

JAMES A. DAVIDSON
Oil & Gas Properties
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MIDLAND, TEXAS 79702

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July 7, 1986

Marathon Oil Company
Post Office Box 552
Midland, Texas 79702

Attention: Mr. Steve Daniels
Landman

RE: Andrus-Gregory Leases
S/2 of NE/4 & S/2 of Sec. 14,
T-16-S, R-38-E
Lea County, New Mexico

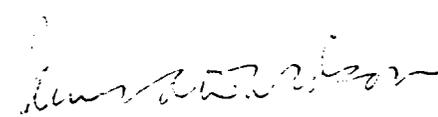
Marathon Proposed Benson Well #1

Gentlemen:

I am in receipt of your letter of July 3, 1986, wherein you have turned down out-of-hand and without discussion with me the three alternative proposals made in my letter to you of June 30, 1986, which was an effort on my part to work out a reasonable deal between us to allow you to drill your well.

I will oppose you at the NMOCD as to any pooling action that you might bring.

Very truly yours,


JAMES A. DAVIDSON

JAD/gh

cc: Campbell & Black
PO Box 2208
Santa Fe, NM 87501

Attention: Mr. William Carr

BEFORE THE	
OIL CONSERVATION COMMISSION	
Santa Fe, New Mexico	
Case No. <u>8960</u>	Exhibit No. <u>17</u>
Submitted by <u>Marathon</u>	
Hearing Date <u>10-23-86</u>	