARGINAL ACREAGE FACTORS NON MARGINAL AD FACTORS F1 MO. ACREAGE ALLOCATION FACTOR F2 MO. AD ALLOCATION FACTOR		4/92-9/92 ACTUAL 9969674.00 567.72 351062.00 4390.22 21.30	4/93-9/93 OCD PROP. 5430478.00 471.26 241798.00 2880.83 16.84	4/93-9/93 PHILLIPS PROP. 8100000.00 471.26 241798.00 4296.99 25.12
GPU DELIVERABILITY MCFD GPU ACREAGE FACTOR ACREAGE FACTOR	490	4200.22	2222.22	4000.00
ACREAGE PORTION OF ALLOWABLE 25% N AD PORTION OF ALLOWABLE 75% MCF/MO TOTAL GPU ALLOWABLE MCF/MO GPU ALLOWABLE, % OF DELIVERABILITY		4390.22 10436.49 14826.72 1.00	2880.83 8253.59 11134.42 0.75	4296.99 12310.90 16607.89 1.11
GPU DELIVERABILITY INCFD GPU ACREAGE FACTOR ACREAGE PORTION OF ALLOWABLE 25% N AD PORTION OF ALLOWABLE 75% MCF/MO TOTAL GPU ALLOWABLE MCF/MO GPU ALLOWABLE, % OF DELIVERABILITY	650 1	4390.22 13844.32 18234.55 0.92	2880.83 10948.63 13829.46 0.70	4296.99 16330.78 20627.77 1.04
GPU DELIVERABILITY MCFD GPU ACREAGE FACTOR ACREAGE PORTION OF ALLOWABLE 25% N AD PORTION OF ALLOWABLE 75% MCF/MO TOTAL GPU ALLOWABLE MCF/MO GPU ALLOWABLE, % OF DELIVERABILITY	800 1	4390.22 17039.17 21429.39 0.88	2880.83 13475.24 16356.07 0.67	4296.99 20099.42 24396.41 (1.00
GPU DELIVERABILITY MCFD GPU ACREAGE FACTOR ACREAGE PORTION OF ALLOWABLE 25% N AD PORTION OF ALLOWABLE 75% MCF/MO TOTAL GPU ALLOWABLE MCF/MO GPU ALLOWABLE, % OF DELIVERABILITY	1000 1	4390.22 21298.96 25689.18 0.85	2880.83 16844.05 19724.88 0.65	4296.99 25124.28 29421.27 0.97

EFFECT OF COMPRESSION ON CALCULATED DELIVERABILITY

D = d1((P2 - (70%P)2)/(P2-FTP2)).7

If FTP less than 70% of surface shut in pressure, calculated deliverability will be less than measured deliverability. For likely surface shut in pressures and FTP's, calculated deliverability would be 65–70% of measured rate. For 600 mcfd measured GPU deliverability, the allowable would be based on +/- 400 mcfd deliverability. Need a high minimum allowable to enable continued development of reserves via compression.

d1 P 70%P FTP	400 400 280 175	400 450 315 175	400 500 350 175	600 400 280 150	600 450 315 150	600 500 350 150
D	290	280	274	416	407	400
D/d1	0.72	0.70	0.68	0.69	0.68	0.67

BLANCO MESAVERDE GAS POOL EXHIBIT #6 FEB 1993 HEARING

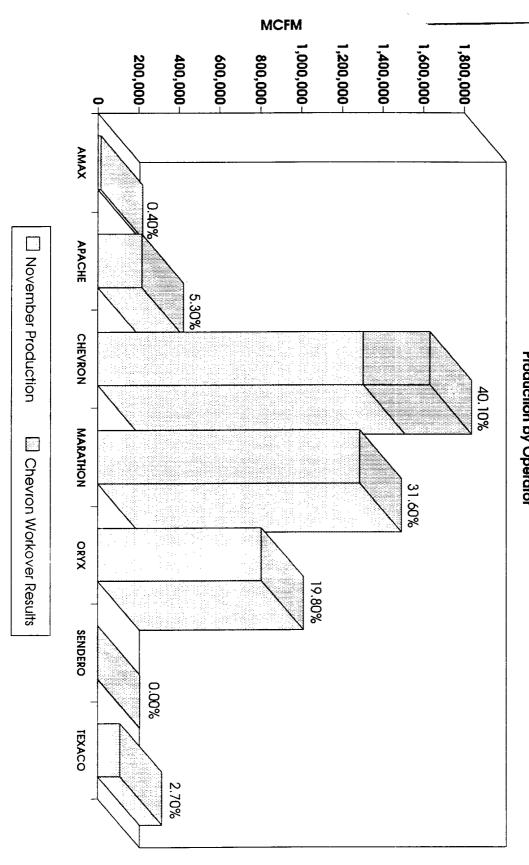
THE GAS PRODUCTION VS. GAS PRICE PLOT SHOWS A SIMILAR TREND AS SEEN IN THE DAKOTA POOL, SHOWING THAT THE TRUE CAPACITY IS IN EXCESS OF 17 BCF/MO.

OPERATORS ARE NOT GENERALLY CONCERNED WITH RESERVOIR RELATED CORRELATIVE RIGHTS OR THEY WOULD NOT VOLUNTARILY CURTAIL.

PHILLIPS' RECOMMENDED ADJUSTMENT OF 2.7 BCF/MO. WOULD YIELD AN OVERALL POOL ALLOWABLE OF 17.0 BCF/MO. AND PROVIDES FOR CURTAILMENT ON GPU DELIVERABILITIES ABOVE 800 MCFD. THIS LEVEL IS SUFFICIENT TO JUSTIFY ADDITIONAL DRILLING/COMPRESSION WORK TO INCREASE RECOVERY WITHOUT ADVERSELY EFFECTING DRAINAGE CONDITIONS.

CONCERNING COMPRESSION PROJECTS, THE METHOD FOR DETERMINING DELIVERABILITY WILL YIELD A CALCULATED FIGURE ONLY 65-70% OF ACTUAL DELIVERABILITY. THE REQUESTED ADJUSTMENT IS NECESSARY TO HAVE ECONOMICAL DEVELOPMENT OF THE FIELD VIA COMPRESSION. PHILLIPS HAS PLANS FOR A 120 WELL MESAVERDE COMPRESSION PROJECT IN 29-5 & 29-6 UNITS.

A MARKET EXISTS FOR THE GAS AS EVIDENCED BY RISING PRICES SINCE FEBRUARY 1992.

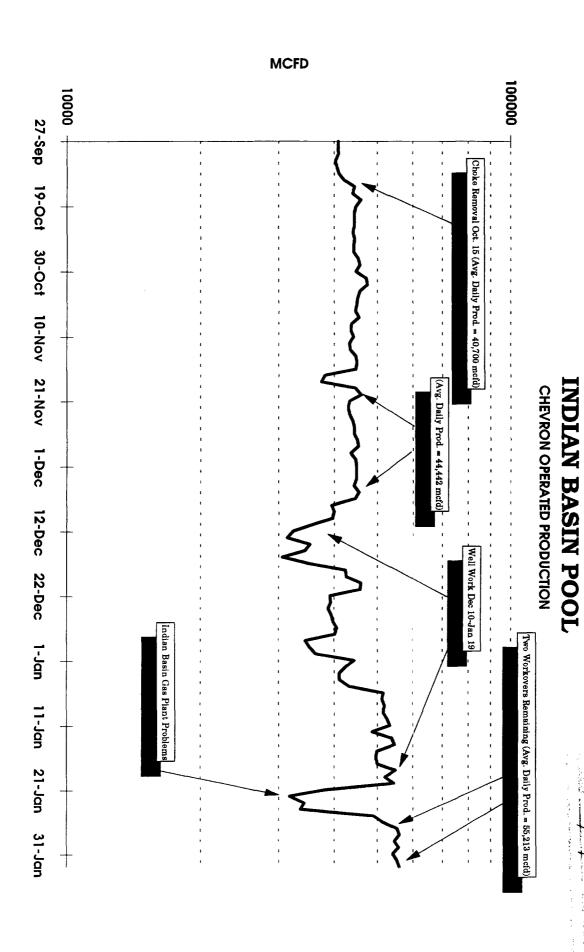


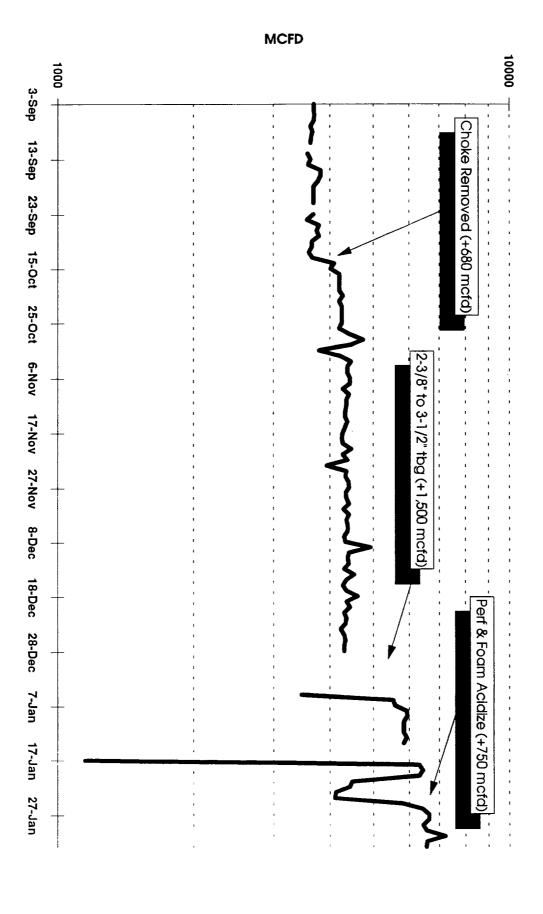
Indian Basin Upper Penn Pool

Production by Operator

5/25/43 2/25/43

DECALL.XLS Chart 5

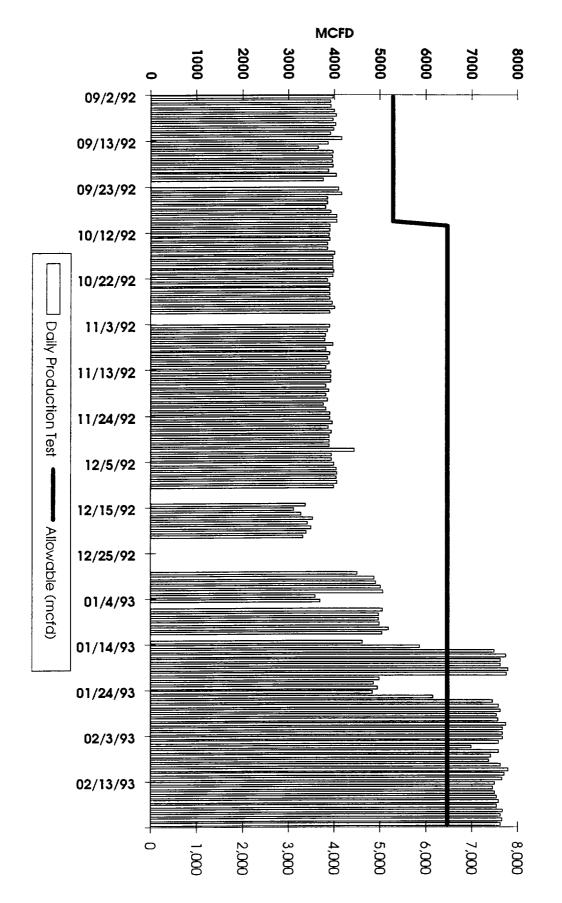




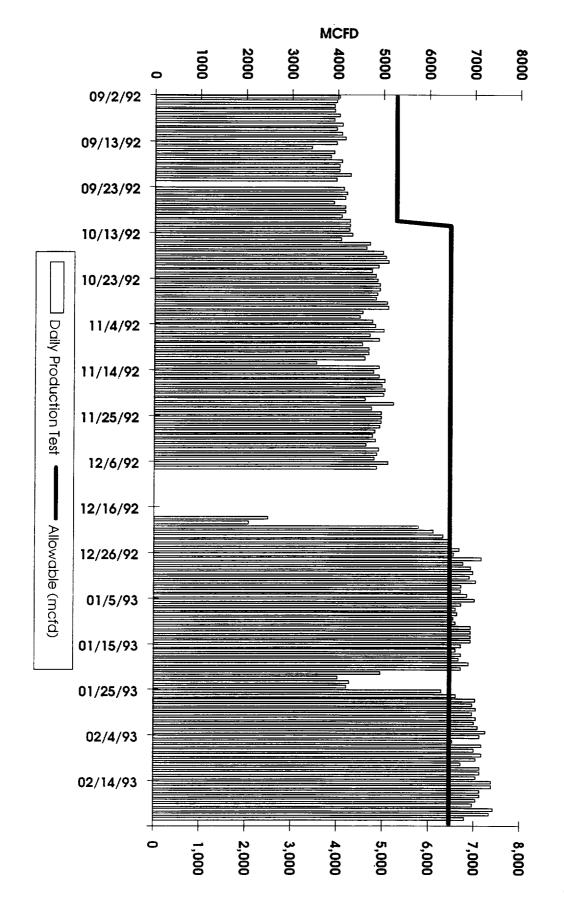
Chevron's Federal Gas Com '33' #1

CHEVIOR USA.

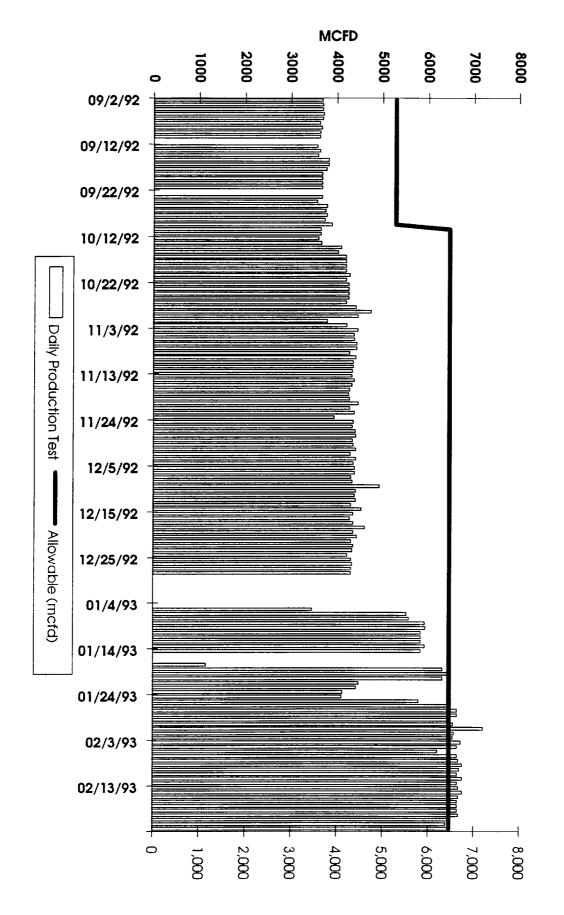
F331DUNN.XLS Chart 1



CHEVRON'S BOGLE FLATS UNIT #3



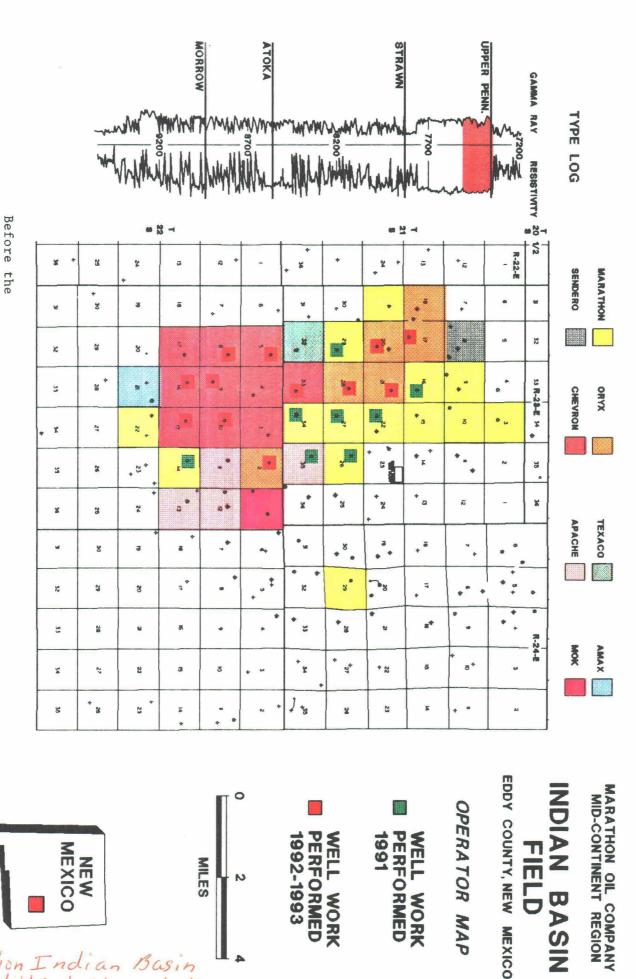
CHEVRON'S BOGLE FLATS UNIT #4



CHEVRON'S FEDERAL GAS COM '33' #1

2/25/93

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WELL WORK PERFORMED

IAN BASIN

1991

WELL WORK

MILES

INDIANBF 4.BUD OPER

OIL CONSERVATION COMMISSION

Case No. 10672 Exhibit No.

Santa Fe, New Mexico

Hearing Date: February 25, 1993 Submitted by: Marathon Oil Company

2/93

Marathon Indian Bas Exhibits 1 through Complete set

MEXICO NEW

1992 WELL REMEDIAL WORK INDIAN BASIN FIELD

OPERATOR: ORYX

STATION	DATE OF WORK	GAS RATE BEFORE	, MCFD AFTER
217	MAY 1992	4,090	6,865
221	APRIL 1992	4,285	5,400
228	APRIL 1992	3,200	6,760
302	APRIL 1992	4,500	6,700
		16,075	25,725

OPERATOR: CHEVRON

STATION	DATE OF WORK	GAS RATE, BEFORE	MCFD AFTER
233	JAN 1993	4,290	6,500
305	DEC 1992	4,090	6,200
308	JULY 1992	4,465	6,360
309	DEC 1992	3,910	7,600
310	DEC 1992	4,640	7,100
315 *	DEC 1992	4,790	5,700
316	DEC 1992	4,070	5,200
		30,255	44,660

* ONLY Station 315 has wellhead compression

Before the OIL CONSERVATION COMMISSION Santa Fe, New Mexico

Case No. 10672 Exhibit No. 2
Submitted by: Marathon Oil Company
Hearing Date: February 25, 1993

INDIAN BASIN FIELD

FEBRUARY 25, 1993 PRORATED GAS POOLS HEARING
RY 25, 1993 SANTA FE, NEW MEXICO

WORKING INTEREST SHARE OF GROSS SALES GAS

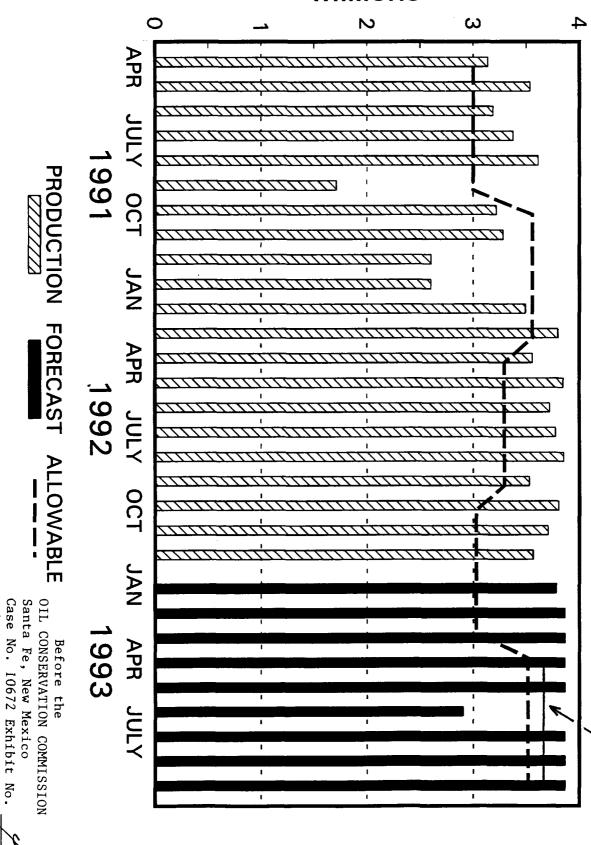
TOTAL	OTHERS	APACHE	CHEVRON	ORYX ~	MARATHON 니	COMPANY NOT NOW
100.0	14.5	13.6	20.6	24.5	26.8	APRIL - SEPT. '92
100.0	15.5	11.7	22.9	23.1	26.8	% SHARE OCT. – DEC. '92
36	4	4	œ *	O	14	INTEREST IN # OFWELLS COMPANY TOTAL OPERATED WELLS
		⇉	⇉	14	22	# OFWELLS TOTAL WELLS

^{*} Chevron operates two additional wells without owning an interest in the wells.

OIL CONSERVATION COMMISSION Santa Fe, New Mexico Before the

Case No. 10672 Exhibit No. 3 Submitted by: Marathon Oil Company Hearing Date: February 25, 1993

VOLUME, MCF Millions



Submitted by: Marathon Oil Hearing Date: February 25,

Company 1993 TOTAL UPPER PENN POOL PRODUCTION

W/ MOC ADJUSTMENT

INDIAN BASIN FIELD

UPPER PENN GAS POOL ALLOWABLES

APRIL, 1993 - SEPTEMBER, 1993

	PROPOSED FROM OCD	PROPOSED BY MOC
AVERAGE MONTHLY POOL SALES APRIL, 1992 – SEPTEMBER, 1992	3,513,791	3,513,791
ADJUSTMENTS	0	166,234
MONTHLY POOL ALLOWABLE APRIL, 1993 – SEPTEMBER, 1993	3,513,791	3,680,025
MONTHLY MARGINAL POOL ALLOWABLE APRIL, 1993 - SEPTEMBER, 1993	2,320,245	2,320,245
MONTHLY NON-MARGINAL POOL ALLOWABLE APRIL, 1993 - SEPTEMBER, 1993	1,193,546	1,359,780
NUMBER OF NON-MARGINAL ACREAGE FACTORS	6.92	6.92
MONTHLY ACREAGE ALLOCATE FACTOR APRIL, 1993 - SEPTEMBER, 1993	172,478	196,500

Before the OIL CONSERVATION COMMISSION Santa Fe, New Mexico Case No. 10672 Exhibit No. Submitted By: Marathon Oil Company Hearing Date: February 25, 1993



P.O. Box 552 Midland, TX 79702-0552 Telephone 915/682-1626

February 16, 1993

To All Operators Indian Basin Upper Penn Pool Eddy County, New Mexico

RE: Upcoming NMOCC Allowables Hearing
Proposed Indian Basin Upper Penn Pool Allowables

Gentlemen:

Marathon has reviewed the preliminary allowable estimates recently issued by the New Mexico Oil Conservation Division which will provide the starting point for the hearings scheduled for February 25, 1993 on gas allowables for the upcoming allocation period (April, 1993 - September, 1993). Marathon intends to propose at the hearing that a sufficient positive adjustment be made to the preliminary monthly pool allowable for the Indian Basin Penn Pool in order to increase the monthly acreage allocation factor (F1 factor) for Indian Basin Upper Penn non-marginal wells, from the 172,478 MCF per month set out on the preliminary table, to 196,500 MCF per month.

To the best of Marathon's knowledge, such an Fl factor, if adopted, would allow all non-marginal wells in the field (with an acreage factor of 1.00) to produce close to their full capabilities. Marathon has the markets to sell the additional gas which would be produced under its proposal, and believes that the other operators in the field would be able to find purchasers for their additional production as well. The transportation systems which serve the field are more than adequate to deal with the additional production which would result from the adoption of Marathon's proposal. No operator, whether it operates marginal or non-marginal wells, would have its ability to market its gas inhibited by Marathon's proposal.

Marathon asks that you support its request to increase the allowables for the Indian Basin Upper Penn pool. If at all possible, Marathon asks that you provide it with a letter prior to February 25, 1993 whereby you indicate your support for Marathon's proposal. If you have any questions with regard to Marathon's proposal, please feel free to call, Marathon Reservoir Engineer, Craig Kent, at (915) 687-8282.

Sincerely,

T. N. Tipton

Engineering Manager

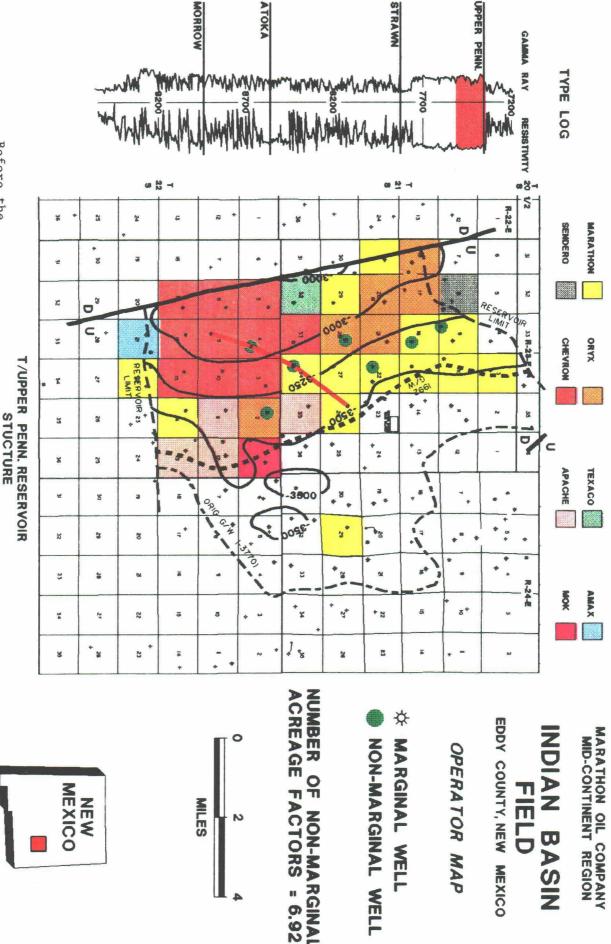
Before the OIL CONSERVATION COMMISSION

Santa Fe, New Mexico

Case No. 10672 Exhibit No. \bigcirc Submitted by: Marathon Oil Company

Hearing Date: February 25, 1993

RJF002 subsidiary of USX Corporation



MARATHON OIL COMPANY MID-CONTINENT REGION

INDIAN BASIN FIELD

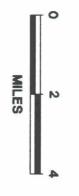
EDDY COUNTY, NEW MEXICO

OPERATOR MAP

***** MARGINAL WELL

NON-MARGINAL WELL

NUMBER OF NON-MARGINAL





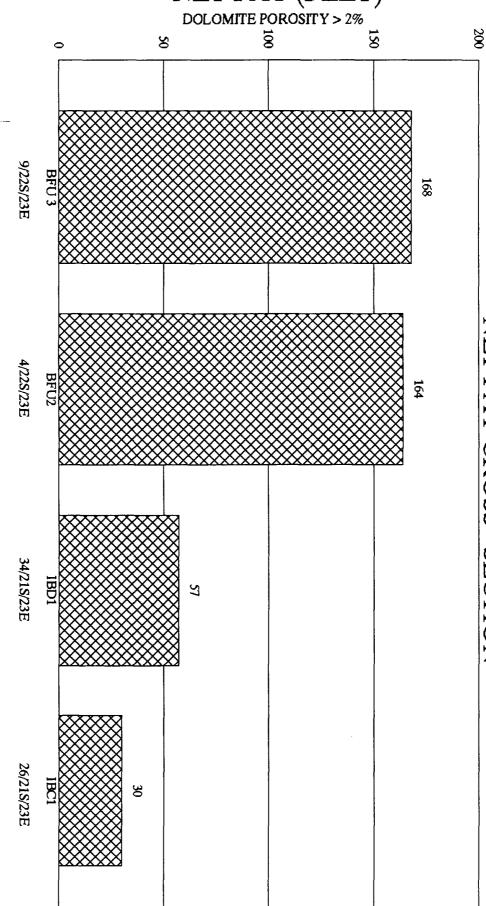
INDIANDES BUD OPER

OIL CONSERVATION COMMISSION Before the

Hearing Date: February 25, 1993 Submitted by: Marathon Oil Company Case No. 10672 Exhibit No. Santa Fe, New Mexico

2/93

NET PAY (FEET)



OIL CONSERVATION COMMISSION SANTA FE, NEW MEXICO

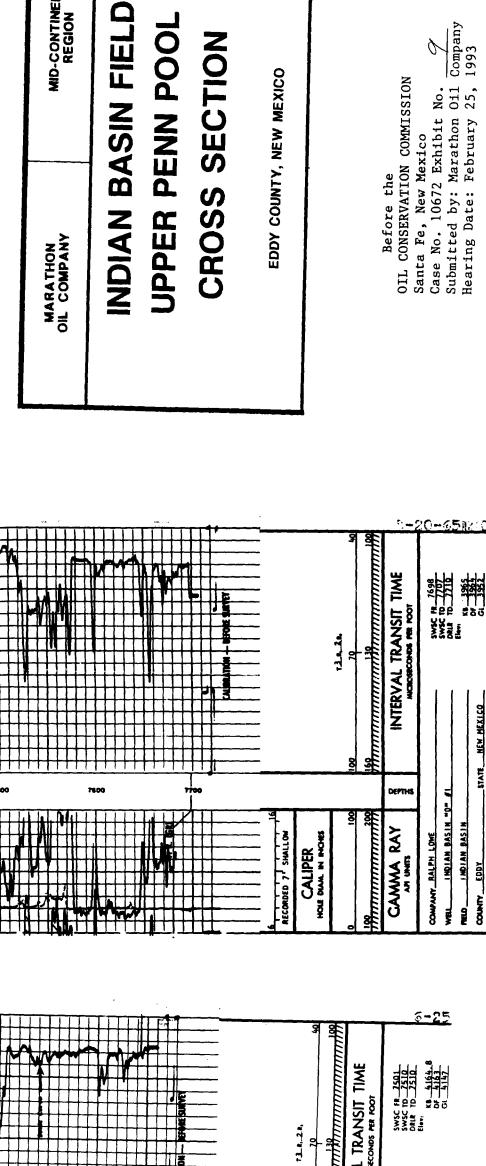
BEFORE THE

SUBMITTED BY: MARATHON OIL COMPANY

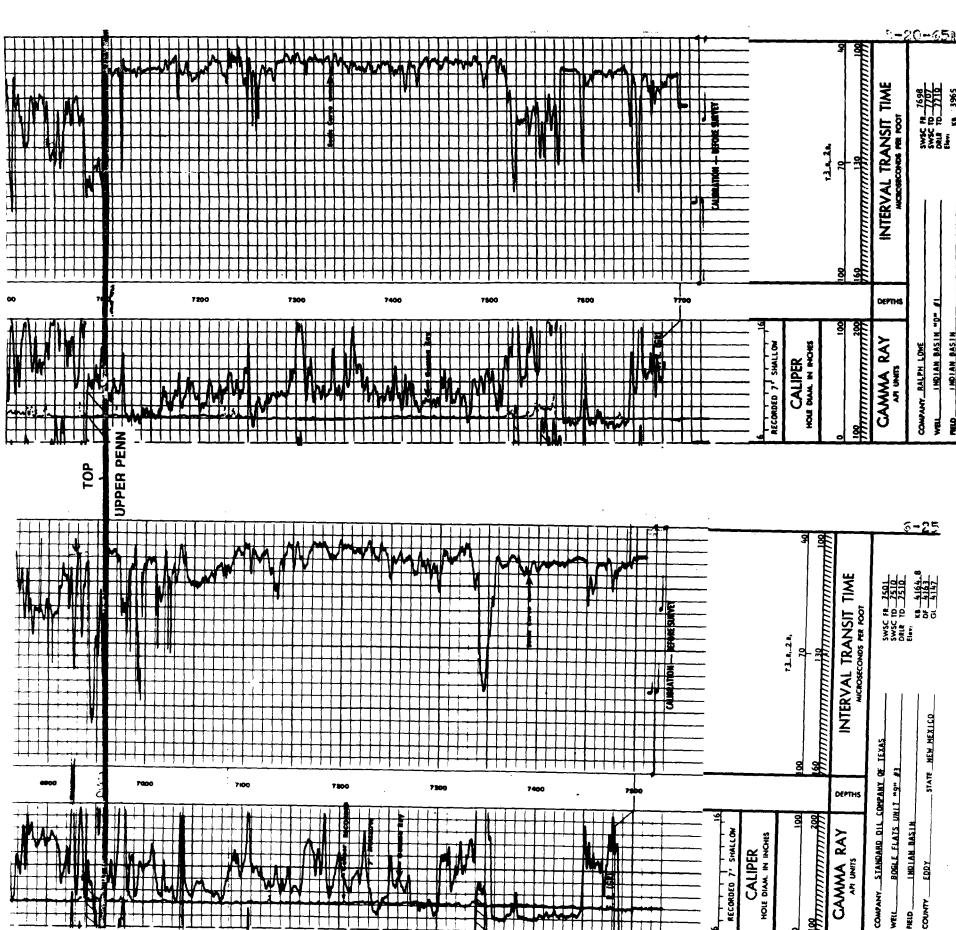
CASE No. 10672 EXHIBIT No. 8

HEARING DATE: FEBRUARY 25, 1993

MID-CONTINENT REGION INDIAN BASIN FIELD **UPPER PENN POOL CROSS SECTION** EDDY COUNTY, NEW MEXICO MARATHON OIL COMPANY



WELL FEED



STATE OF NEW MEXICO



ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION



BRUCE KING

ANITA LOCKWOOD CABINET SECRETARY

POST OFFICE BOX 2088 STATE LAND OFFICE BUILDING SANTA FE. NEW MEXICO 87504 (505) 827-3800

TO:

OPERATORS - INDIAN BASIN UPPER PEMNSYLVANIAN GAS POOL

FROM:

WILLIAM J. LEMAY, DIRECTOR,

SUBJECT:

RECLASSIFICATION OF MUSSELMAN, OWEN & KING OPERATING INC. WELL - SMITH FEDERAL NO. 2 - AND INCREASE IN F. FACTOR FOR THE ALLOCATION PERIOD OCTOBER '92 THROUGH MARCH '93.

DATE:

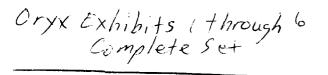
JANUARY 12, 1993

The Musselman, Owen & King Operating Inc.'s Federal Smith No. 2 well is an Indian Basin Upper Pennsylvanian Pool completion which has been classified non-marginal due to being overproduced as of October 1, 1991. The well last produced in December of 1991 and is being considered for abandonment in this pool. According to Order R-8170-H, the well should have reclassified to marginal as of July 1, 1992. For the allocation period October '92 through March '93, well classifications as of April 1, 1992 were used to determine the monthly acreage allocation factor. Since the Smith Federal No. 2 well was shown as non-marginal as of April 1, 1992, its production and its acreage factor were used in determining the pool non-marginal production and monthly acreage allocation factor.

Under Rule 12(b) of Order No. R-8170-H, I am reclassifying the non-marginal GPU for the Musselman, Owen & King Operating Inc.'s Federal Smith No. 2 well to marginal as of April 1, 1992.

The reclassification of this well to marginal will change the monthly acreage allocation factor for the Indian Basin Upper Pennsylvanian Pool to 196,495 for the allocation period October '92 through March '93.

Before the
OIL CONSERVATION COMMISSION
Santa Fe, New Mexico
Santa Fe, New Mexico
Exhibit No. 10
Case No. 10672 Fixhibit No. 10
Submitted By: 125173
Hearing Date: 2/25173





Oryx Energy Company 13155 Noel Road Dallas TX 75240-5067 PO Box 2880 Dallas TX 75221-2880 214 715 4000

February 23, 1993

Mr. Larry VanRyan Chief Engineer New Mexico Oil Conservation Division P. O. Box 2088 Santa Fe, NM 87504

RE: 1

NMOCC Allowable Hearing Scheduled 2–25–93 Proposed Indian Basin Upper Penn Pool Allowable

Dear Mr. VanRyan:

Oryx Energy Company respectfully requests an acreage allocation factor of 196,500 mcf per month for the Indian Basin Upper Penn Pool covering the period of April 1993 – September 1993. This reflects a 22.4% increase over the factor for the same period in 1992. Oryx believes that this will allow for a reasonable increase in gas production for those operators, including Oryx, who have enhanced their wells' performance through capital investments.

In the late spring of 1992 Oryx initiated a workover program designed to enhance the performance of its wells. The wells were re-perforated, stimulated, and their tubing strings replaced. Also, the production units were refurbished and some wellhead compressors added. To date, Oryx has spent \$604,000 on the above program. Plans are to spend an additional \$150,000 if a reasonable allowable is approved.

Production volumes for Oryx's six wells were prorated for 385,474 mcf covering the period from October 1992 through March 1993. Due to the above mentioned enhancements Oryx estimates it's production to be 774,450 mcf for the same period of time. An attached table shows a well by well breakdown of each well's production. Also, attached are total and individiual production curves for each of the Oryx operated wells.

Oryx estimates its wells will produce 857,385 mcf in the April 1993 thru September 1993 period provided that each well produces the full term at its current rate. As the attached memo states, our gas marketing division assures us that they have a market for the proposed increased volumes. Oryx also feels it is necessary to maintain these higher rates in order to achieve a reasonable rate of return on its \$604,000 investment.

Therefore, Oryx urges the Commission to approve the increased allocation factor of 196,500 mcf per month in its upcoming Indian Basin allowable hearing.

Sincerely,

Rick Hall

Operations Engineer

RWH/KK

Before the
OIL CONSERVATION COMMISSION
Santa Fe, New Mexico
Case No. 10672 Exhibit No. 1
Submitted By: Co
Hearing Date: 225.93

ORYX ENERGY COMPANY

CAPITAL AND EXPENSE OUTLAYS

WELLWORK: RE-PERFORATION, STIMULATION, AND TUBULAR UPSIZING IN 6 WELLS	\$433,000
COMPRESSOR INSTALLATION COSTS (2)	16,000
RE-BUILD PRODUCTION UNITS (5)	35,000
SET ADDITIONAL PRODUCTION EQUIPMENT (4)	120,000
TOTAL SPENT TO DATE	\$604,000
PROPOSED SPENDING	<u>\$150,000</u>
GRAND TOTAL	\$754,000

Before the
OIL CONSERVATION COMMISSION
Santa Fe, New Mexico
Case No. 10672 Exhibit No. 2
Submitted By: Organ Fully Co
Hearing Date: 2-25-93

ORYX ENERGY COMPANY INDIAN BASIN UPPER PENN POOL GAS PRODUCTION COMPARISON WINTER PERIOD

WELL	GAS PRORATION SCHEDULE OCT 92-MAR 93	PRODUCTION ESTIMATE OCT 92 - MAR 93
BRIGHT FEDERAL GAS COM #1	97,583	169,183
BUNNELL FEDERAL #2	25,854	55,012
CONOCO STATE GAS COM #1	106,999	179,276
FEDERAL 28 #1	71,173	182,715
WEST INDIAN BASIN UNIT GAS COM #1	82,950	188,264
WEST INDIAN BASIN UNIT GAS COM #2	915	-0-
TOTAL	385,474	774,450

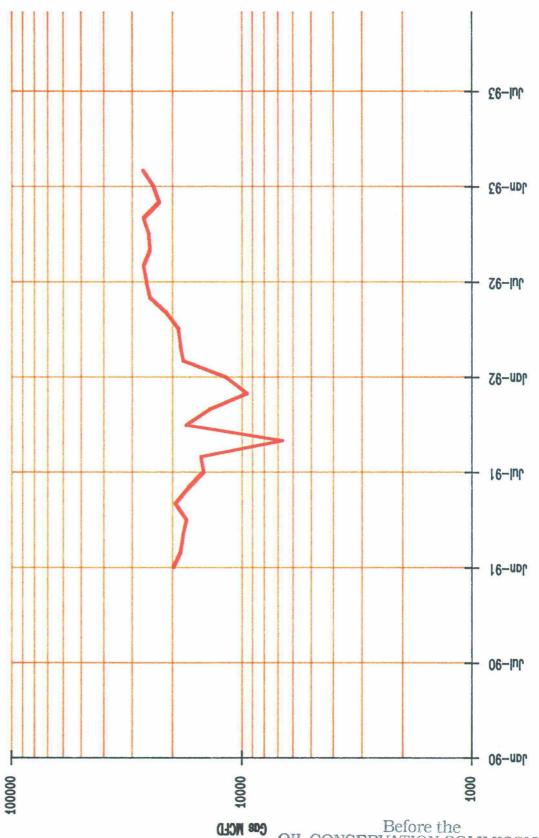
Before the OIL CONSERVATION COMMISSION Santa Fe, New Mexico Case No. 20672 Exhibit No. 3 Submitted By: Oryk Eugg Co Hearing Date: 2-35-9309

ORYX ENERGY COMPANY INDIAN BASIN UPPER PENN POOL GAS PRODUCTION COMPARISON SUMMER PERIOD

WELL	GAS PROPATION SCHEDULE APR 92 - SEP 92	PRODUCTION ESTIMATE APR 93 - SEP 93
BRIGHT FEDERAL GAS COM #1	99,970	188,480
BUNNELL FEDERAL #2	49,127	76,000
CONOCO STATE GAS COM #1	116,322	188,480
FEDERAL 28 #1	64,398	212,800
WEST INDIAN BASIN UNIT GAS COM #1	100,821	191,625
WEST INDIAN BASIN UNIT GAS COM #2	20,666	-0-
TOTAL	451,304	857,385

Before the
OIL CONSERVATION COMMISSION
Santa Fe, New Mexico
Case No. 10612 Exhibit No. 4
Submitted By: Oryx Fally Co
Hearing Date: 3-25-93

Oryx Energy Company Indian Basin Field (Upper Penn Pool)



Before the
OIL CONSERVATION COMMISSION
Santa Fe, New Mexico
Case No. 10672 Exhibit No. 5
Submitted By: Cryp Freque Co
Hearing Date: 2-25-93



Oryx Energy Company 13155 Noel Road Dallas TX 75240-5067 PO Box 2880 Dallas TX 75221-2880 214 715 4000

February 23, 1993

Mr. William J. LeMay, Director OIL CONSERVATION DIVISION P. O. Box 2088 Sante Fe, NM 87504

RE:

Commission Hearing

Pro-Rated Gas Allowable

Indian Basin Plant

Dear Mr. LeMay:

Oryx Gas Marketing Company currently markets approximately 27,000 MMBTU per day of its equity residue qas production from the Indian Basin Gas Plant. NGPL is the only pipeline connected at the tailgate of the plant. However, I have not experienced any capacity problems in marketing this gas. I have been able to market the gas to the West Coast, the Mid-West, and the Texas Gulf Coast. This flexibility greatly enhances my ability to market the gas and also ensures competitive pricing.

Oryx welcomes the opportunity to service our customers with additional gas deliverability at the Indian Basin Plant.

Yours truly,

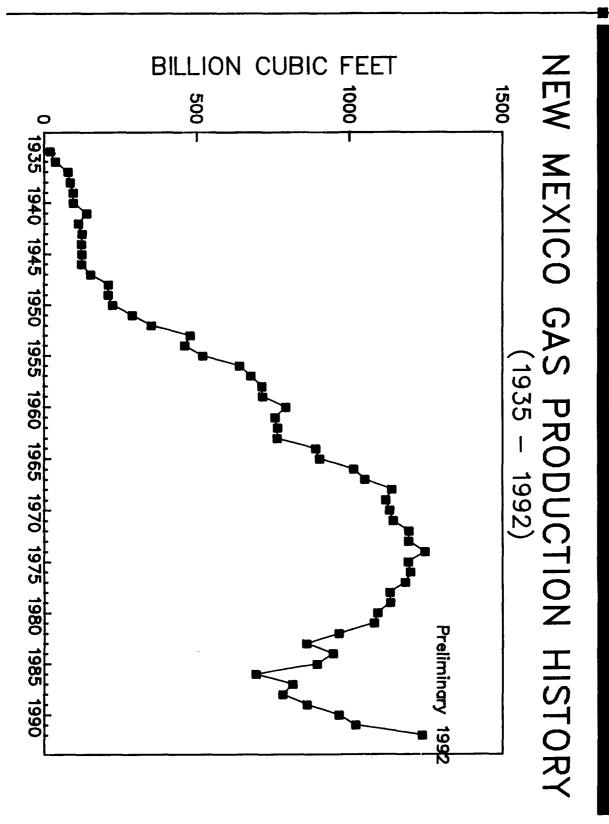
A. Charles "Andy" Anderson Gas Sales Representative

> Before the OIL CONSERVATION COMMISSION

Santa Fe, New Mexico

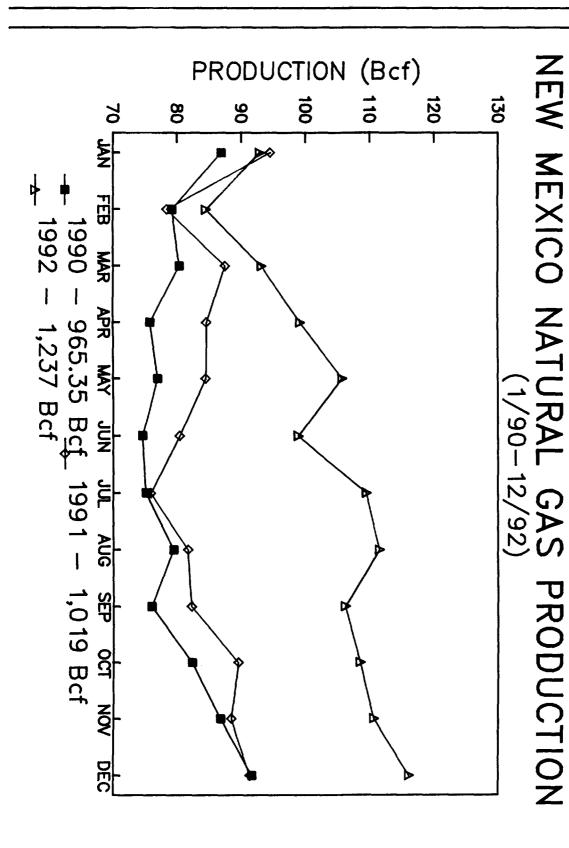
Case No. 10672 Exhibit No. _ Submitted By: Orax Evera a Hearing Date: 2-25-9305

OFFICE OF INTERSTATE NATURAL GAS MARKETS

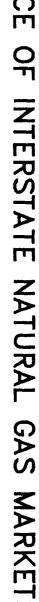


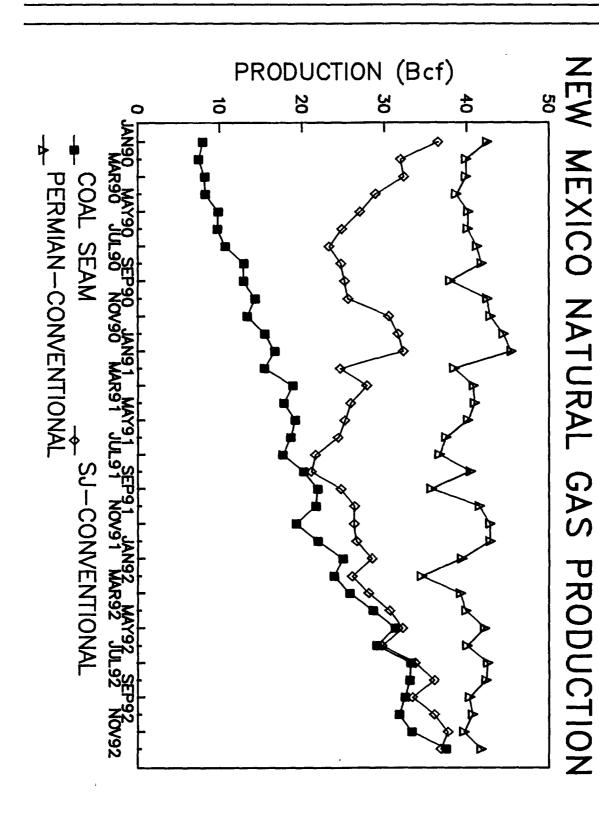




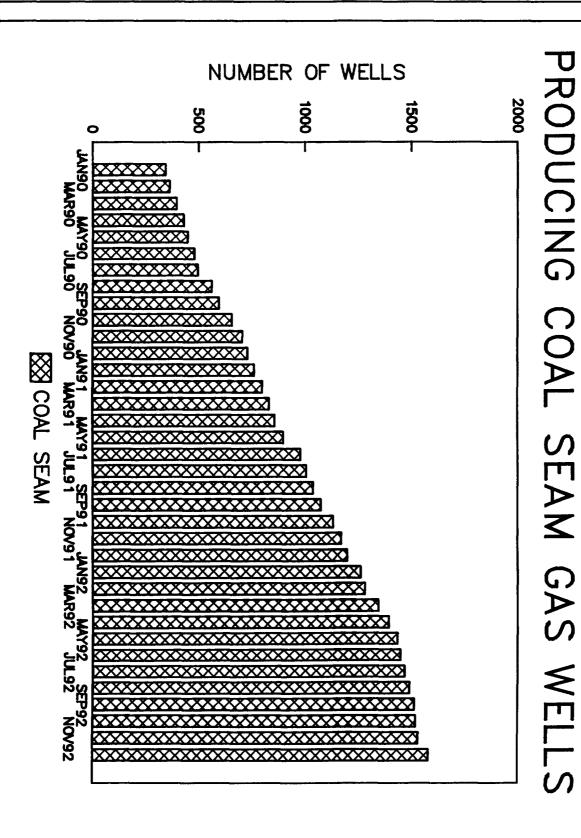




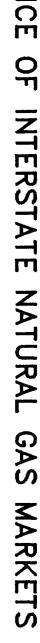




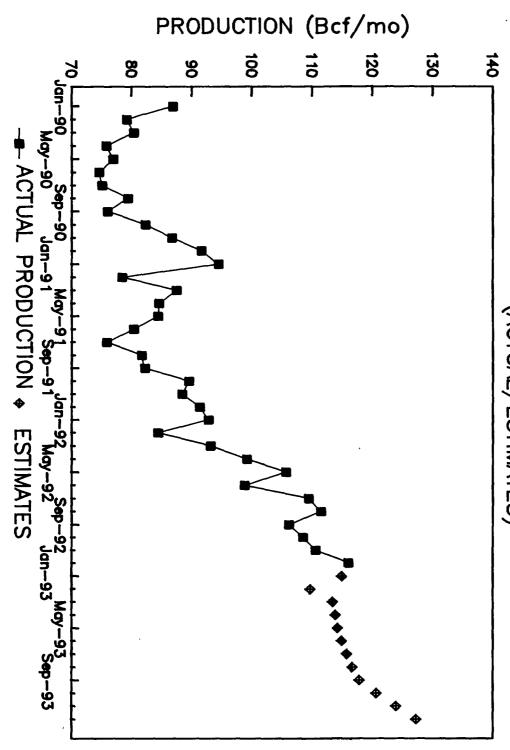






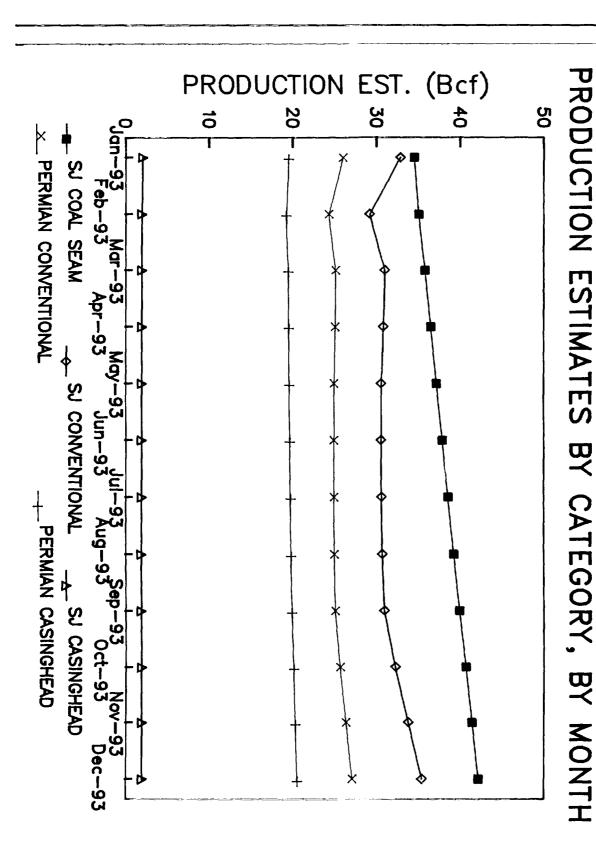




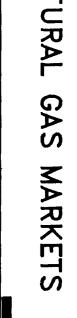


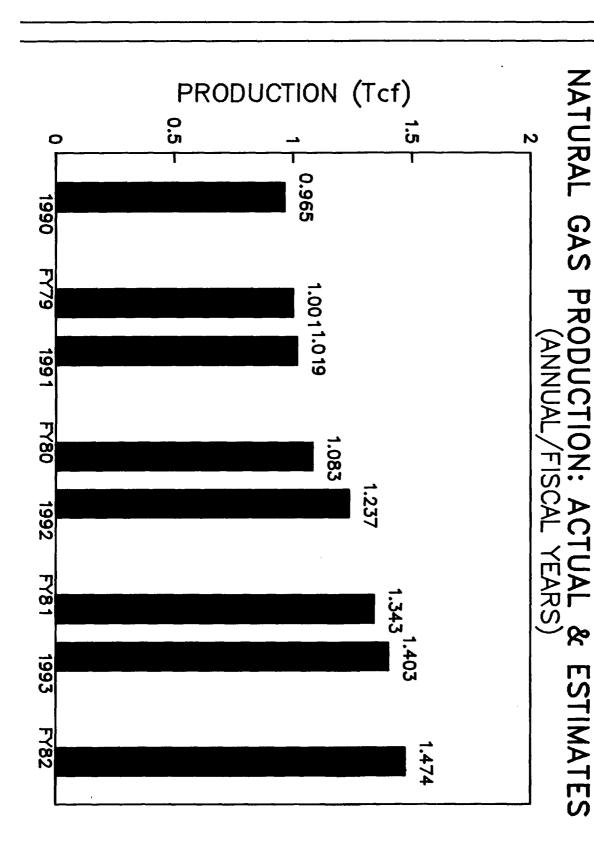




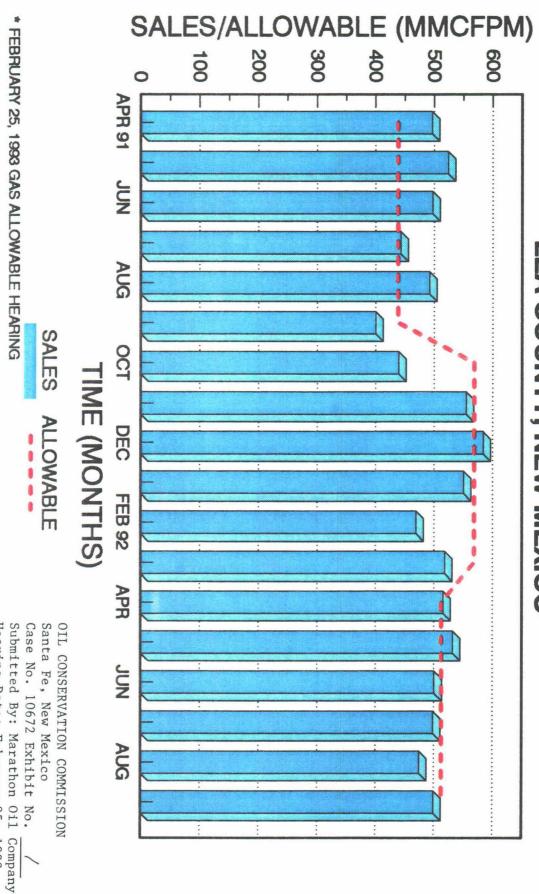


OFFICE OF INTERSTATE NATURAL GAS MARKETS





BLINEBRY GAS POOL LEA COUNTY, NEW MEXICO



Hearing Date: February 25,

1993

BLINEBRY GAS POOL ALLOWABLES APRIL, 1993 – SEPTEMBER, 1993

MONTHLY ACREAGE ALLOCATE FACTOR APRIL, 1993 – SEPTEMBER, 1993	NUMBER OF NON-MARGINAL ACREAGE FACTORS	MONTHLY NON-MARGINAL POOL ALLOWABLE APRIL, 1993 - SEPTEMBER, 1993	MONTHLY MARGINAL POOL ALLOWABLE APRIL, 1993 - SEPTEMBER, 1993	MONTHLY POOL ALLOWABLE APRIL, 1993 - SEPTEMBER, 1993	ADJUSTMENTS	AVERAGE MONTHLY POOL SALES APRIL, 1992 - SEPTEMBER, 1992	
32429	6.25	202686	298138	500824	0	500824	PRELIMINARY FROM OCD
38000	6.25	237500	298138	535638	34814	500824	PROPOSED BY MOC

OIL CONSERVATION COMMISSION

Santa Fe, New Mexico
Case No. 10672 Exhibit No. Submitted By: Marathon Oil Company
Hearing Date: February 25, 1993



P.O. Box 552 Midland, TX 79702-0552 Telephone 915/682-1626

February 16, 1993

To all Operators
Blinebry Pool
Lea County, New Mexico

RE: Upcoming NMOCC Allowables Hearing Proposed Blinebry Allowables

Gentlemen:

Marathon has reviewed the preliminary allowable estimates recently issued by the New Mexico Oil Conservation Division which will provide the starting point for the hearings scheduled for February 25, 1993 on gas allowables for the upcoming allocation period (April, 1993 - September, 1993). Marathon intends to propose at the hearings that a sufficient positive adjustment be made to the preliminary monthly pool allowable for the Blinebry Pool in order to increase the monthly acreage allocation factor (Fl factor) for Blinebry non-marginal wells, from the 32,429 MCF per month set out on the preliminary table, to 38,000 MCF per month.

To the best of Marathon's knowledge, such an Fl factor, if adopted, would allow all non-marginal wells in the field (with an acreage factor of 1.00) to produce to their full capabilities. Marathon has the markets to sell the additional gas which would be produced under its proposal, and believes that the other operators in the field would be able to find purchasers for their additional production as well. The transportation systems which serve the field are more than adequate to deal with the additional production which would result from the adoption of Marathon's proposal. No operator, whether it operates marginal or non-marginal wells, would have its ability to market its gas inhibited by Marathon's proposal.

Marathon asks that you support its request to increase the allowables for the Blinebry pool. If at all possible, Marathon asks that you provide its Midland office a letter prior to February 25, 1993 whereby you indicate your support for Marathon's proposal. If you have any questions with regard to Marathon's proposal, please feel free to call Marathon Reservoir Engineer, Graig Kent, at (915) 687-8282.

Sincerely

T. N. Tipton

Engineering Manager

Before the OIL CONSERVATION COMMISSION

Santa Fe, New Mexico

Case No. 10672 Exhibit No. Submitted by: Marathon Oil Company Hearing Date: February 25, 1993



SALES/ALLOWABLE/OP (MCFPM) Thousands 200 100 150 50 JAN89 APR JULY LEA COUNTY, NEW MEXICO OCT **BLINEBRY GAS POOL** JAN90 APR JULY OCT JAN91 APR JULY OCT JAN92 APR JULY

LOU WORTHAN NO. 9

* FEBRUARY 25, 1993 GAS ALLOWABLE HEARING

ALLOWABLE

SALES OVER PRODUCTION

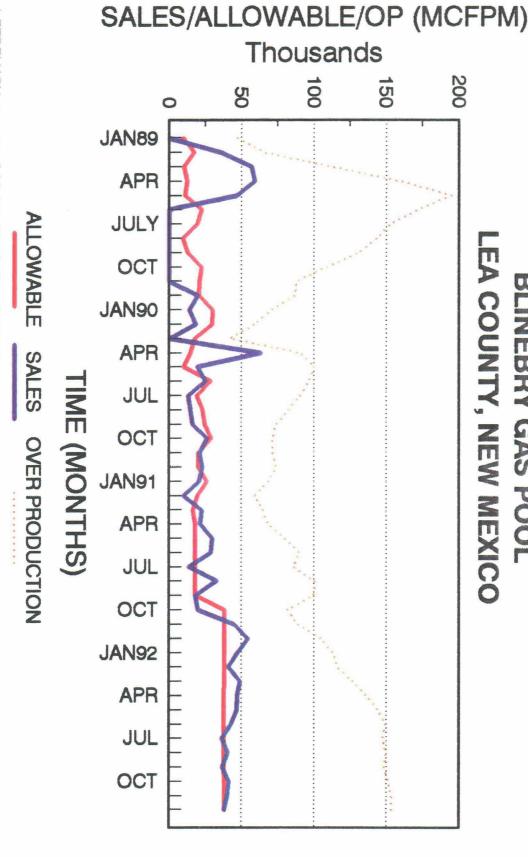
TIME (MONTHS)

OCT

Santa Fe, New Mexico OIL CONSERVATION COMMISSION

Hearing Date: February 25, 1993 Case No. 10672 Exhibit No.

LOU WORTHAN NO. 12 **BLINEBRY GAS POOL**



* FEBRUARY 25, 1993 GAS ALLOWABLES HEARING

Case No. 10672 Exhibit No. Santa Fe, New Mexico OIL CONSERVATION COMMISSION

Submitted By: Marathon Oil Company Hearing Date: February 25, 1993

100 9 50 8 0 JAN89 APR ELLIOTT HINTON NO. JULY JOHN H. HENDRIX CORP OCT **BLINEBRY GAS POOL** JAN90 APR JULY OCT JAN91 APR

SALES/ALLOWABLE/OP (MCFPM)

Thousands

* FEBRUARY 25, 1993 GAS ALLOWABLE HEARING

ALLOWABLE

SALES OVER PRODUCTION

TIME (MONTHS)

JULY

OCT

APR

JULY

JAN92

OIL CONSERVATION COMMISSION

Hearing Date: February 25, 1993 Submitted By: Marathon Oil Company

Case No. 10672 Exhibit No. Santa Fe, New Mexico

MARIN - SHELLER EN 1831 ET ENCLOS : ELLE OTEN DE L'ANNES. INVESTIGATION FIGURE BIRTHER STRUCKS FI 10,000

NACH STATE OF THE BEST AND THE STATE OF THE 12) TOTAL NOTHWITTEN EN REN A HERM (B) William Hot A THERE (9) (2) MONTHLY IMPORTAN (1) MURITLY POOL MICHAILE IN ADJUSTMENTS (1) AVERAGE MINITALY PINE SALES MICRAL REILINGO ! N IL THE PRINTING DATE THE ST MPRIL - SEPTEMBER 1971 FT MURENCE (MUTUR) M'RIL - EPHINKR 1991 **NATURAL MANITO A MATTER** ALL VILLS ARE THE INTE Mithle - Seriemer 1990. C. M. D. SWIE & MILE FIR APRIL - SEPTEMBER 1991 LINIT WITH LIKE MPRIL - SEPTEMBER 1991 POUR ALLOWARDS FOR CLINE 1 + LIPH 3) NITIVA PENN BLINEBRY BUFFALO BURION FLAT CAPLISADO CATCLAN DROM 68723 151819 21503 69417 91000 30,610 3.42 234062 284795 136444 151649 136444 18082 15.75 VALLEY PENN 190773 208593 21168 J45288 228593 50588 20000 3. 88 MURRUM 119633 384109 267R50 139107 171259 33991 25000 7.88 MORRIM 197702 251702 151805 20100 **55055** 97977 52000 1.97 128126 132126 22117 66131 8597S 81515 2.99 **\$** 2407182 ELRIUNI INDIAN BASIN INDIAN BASIN JAHAN JISTIS 13, TIKIB Murran Leper Pen 1228504 1050851 1346331 1653258 753924 57.97 18300 107267 145000 145000 56025 B8975 78762 66328 0.72 2885197 2260345 3600000 134728 3000000 1274015 139655 114803 5.49 3/05/15 103714 651450 337747 001126 18300 70.75 3113° 36976 11011 40776 12(34) 347.5 **9**:3 133577 242230 108708 242230 11837 13.38 75571

MARKET DENAMO AND ALLOHABLE DETERMINATION SCIEDALE

PRUPATED GAS POOLS - STUTIERST NEW HEXICO

FOR APRIL THRU SEPTEMBER 1991

10672ms

Exhibit 'A''
Case No. 10377
Order No. R-9586

ENGP216AT-BAGP216A-01 RUN-TIME: 08:13:57

MARKET DEHAND AND ALLOWABLE DETERMINATION SCHEDULE PRORATED GAS POOLS - SOUTHEAST NEW MEXICO FOR OCT 91 THRU MAR 92

RUN-DATE 09/09/91

ATC (1) AVERAGE MONTHLY POOL SALES	ATOKA PENN 113,401	BLINEBRY \	BUFFALO E VALLEY PENN 214,667	FOR OCT 91 THRO TAX 92 BUFFALO BURTON FLAT CARLSBAD LLEY PENN HORROM HARROW 214,667 436,754 237,6	CARLSBAD HARROW 237,631	CATCLAW DRAN HORRON 146,818	ro →	INDIAN BASII HORRON 196,828	EUNOHT INDIAN BASIN INDIAN BASIN JALHAT Horrom upper Penn 218,783 196,828 3,229,032 884,350	IN JALHAT N 884,356	JUSTIS 6L 39,436	TUBB 231,773
(2) TOTAL NOMINATIONS AVE MONTH VOL.		21,768				407,167	131,173	3,600,000	126,500	22,669		9,112
(3) ADJUSTRENTS.	27,000	152,320			56,000	95,470	204,616	4,000	328,000	319,475	6,000	35,000
(4) MONTHLY POOL ALLOMABLE OCT91-MAR92 (LINE 1 + LINE 3.)	140,401	566,989	214,667	436,754	293,631	242,288	2,423,399	200,828	3,557,032	1,203,831	45,436	266,773
(5) PATTHLY PARGINAL POOL ALLOWABLE OCT91-MAR92	32,121	157,145	118,757	183,645	213,958	92,288	1,385,423	75,247	2,542,064	001,231	14,064	154,974
(6) HONTHLY HON-HURGINAL POOL ALLOWABLES OCT91-HAR92 LINE 4 - LINE 5	108,280	409,844	95,910	253,109	79,673	150,000	1,037,976	125,581	1,014,968	402,600	31,372	111,799
7) NUMBER OF NON-MARGINAL ACREAGE FACTORS	3.42	10.75	2.00	6.88	3.97	2.00	56.72	.86	5.49	22.00	9.00	11.00
ALLOCATE FACTOR OCT91-MAR92 (LH 6 / LH 7)	N,660	38,125	47,955	36,789	20,068	75,000	18,300	146,024	184,875	18,300	3,485	10,163

F1 FACTORS FOR OTHER POOLS
BURTOH FLAT STRAKN F1 = 10,000
HOWAREM PCKEE ELLEN F1 = 25,000

Before the OIL CONSERVATION COMMISSION Santa Fe, For Wester Case No. 106 73 Exhibit No. Submitted By: Mas 41 2 13 143 143

EXHIBIT "A" CASE NO. 10450 HARKET DEHAND AND ALLOHABLE DETERMINATION SCHEDULE PROPATED GAS POOLS - SOUTHEAST NEW MEXICO FOR APR92 THRU SEP92

RUN-DATE 03/23/92

	<u>.</u>	•		_	<u>^</u>	-	_	
8) MONITHLY ACREAGE ALLOCATE FACTOR APR92-SEP92 (LN 6 / LN 7)	7) HUMBER OF NOH-MARGINAL ACREAGE FACTORS	6) MONTHLY NOH-MARGINAL POOL ALLOWABLES APR92-SEP92 LINE 4 - LINE 5	5) MATHLY HARGINAL POOL ALLOWABLE APR91~SEP91	4) MONTHLY POOL 1 ALLOHABLE APR 92-SEP 92 (LINE 1 + LINE 3.)	3) ADJUSTHENTS.	2) TOTAL HOHIHATIONS AVG MONTH VOL.	1) AVERAGE HOHTHLY 6 POOL SALES APR91-SEP91 ALL VOLUME ARE IN MCF.	w 10°
29,855	3.78	112,852	L 25,062	137,914 E 3.)	48,000		Y 89,914	ATOKA PENN BLINEBRY
38,000	10.00	380,000	131,351	511,351	157,241		354,110	
29,684	1.00	29,684	134,745	164,429	7,000		157,429	BUFFALO BURTON FLAT VALLEY PENN MORRON
:								Ξ
29,617	4.97	147,195	186,434	333,629	100,000		233,629	CARLSBAD MARROH
122,000	2.00	244,000	53,234	297,234	58,559		238,675	CATCLAN DRAM MORROM
18,300	40.48	740,784	1,364,710	2,105,494	169,191		1,936,303	EUMONT
12,658	. 86	10,886	63,149	74,035			74,035	INDIAN BASIN MORROW SO
160,502	6.49	1,041,661	2,250,351	3,292,012			3,292,012	INDIAN BASIN JALMAT UPPER PENN
19,020	8.00	152,159	814,000	966,159			966,159	
3,947	7.00	27,626	13,116	40,742			40,742	JUSTIS 6L
10,338	9.00	93,038	121,127	214,165	10,000		204,165	สลก

F1 FACTORS FOR OTHER POOLS
BURTON FLAT STRAWN F1 = 10,000
HONDHENT HCKEE ELLEN F1 = 25,000

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ENGP216T--ENGP216-01

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EXHIBIT "A" COMMISSION ORDER NO. R--9734 MARKET DEMAND AND ALLOWABLE DETERMINATION SCHEDULE PRORATED GAS POOLS - SOUTHE AST NEW HEXICO FOR OCT92 THRU MAR93

9	3	6	(₅)	~	M	2	2	
ALLOCATE FACTOR OCT92-MAR93 (LN 6 / LN 7)	NON-MARGINAL ACREAGE FACTORS	NON-MARGINAL POOL ALLOWABLES OCT92-MAR93 LINE 4 - LINE 5	POOL ALLOWABLE OCT91-MAR92	4) MONTHLY POOL ALLOWABLE OCT92-MAR93 (LINE 1 + LINE 3.	3) ADJUSTHENTS.	NOMINATIONS AVG HONTH VOL.	1) AVERAGE MONTHLY 10 POOL SALES OCT91-MAR92 ALL VOLUME ARE IN MCF.	7A
19,414	1.00	19,414	81,189	100,603		. , .	100,603 HCF.	ATOKA PENN B
36,125	6.75	257,344	233,872	491,216	36,681		454,535	BLINEBRY
*30,000			276,371	276,371	•		276,371	BUFFALO VALLEY PENN
	•		·					į
34,670	1.00	34,670	1%,007	230,677			230,677	CARLSBAD
125,255	1.00	125,255	230,505	355,760			355,760	CATCLAH DRAN HORRON
24,730	15.00	370,963	2,225,600	2,596,563			2,5%,563	m
*36,000	:		81,249	81,249			81,249	DIAN BASIN MORROW SO
178,372	51. 49	979,265	2,048,526	3,027,791 1,143,588			3,027,791	UMONT INDIAN BASIN INDIAN BASIN JALMAT MORRON SO UPPER PENN
24, 856	y G	80,764	1,062,804	1,143,588			1,143,588	
10,205	6.00	109,231	27,523	136,754	01,000		55,754	JUSTIS GL
	er was the			N	60.0		N	**************************************

F1 FACTORS FOR OTHER POOLS
BURTON FLAT STRAWN F1 = 10,000
HOWNHENT HCKEE ELLEN F1 = 25,000

*AS OF 3-31-92, THESE POOLS DO NOT HAVE ANY WELLS IN A NON-MARGINAL STATUS. THESE F1 FACTORS ARE ASSIGNED TO MONITOR THE WELLS IN THE POOLS.

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EIRGP2161--EIRGP216-01 .

EXHIBIT "A" COMMISSION OPDER NO.

HARKET DEMAND AND ALLOWABLE DETERMINATION SCHEDULE

FPODATED GAS POOLS - SOUTHEAST NEW MEXICO

FOR AFREST THRU SEPES

RUN-DATE 02/00/93

•	(7)		(5)		(3)	2 > Z	, , ;	
ALLOCATE FACTOR	NUMBER OF NON-MARGINAL ACREAGE FACTORS	MOHITHLY NON-MARGINAL POOL ALLOHABLES APP93-SFP93 INE 4 - LINE 5	5) TRITHLY MARGINAL FOOL ALLOWABLE APRO2-SEPO2	41 MONTHLY POOL ALTOMABLE AFP93-SEP93 (LINE 1 + LINE 3.)	3) ADJUSTHENTS.	NOMINATIONS AVG MONTH VOL.	IT AVERAGE HOWITHLY IN POOL SALES AFF92 SEF92 ALL VOLUME ARE IN HCF.	8 JA
23,299	1.00	23,299	82,459	105,756	٠	•	105,758 MCF.	ATOKA PEIRI BIJHEBRY
32,429	6.25	202,686	298,138	500,824			500,824	
35,450		70,809	239,520	310,329			310,329	RUFFALO VALLEY PEHN
		6,932	233,949	240,881		•	240,881	CARLSBAD
		82,989.	301,060	384,049			384,049	CATCLAN DRAN
28,928	19.75	571,334	1,933,788	2,505,122			2,505.122	
27,189	2.08	56,555	36,175	92,730			92,730	EUTOHT INDIAN BASIN MORRON SO
172,478	6.92	1,193,546	2,320,245	3,513,791			3,513,791	UPPER PENN
25.066	4.25	106,531	1,081,617	3,513,791 1,186,148		-	,513,791 1,188,148	N JALMAT
5,876	7.00	41,131	7,805	48,936	-		48,936	JUSTIS GL
12,947	9.50	41,131 123,003	165,489	288,492	9,387,6	a । अवस्य अवस्य	288,492	TUBB

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A CY C. MASS

S CALCOTTE LOUIS

F1 FACTORS FOR OTHER POOLS BURTON FLAT STRAWN FT = 10,00 HORAMENT HCKEE ELLEN FT = 25,00

(*) V''

(UI 6 / LN 7)

HINKLE, COX, EATON, COFFIELD & HENSLEY

LEWIS C COX
PAUL W EATON
CONRAD E COFFIELD
HAROLD - HENSLEY, JR
STUART D SHANOR
ERIC D LANPHERE
C D MARTIN
ROBERT P TINNIN, JR.
MARSHAIL G MARTIN MARSHALL G MARTIN OWEN M LOPEZ OWEN M LOPEZ
DOGGAS L LUNSFORD
JOHN J KELLY
NICHOLAS J NOEDING
T CALDER EZZELL, JR.
WILLIAM B BURFORD*
RICHARD C DUSON
RICHARD R WILFONG*
RICHARD R STEPHANIE LANDRE

RICHARD R WILFONG*
THOMAS J WECHSLER
NANCY S CUSACK
PEFFREY L FORNACIARI
JEFFREY D HEWETT
JAMES BRUCE
JERRY F SHACKELFORD*
JEFFREY W HELLBERG*
ALBERT L PITTS
THOMAS M HNASKO
JOHN C CHAMBERS* JOHN C CHAMBERS* GARY D COMPTON* GARY D. COMPTONS
MICHAEL A. GROSS
THOMAS D. HAINES, JR.
GREGORY J. NIBERT
DAVID T. MARKETTES
MARK C. DOW

FRED W SCHWENDIMANN FRED W SCHWENDIMANN
JAMES M HUDSON
JEFFREY S. BAIRD*
REBECCA NICHOLS JOHNSON
WILLIAM R. JOHNSON
STANLEY K. KOTOVSKY, JR
H. R. THOMAS
FLIEN S. CASEY ELLEN 5 CASEY
MARGARET CARTER LUDEWIG

S. BARRY PAISNER
STEPHEN M. CRAMPTON
MARTIN MEYERS
GREGORY S. WHEELER
ANDREW J. CLOUTIER
JAMES A. GILLESPIE
GARY W. LARSON
STEPHANIEL LANDRY
JOHN B. WILLESTILLE
JOHN B. WILLE
JOHN B. W JOHN R KULSETH, JR MARGARET R MCNET* MARGARET R MCNET'
LISA K. SMITH'
ROBERT H BETHEA'
BRADLEY W. HOWARD
CHARLES A SUTTON
NORMAN D EWART
DARREN T GROCE' MOLLY MOINTOSH MARCIA B LINCOLN SCOTT A SHUART* DARREN L BROOKS CHRISTINE E LALE PAUL G NASON DARLA M SILVA

ATTORNEYS AT LAW

AMUZETNOM BIS

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(505) 982-4554

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CLARENCE E HINKLE (1901-1985) W E. BONDURANT, JR (1913-1973) ROY C SNODGRASS, JR (1914-1987)

> OF COUNSEL O. M CALHOUN*
> MACK EASLEY

WASHINGTON, D.C. SPECIAL COUNSEL ALAN J STATMAN*

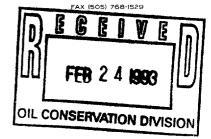
February 24, 1993

700 UNITED BANK PLAZA POST OFFICE BOX IO ROSWELL NEW MEXICO 88202 (505) 622-6510 FAX (505) 623-9332

2800 CLAYDESTA CENTER 6 DESTA DRIVE POST OFFICE BOX 3580 MIDLAND, TEXAS 79702 (915) 683-4691 FAX (915) 683-6518

1700 TEAM BANK BUILDING POST OFFICE BOX 9238 AMARILLO, TEXAS 79105 (806) 372-5569 FAX (806) 372-9761

500 MARQUETTE NW SUITE 800 POST OFFICE BOX 2043 ALBUQUERQUE, NEW MEXICO 87103 (505) 768-1500



*NOT LICENSED IN NEW MEXICO

William J. LeMay Oil Conservation Division 310 Old Santa Fe Trail Santa Fe, New Mexico 87503

Case No. 10,672 (Gas Allowable Hearing)

Dear Mr. LeMay:

Enclosed are an original and two copies of a Pre-Hearing Statement submitted by Exxon Corporation with respect to the above case. I apologize for the delay in submitting the Statement, but I was not informed until today that my client would be presenting a short case.

Very truly yours,

HINKLE, COX, EATON, COFFIELD

HENSLEY

James Bruce

JB:frs Enclosures

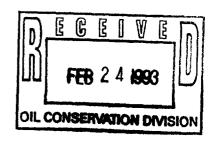
Via Hand Delivery

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

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

CASE NO. 10,672

THE HEARING CALLED BY THE OIL CONSERVATION DIVISION TO ACCEPT NOMINATIONS AND OTHER EVIDENCE REGARDING APRIL 1993 THROUGH SEPTEMBER 1993 GAS ALLOWABLES FOR PRORATED POOLS



PRE-HEARING STATEMENT

This pre-hearing statement is submitted by Exxon Corporation as required by the Oil Conservation Commission.

APPEARANCE OF PARTIES

APPLICANT ATTORNEY

Oil Conservation Division Robert G. Stovall

OTHER PARTY

ATTORNEY

Exxon Corporation Post Office Box 1600 Midland, Texas 79702 (915) 688-6174 Attn: William T. Duncan, Jr. James Bruce
Hinkle, Cox, Eaton, Coffield
& Hensley
Post Office Box 2068
Santa Fe, New Mexico 87504-2068

(505) 982-4554

Pre-Hearing Statem	ent
NMOCD Case No.	10,672
Page 2	

STATEMENT OF CASE

APPLICANT

OPPOSITION

Exxon requests that the allowable be increased for three of its wells in the Tubb Oil and Gas Pool.

PROPOSED EVIDENCE

APPLICANT

WITNESSES EST. TIME EXHIBITS

OPPOSITION

WITNESSES EST. TIME EXHIBITS

(a) W. T. Duncan, Jr. 10 min Approximately three. (Petroleum Engineer)

PROCEDURAL MATTERS

Pre-Hearing Statement NMOCD Case No. 10,672 Page 3

Respectfully submitted,

HINKLE, COX, EATON, COFFIELD & HENSLEY

James Bruce

Post Office Box 2068

Santa Fe, New Mexico 87504-2068

(505) 982-4554

Attorneys for Exxon Corporation

CASE 10612 CRDER R-9858

BY THE COMMISSION

This cause came on for hearing at 9:00 a.m. on February 25, 1993, at Santa Fe, New Mexico, before the Oil Conservation Commission of New Mexico, hereinafter referred to as the "Commission."

Now on this _____ day of March, 1993, the Commission, a quorum being present and having considered the testimony, the exhibits received at said hearing, and being fully advised in the premises,

FINDS THAT:

- (1) Due public notice having been given as required by law, the Commission has jurisdiction of this cause and the subject matter thereof.
- (2) This hearing was called for the purpose of accepting nominations and other evidence and information to assist in determining April, 1993 through September, 1993 gas allowables for the prorated gas pools in New Mexico. Thirteen of the prorated gas pools are in Lea, Eddy, and Chaves Counties in Southeast New Mexico, and the other four prorated gas pools are in San Juan, Rio Arriba, and Sandoval Counties in Northwest New Mexico.
- (3) Amendments to the Gas Proration Rules approved by the Commission Order No. R-8170-H in December, 1990 provide for the allowables to be established for six-month allocation periods beginning in April and October of each year.
- (4) Average monthly allowables for April, 1993 through September, 1993 for each pool are calculated by taking the monthly average individual pool sales for April 1992 through September 1992 and adding positive or negative adjustments which are supported by substantial evidence presented at this hearing.
- (5) Oil Conservation Division (OCD) personnel prepared Market Demand and Allowable Determination Schedules for the prorated gas pools in New Mexico. These schedules contained pool production information from the period April 1992 through September 1992 without adjustments and the calculations assigning the preliminary allowables to marginal and non-marginal wells, based upon their classification at the time the schedules were prepared. Producers, purchasers, and transporters of gas were asked to review these preliminary allowables and to submit evidence at this hearing which would support any recommended adjustments to the pool allowable.
- (6) The Director of the Office of Interstate Natural Gas Markets submitted graphs showing the history of natural gas production in New Mexico. These graphs also showed the recent increases in production and a lessening in the seasonal effect on production. The production for 1993 was estimated to continue to increase but not as fast as it did in 1992.
- (7) Three different Operators appeared and requested upward adjustments to the pools in Northwest New Mexico.

BASIN-DAKOTA GAS POOL

(8) Meridian Oil, Inc., Phillips Petroleum and Amoco Production Co. requested the following adjustments to the pool allowable for the Basin-Dakota Gas Pool:

COMPANY	ADJUSTMENT	RESULTING POOL ALLOWABLE
Meridian Oil, Inc.	2,000,000	10,171,546
Phillips Petroleum	2,600,000	10,771,546
Amoco Production Co.	1,500,000	9,671,546

Each company supported its recommendation with testimony that the gas market for the subject period would increase and would not be subject to the historic season drop over the summer months. The Amoco witness testified that it felt the Meridian recommendation was not unreasonable, but the Phillips request was probably too high.

<u>FINDING:</u> A pool allowable adjustment of 2,000,000 MCF per month is a reasonable and substantial adjustment.

BLANCO-MESA VERDE GAS POOL

(9) The same three companies presented evidence and requested increases to the Blanco-Mesa Verde See Pool allowable as follows:

COMPANY	ADJUSTMENT	RESULTING POOL ALLOWABLE
Meridian Oil, Inc.	3,000,000	17,317,142
Phillips Petroleum	2,700,000	17,017,142
Amoco Production Co.	2,900,000	17,217,142

FINDING: A pool allowable adjustment of 2,900,000 MCF per month is appropriate and reasonable for this pool.

SOUTH BLANCO-PICTURED CLIFFS GAS POOL

(10) Meridian Oil, Inc., and Amoco Production Co. requested pool allowable adjustments of 150,000 and 100,000 MCF per month, respectively, for the South Blanco-Pictured Cliffs Gas Pool.

FINDING: The Division has, by Order R-8170-L, set a minimum allowable of 100 MCF per day for gas proration units with an acreage factor of 1 in this pool, and an adjustment of 177,619 MCF per month for a pool monthly allowable of

1,434,904 MCF per month is needed for this pool in order to reach the minimum allowable required by that order.

TAPACITO-PICTURED CLIFFS GAS POOL

- (11) Amoco Production Co. requested an adjustment of 75,000 for a pool monthly allowable of 309,942 for the Tapacito-Pictured Cliffs Gas Pool, which is a reasonable adjustment.
- (12) Five operators appeared and presented testimony which supported upward adjustments in the allowables for three different pools in Southeast New Mexico.

BLINEBRY GAS POOL

(13) Marathon Oil Company requested an adjustment of 34,814 MCF/mo. to the pool allowable as presented in the Market Demand and Allowable Determination Schedule prepared by the OCD personnel for the Blinebry Gas Pool. They presented evidence that there was a market for this production. They had also notified all operators in the Blinebry Gas Pool of their intent to request a higher allowable and had not received any objections.

FINDING: The pool allowable for the Blinebry Gas Pool should be adjusted by 34,814 MCF/mo. since there exists a market for this production and no operator in the Blinebry Gas Pool objected to the increase.

SYLJANIAN INDIAN BASIN-UPPER PENN GAS POOL

(14) Marathon Oil Company and Oryx Energy Company requested an adjustment of 166,234 MCF/mo. to the pool allowable for the Indian Basin-Upper Penn, Pool. Both companies indicated that they had performed remedial work on several of their wells and had significantly increased the wells ability to produce. They also provided information that they had a market for this increased production. Marathon notified all the operators of wells in the pool of their intention to ask for this increase and had not received any objections.

Chevron USA, Inc. presented testimony that they had recently worked over several of their wells in the Indian Basin-Upper Penn. Pool and that they had significantly increased the wells' producing capacity. Chevron also presented testimony that they could market the increased production due to these workflovers. They did not object to Marathon's and Oryx's request for an increase in allowable and did not make any recommendation themselves.

FINDING: The Indian Basin-Upper Penn, Pool allowable as presented in the Market Demand and Allowable Determination Schedule should be adjusted by 166,234 MCF/mo. There is a market for this increased production and none of the operators in the pool objected to the increase.

TUBB GAS POOL

- (15) Exxon Corporation requested an adjustment in the pool allowable for the Tubb Gas Pool. The adjustment was 5,928 MCF/mo. and would increase the non-marginal proration unit by 20 MCF/Day.
- FINDING: The Tubb Gas Pool allowable should be adjusted by 5,928 MCF/mo. There was no opposition to this request and it does not appear to be enough to infringe on any correlative rights of other operators in the pool.

645

(16) By Order No. R-8170-M, the Justis-Glorieta Pool had a minimum gas allowable of 600 MCF/Day for an acreage factor of 1.0 established. To match this minimum allowable, an adjustment of 89,069 MCF/mo. should be made to the pool allowable.

IT IS THEREFORE ORDERED THAT:

- (1) Exhibits "A" and "B" attached to and incorporated herein are adopted for the purpose of making allowable assignments for the prorated gas pools in New Mexico for the months April 1993 through September 1993.
- (2) The Oil Conservation Division is hereby directed to allocate production to the individual gas proration units in each of the prorated gas pools for April 1993 through September 1993 allocation period in accordance with this order and other Division Rules, Regulations and Orders.
- (3) Jurisdiction of this cause is retained for the entry of such further orders as the Commission may deem necessary.

DONE at Santa Fe, New Mexico on this day and year hereinabove designated.

State of New Mexico

OIL CONSERTION DIVISION Energy, Minerals and Natural Resources Department

Form C-121-A Revised 4-1-91

RE'L JED '93 FE- 2/ NM 10 03

OIL CONSERVATION DIVISION

P.O. Box 2088 Santa Fe, New Mexico 87504-2088

PURCHASER'S GAS NOMINATIONS

Morthern Natural The Company	1111 South 103 RD Speat, Orroba Metrocka
In accordance with the Rules and Regulations of the	Oil Conservation Division of the State of New Mexico, the above
named company herewith submits its nominations for the pu	rchase of gas from the Tubb
Pool for the month shown below: (insert in appropriate mo	nth)

MONTH	YEAR	NOMINATION, MCF
APRIL	1993	8.086
MAY		<u>8, 355</u>
JUNE		8 086
JULY		8,355
AUGUST		8,355
SEPTEMBER	Į.	8086
OCTOBER		
NOVEMBER		
DECEMBER		
JANUARY		
FEBRUARY		
MARCH		

NOTE: All Volumes are to be MCF at 15.025 psia and 60° F.

James Klinck	JAMES R. KUSEK PRORATION SPECIALIST	2/15/93	(402)398-7154
Signature	Printed Name & Title	Date	Telephone No.

<u>FILING INSTRUCTIONS</u>: One copy of this form must be filed with the Santa Fe Office of the Division by the first day of the month during which the nominations are to be considered at public hearing.

Form C-121-A Revised 4-1-91

OIL CONSERVATION DIVISION

P.O. Box 2088 Santa Fe, New Mexico 87504-2088

PURCHASER'S GAS NOMINATIONS

MONTH	YEAR	NOMINATION, MCF
APRIL	1993	144, 313
MAY		149 118
JUNE		144, 313
JULY		149,118
AUGUST		149,118
SEPTEMBER	<u> </u>	144, 313
OCTOBER		
NOVEMBER		·
DECEMBER		
JANUARY		
FEBRUARY		
MARCH		

NOTE: All Volumes are to be MCF at 15.025 psia and 60° F.

James Klinek	JAMES R. KUSEK PRORATION SPECIALIST	alısl93	(402).398-7154
Signature	Printed Name & Title	Date	Telephone No.

<u>FILING INSTRUCTIONS</u>: One copy of this form must be filed with the Santa Fe Office of the Division by the first day of the month during which the nominations are to be considered at public hearing.

State of New Mexico Energy, Minerals and Natural Resources Department

Form C-121-A Revised 4-1-91

OIL CONSERVATION DIVISION

P.O. Box 2088 Santa Fe, New Mexico 87504-2088

PURCHASER'S GAS NOMINATIONS

Morthern Natural The Company 1111 South 103 RD STREET, Orroba Metrocka
In accordance with the Rules and Regulations of the Oil Conservation Division of the State of New Mexico, the above
named company herewith submits its nominations for the purchase of gas from the
Pool for the month shown below: (insert in appropriate month)

MONTH	YEAR	NOMINATION, MCF
APRIL	1993	12, 433
MAY		12,848
JUNE		12,433
JULY		12,848
AUGUST		12,848
SEPTEMBER	4	12,433
OCTOBER		
NOVEMBER		
DECEMBER		
JANUARY		
FEBRUARY		
MARCH		

NOTE: All Volumes are to be MCF at 15.025 psia and 60° F.

James & Short	JAMES R. KUSEK		
Signature	Printed Name & Title	2/15/93 Date	(402)398-7154 Telephone No.

<u>FILING INSTRUCTIONS</u>: One copy of this form must be filed with the Santa Fe Office of the Division by the first day of the month during which the nominations are to be considered at public hearing.

State of New Mexico Energy, Minerals and Natural Resources Department

Form C-121-A Revised 4-1-91

OIL CONSERVATION DIVISION

P.O. Box 2088 Santa Fe, New Mexico 87504-2088

PURCHASER'S GAS NOMINATIONS

Morthern Natural The Company IIII South 103 RD Sixeet, Orraha Netrocka
In accordance with the Rules and Regulations of the Oil Conservation Division of the State of New Mexico, the above
named company herewith submits its nominations for the purchase of gas from the Monument McKee
Pool for the month shown below: (insert in appropriate month)

MONTH	YEAR	NOMINATION, MCF
APRIL	1993	8,618
MAY		8,618 8,906
JUNE		8,618
JULY		
AUGUST	مع مداد دراد دارد است	8 906
SEPTEMBER	b	8,906 8,906 8618
OCTOBER		
NOVEMBER		·
DECEMBER		
JANUARY		
FEBRUARY		
MARCH		

NOTE: All Volumes are to be MCF at 15.025 psia and 60° F.

James Klinck	JAMES R. KUSEK		
James Mick	PRORATION SPECIALIST	2/15/93	(402)398-7154
Signature	Printed Name & Title	Date	Telephone No.

<u>FILING INSTRUCTIONS</u>: One copy of this form must be filed with the Santa Fe Office of the Division by the first day of the month during which the nominations are to be considered at public hearing.