

MARATHON OIL COMPANY  
MID-CONTINENT REGION

INDIAN BASIN  
FIELD

EDDY COUNTY, NEW MEXICO

OWNERSHIP PLAT

BEFORE EXAMINER STOGNER

Oil Conservation Division

Marathon Exhibit No. 7

Case No. 9915

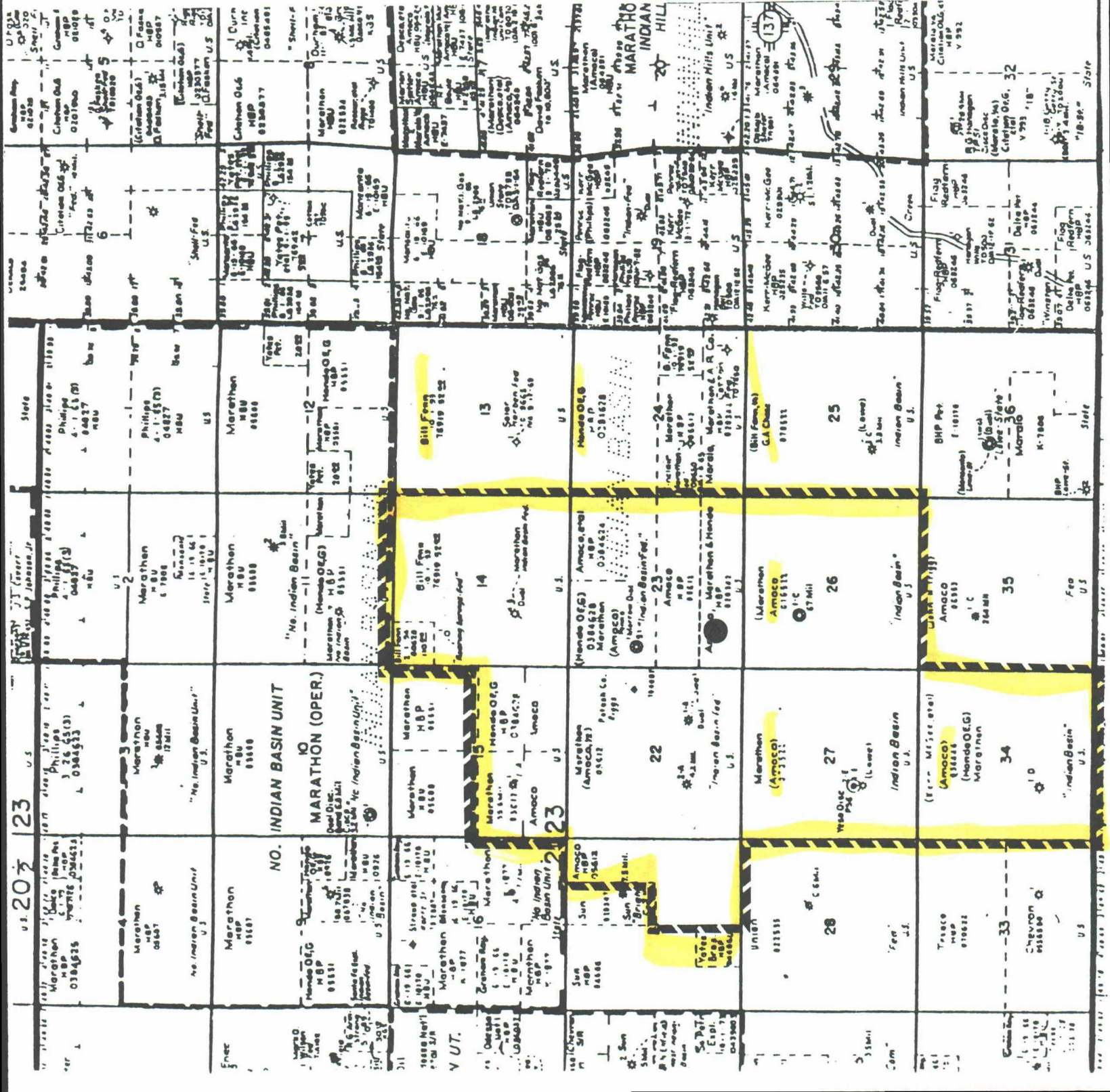


MILE

LEGEND

- PROPOSED LOCATION
- INDIAN BASIN UNIT

1962



MARATHON OIL COMPANY

OFFSET OPERATORS TO THE  
INDIAN BASIN GAS COM WELL NO. 2

732' FSL & 1173' FWL of  
Section 23, T-21-S, R-23-E,  
Eddy County, New Mexico

Hondo Oil & Gas Company  
P. O. Box 2208  
Roswell, New Mexico 88201-2208

N/2 Section 24, T-21-S, R-23-E

Bill Fenn, Inc.  
P. O. Drawer 569  
Giddings, Texas 78942-0569

All of Sections 13, 14 & 25, T-21-S,  
R-23-E

Marathon Oil Company  
P. O. Box 552  
Midland, Texas 79702-0552

All of Sections 26, 27, 22 & 15,  
T-21-S, R-23-E,

BEFORE EXAMINER STOGNER

Oil Conservation Division

*Marathon* Exhibit No. 2

Case No. 9915



**Marathon  
Oil Company**

BEFORE EXAMINER STOGNER  
Oil Conservation Division

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

March 27, 1990

*MARATHON* Exhibit No. 9  
Case No. 9915

Hondo Oil & Gas Company  
P. O. Box 2208  
Roswell, New Mexico 88201-2208

CERTIFIED MAIL & RETURN  
RECEIPT REQUESTED

Bill Fenn, Inc.  
P. O. Drawer 569  
Giddings, Texas 78942-0569

Re: Application for Unorthodox Location  
Indian Basin Gas Com Well #2  
732' FSL & 1173' FWL Section 23, T-21-S, R-23-E,  
Our Lease NM-1797 - Indian Basin Unit  
NM-1836 - U.S. Lease NM-0384624  
NM-1802 - U.S. Lease NM-020342  
NM-1546 - U.S. Lease NM-05612-A  
NM-1837 - Com Agreement  
All Section 23, T-21-S, R-23-E,  
Indian Basin Field  
Eddy County, New Mexico

Gentlemen:

Attached please find a complete copy of our application filed with the State of New Mexico Oil Conservation Division. We have requested a hearing be set for April 18, 1990, before a Division Examiner. You are not required to attend this hearing but you may appear and present testimony as an owner of an interest that may be effected by this unorthodox location. Failure to appear at the hearing and become a party of record will preclude you from challenging this application at a later date.

Should you have any questions, please call at 915-687-8326.

Yours very truly,

MARATHON OIL COMPANY

Curtis D. Smith  
Landman

CDS:mmc'  
Attachments

xc: Mr. L. D. Garcia  
Mr. C. R. Hubacher  
Mr. R. J. Bruner

bxc: Kellahin, Kellahin & Aubrey  
Attention: Tom Kellahin  
P. O. Box 2265  
Santa Fe, New Mexico 87501-2265

W/P

Mid-Continent Region  
Production United States



**Marathon  
Oil Company**

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

March 27, 1990

Hondo Oil & Gas Company  
P. O. Box 2208  
Roswell, New Mexico 88201-2208

CERTIFIED MAIL & RETURN  
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Bill Fenn, Inc.  
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All Section 23, T-21-S, R-23-E,  
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Eddy County, New Mexico

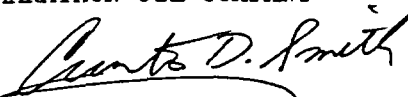
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Yours very truly,

MARATHON OIL COMPANY

  
Curtis D. Smith  
Landman

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xc: Mr. L. D. Garcia  
Mr. C. R. Hubacher  
Mr. R. J. Bruner

bxc: Kellahin, Kellahin & Aubrey  
Attention: Tom Kellahin  
P. O. Box 2265  
Santa Fe, New Mexico 87501-2265



**SENDER:** Complete items 1 and 2 when additional services are desired, and complete items 3 and 4.

Put your address in the "RETURN TO" Space on the reverse side. Failure to do this will prevent this card from being returned to you. The return receipt fee will provide you the name of the person delivered to and the date of delivery. For additional fees the following services are available. Consult postmaster for fees and check box(es) for additional service(s) requested.

1. ☒ Show to whom delivered, date, and addressee's address. (Extra charge) 2. ☐ Restricted Delivery (Extra charge)

3. Article Addressed to: <i>Hondo Dr. to Co. P.O. Box 2208 Roswell NM 88201-2208</i>	4. Article Number <i>P046654169</i>
5. Signature - Address <i>X</i>	Type of Service: <input type="checkbox"/> Registered <input type="checkbox"/> Insured <input checked="" type="checkbox"/> Certified <input type="checkbox"/> COD <input type="checkbox"/> Express Mail <input type="checkbox"/> Return Receipt for Merchandise
6. Signature - Agent <i>X</i> <i>R. W. Miller</i>	Always obtain signature of addressee or agent and DATE DELIVERED.
7. Date of Delivery <i>3/27/80</i>	8. Addressee's Address (ONLY if requested and fee paid) <i>Box 2208</i>

PS Form 3811, Mar. 1988 \* U.S.G.P.O. 1988-212-865 DOMESTIC RETURN RECEIPT

**SENDER:** Complete items 1 and 2 when additional services are desired, and complete items 3 and 4.

Put your address in the "RETURN TO" Space on the reverse side. Failure to do this will prevent this card from being returned to you. The return receipt fee will provide you the name of the person delivered to and the date of delivery. For additional fees the following services are available. Consult postmaster for fees and check box(es) for additional service(s) requested.

1. ☒ Show to whom delivered, date, and addressee's address. (Extra charge) 2. ☐ Restricted Delivery (Extra charge)

3. Article Addressed to: <i>Bill J. Inn Inc. P.O. Drawer 369 Giddings TX 78942-0369</i>	4. Article Number <i>P046654168</i>
5. Signature - Address <i>X</i>	Type of Service: <input type="checkbox"/> Registered <input type="checkbox"/> Insured <input checked="" type="checkbox"/> Certified <input type="checkbox"/> COD <input type="checkbox"/> Express Mail <input type="checkbox"/> Return Receipt for Merchandise
6. Signature - Agent <i>X</i> <i>R. W. Miller</i>	Always obtain signature of addressee or agent and DATE DELIVERED.
7. Date of Delivery <i>3-30-90 R</i>	8. Addressee's Address (ONLY if requested and fee paid)

PS Form 3811, Mar. 1988 \* U.S.G.P.O. 1988-212-865 DOMESTIC RETURN RECEIPT



**Marathon  
Oil Company**

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

March 27, 1990

State of New Mexico  
Energy & Minerals Department  
Oil Conservation Division  
P. O. Box 2088  
Santa Fe, New Mexico 87504-2088

Attention: Division Director

Re: Application for Unorthodox Location  
Indian Basin Gas Com Well #2  
732' FSL & 1173' FWL Section 23, T-21-S, R-23-E,  
Our Lease NM-1797 - Indian Basin Unit  
NM-1836 - U.S. Lease NM-0384624  
NM-1802 - U.S. Lease NM-020342  
NM-1546 - U.S. Lease NM-05612-A  
NM-1837 - Com Agreement  
All Section 23, T-21-S, R-23-E,  
Indian Basin Field  
Eddy County, New Mexico

Gentlemen:

Marathon Oil Company hereby requests this application for the Indian Basin Gas Com well #2, located 732' FSL & 1173' FWL Section 23, T-21-S, R-23-E, Eddy County, New Mexico, to be set for hearing April 18, 1990, before a Division Examiner. Marathon wishes to drill the proposed well to replace the well #1 located in the SW/4 NW/4 of Section 23 which is uneconomical to produce. Marathon will plug and abandon the well #1 after the successful completion of the proposed #2 well. Enclosed for your review are Form C-102 and Form 9-331C along with a plat showing the offset operators.

Marathon appreciates your consideration of this application and if you have any questions concerning this application, please call at 1-800-351-1417, extension 326.

Yours very truly,

MARATHON OIL COMPANY

Curtis D. Smith  
Landman

CDS:mmc'  
Attachments

xc: Mr. L. D. Garcia  
Mr. C. R. Hubacher  
Mr. R. J. Bruner

bxc: Kellahin, Kellahin & Aubrey  
Attention: Tom Kellahin  
P. O. Box 2265  
Santa Fe, New Mexico 87501-2265

MARATHON OIL COMPANY

OFFSET OPERATORS

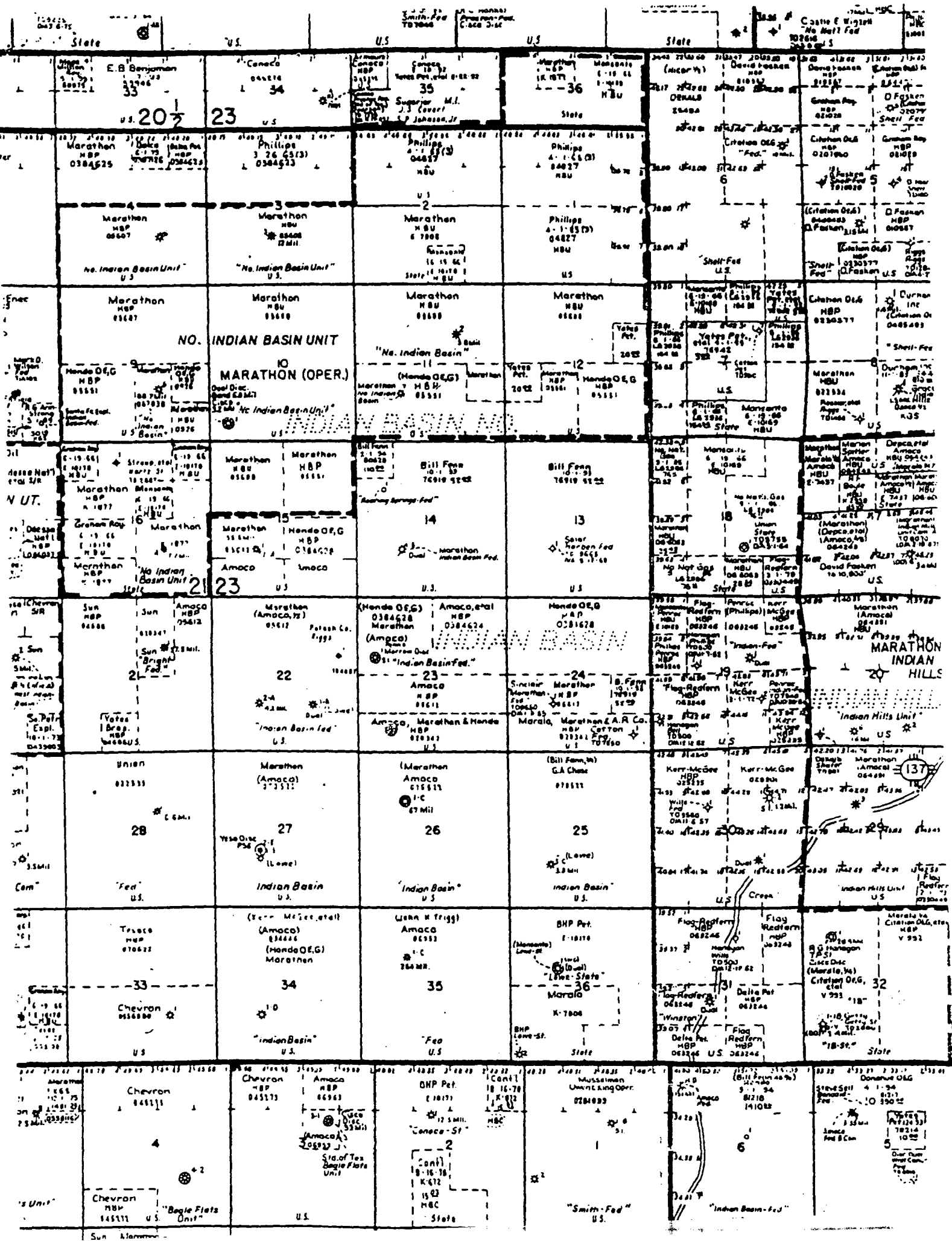
Indian Basin Gas Com Well No. 2  
732' FSL & 1173' FWL Sec. 23  
T-21-S, R-23-E  
Eddy County, New Mexico,

Hondo Oil & Gas Company  
P. O. Box 2208  
Roswell, New Mexico 88201

N/2 Section 24  
T-21-S, R-23-E

Bill Fenn, Inc.  
P. O. Drawer 569  
Giddings, TX 78942

All Sec. 13, 14  
and 25  
T-21-S, R-23-E





Submit to Appropriate  
District Office  
State Leases - 4 copies  
Fee Leases - 3 copies

State of New Mexico  
Energy, Minerals and Natural Resources Department

Form C-102  
Revised 1-1-89

OIL CONSERVATION DIVISION

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

RECEIVED

MAR 22 1990

DISTRICT I  
P.O. Box 1980, Hobbs, NM 88240

DISTRICT II  
P.O. Drawer DD, Artesia, NM 88210

DISTRICT III  
1000 Rio Brazos Rd., Aztec, NM 87410

WELL LOCATION AND ACREAGE DEDICATION PLAT

All Distances must be from the outer boundaries of the section

MARATHON OIL COMPANY  
LAND DEPARTMENT  
MIDLAND, TEXAS

Operator MARATHON OIL CO.			Lease Indian Basin Gas Com.		
Unit Letter M	Section 23	Township 21 South	Range 23 East	County Eddy	
Actual Footage Location of Well: 732 feet from the South line and 1173 feet from the West line					
Ground level Elev. 3838.0	Producing Formation U. Penn, Morrow	Pool Indian Basin	Dedicated Acreage: 640 Acres		

1. Outline the acreage dedicated to the subject well by colored pencil or hatchure marks on the plat below.
2. If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).
3. If more than one lease of different ownership is dedicated to the well, have the interest of all owners been consolidated by communitization, unitization, force-pooling, etc?  
☐ Yes ☐ No If answer is "yes" type of consolidation \_\_\_\_\_  
If answer is "no" list the owners and tract descriptions which have actually been consolidated. (Use reverse side of this form if necessary.)  
No allowable will be assigned to the well until all interests have been consolidated (by communitization, unitization, forced-pooling, or otherwise) or until a non-standard unit, eliminating such interest, has been approved by the Division.

OPERATOR CERTIFICATION

I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.

Signature  
Printed Name  
S. L. Atnipp  
Position  
Drilling Superintendent  
Company  
Marathon Oil Company  
Date  
3/10/90

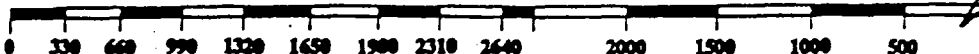
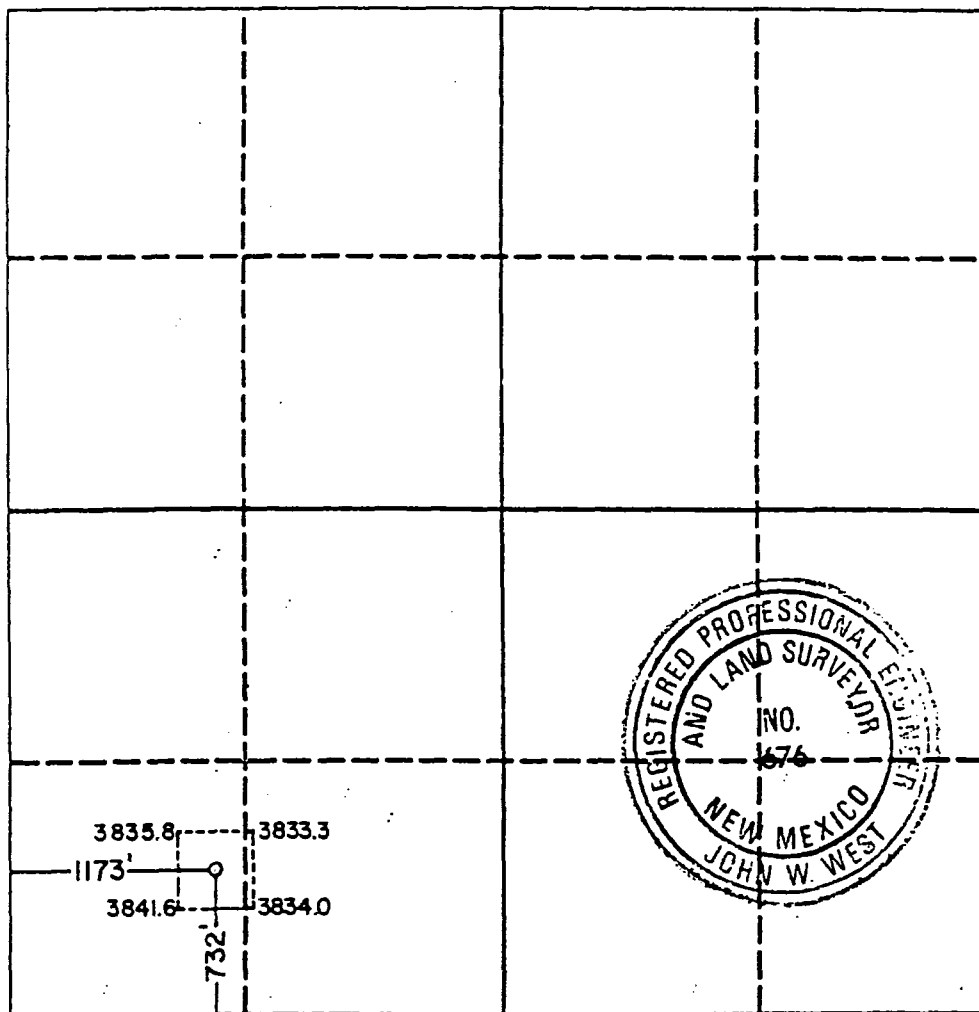
SURVEYOR CERTIFICATION

I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my knowledge and belief.

Date Surveyed  
March 1, 1990

Signature & Seal of  
Professional Surveyor

Certificate No. JOHN W. WEST, 676  
RONALD J. EIDSON, 3239



UNITED STATES  
DEPARTMENT OF THE INTERIOR  
GEOLOGICAL SURVEY

## APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

## 1a. TYPE OF WORK

DRILL ☒DEEPEN ☐PLUG BACK ☐

## b. TYPE OF WELL

OIL  
WELL ☐GAS  
WELL ☒OTHER ☐SINGLE  
ZONE ☒MULTIPLE  
ZONE ☐

## 2. NAME OF OPERATOR

Marathon Oil Company

## 3. ADDRESS OF OPERATOR

P. O. Box 552, Midland, TX 79702

## 4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.)\*

At surface

732' FSL &amp; 1173' FWL

At proposed prod. zone

732' FSL &amp; 1173' FWL

## 14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE\*

25 mi. W N W of Carlsbad, NM

## 13. DISTANCE FROM PROPOSED\*

LOCATION TO NEAREST  
PROPERTY OR LEASE LINE, FT.

(Also to nearest drig. unit line, if any) 732'

18. DISTANCE FROM PROPOSED LOCATION\*  
TO NEAREST WELL, DRILLING, COMPLETED,  
OR APPLIED FOR, ON THIS LEASE, FT.

2707'

## 16. NO. OF ACRES IN LEASE

640

## 19. PROPOSED DEPTH

9500'

17. NO. OF ACRES ASSIGNED  
TO THIS WELL

640

## 20. ROTARY OR CABLE TOOLS

Rotary

## 21. ELEVATIONS (Show whether DF, RT, GR, etc.)

3838.0' GL

## 22. APPROX. DATE WORK WILL START\*

May 1, 1990

## 23.

## PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
17-1/2"	13-3/8"	48#	250'	275 sx - circ to surface
11"	8-5/8"	24#	2000'	625 sx - circ to surface
7-7/8"	5-1/2"	15.5#, 17.0#	9500'	1200 sx - TOC @ ± 1500'

Propose to drill and complete a 9500' Upper Penn Morrow gas well to replace the Indian Basin Gas Com Well #1.

All casing shall be run and cemented in accordance with regulations and by approved methods.

Pressure Control Equipment will be applied as outlined in Additional Information. See Attached Multipoint Surface Use Plan and Additional Information for specific drilling operations.

## \* Lease Designation &amp; Serial Nos.

NM-0384624

NM-05612

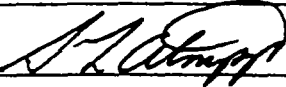
NM-020342

NM-0384628

IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: If proposal is to deepen or plug back, give data on present productive zone and proposed new productive zone. If proposal is to drill or deepen directionally, give pertinent data on subsurface locations and measured and true vertical depths. Give blowout preventer program, if any.

## 24.

SIGNED



TITLE

Drilling Superintendent

DATE

3/10/90

(This space for Federal or State office use)

PERMIT NO.

APPROVAL DATE

APPROVED BY

TITLE

DATE

CONDITIONS OF APPROVAL, IF ANY:

\*See Instructions On Reverse Side



**Marathon  
Oil Company**

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

March 29, 1990

State of New Mexico Energy and Minerals Department  
Oil Conversation Division  
P. O. Box 2088  
Santa Fe, New Mexico 87504-2088

Attention: Division Director

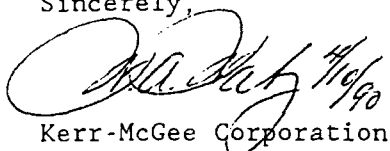
RE: Marathon Oil Company's  
Request for Unorthodox Well Location  
Indian Basin Gas Com Well No. 2  
732' FSL and 1,173' FWL  
Section 23, T-21-S, R-23-E  
Indian Basin Field  
Eddy County, New Mexico

*WT in  
Indian Basin  
Unit*

Dear Sir:

Kerr-McGee Corporation as a working interest owner in the Indian Basin "A" No. 2, Indian Basin "C" No. 1 and Indian Basin "E" No. 1 wells which offset Marathon Oil Company's proposed Indian Basin Gas Com No. 2 have no objection to the proposed unorthodox location and recommend the location be approved without penalty.

Sincerely,

  
Kerr-McGee Corporation

BEFORE EXAMINER STOGNER
Oil Conversation Division
<i>MARATHON</i> Exhibit No. <u>10-A</u>
Case No. <u>9915</u>

RECEIVED
APR 16 1990
Engineering Department Midland District Midland, Texas

**Amoco Production Company**

Houston Region  
601 Westlake Park Boulevard  
Post Office Box 3082  
Houston, Texas 77253

James F. Trickett  
Regional Environmental, Safety &  
Regulatory Affairs Manager

April 16, 1990

State of New Mexico Energy and Minerals Department  
Oil Conservation Division  
P. O. Box 2088  
Santa Fe, New Mexico 87504-2088

Attention: Division Director

File: JCA-2803-986.51NM

Marathon Oil Company's  
Request for Unorthodox Well Location  
Indian Basin Gas Com Well No. 2  
732' FSL and 1,173' FWL  
Section 23, T-21-S, R-23-E  
Indian Basin Field  
Eddy County, New Mexico

Amoco Production Company as a working interest owner in the Indian Basin "A" No. 2, Indian Basin "C" No. 1 and Indian Basin "E" No. 1 wells which offset Marathon Oil Company's proposed Indian Basin Gas Com No. 2 have no objection to the proposed unorthodox location and recommend the location be approved without penalty.

Yours very truly,

A handwritten signature in cursive script, appearing to read "James F. Trickett".

JWC/raw

SEARCHED	INDEXED
SERIALIZED	FILED
MAR 21 1990	
FBI - ALBUQUERQUE	
MAR 21 1990	
10-B	
9915	



# United States Department of the Interior

BUREAU OF LAND MANAGEMENT  
CARLSBAD RESOURCE AREA HEADQUARTERS  
P.O. BOX 1778  
CARLSBAD, NEW MEXICO 88220

TAKE  
PRIDE IN  
AMERICA

3162.4 (067)

APR 04 1990

Marathon Oil Company  
c/o Curtis Smith  
P. O. Box 552  
Midland, TX 79702

RE: Relocation of the  
Indian Basin Gas Com. #2  
to an unorthodox location.

Dear Mr. Smith:

On March 1, 1990, Barry Hunt, from our office met in the field with John West, surveyor, Jim Sciscenti, archeologist, and Marathon Oil Company representatives for an onsite inspection of the above mentioned well, which was originally staked at 1650 feet FNL and 1650 feet FWL of section 23, T. 21 S., R. 23 E.

Mr. Hunt informed Marathon Oil that due to the location falling in the floodplain of a major drainage, Rocky Arroyo, the location would have to be moved either north or south to a spot out of the floodplain. Marathon Oil chose to move south and a little west to the present footage of 732' FSL and 1173' FWL of section 23.

The BLM has the right to require a move of this sort in accordance with 43 CFR 3101.1-2, Surface Use Rights, the Carlsbad Resource Management Plan and the BLM manual on floodplain requirements.

If any more information is required from our office to assist in your filing with NMOCD, for the unorthodox location do not hesitate to contact us.

Sincerely,

Richard L. Manus  
Area Manager

BEFORE EXAMINER STOGNER

Oil Conservation Division

MARATHON OIL No. 11

Case No. 9915

RECEIVED

APR 06 1990

MARATHON OIL COMPANY  
LAND DEPARTMENT  
MIDLAND, TEXAS