



NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

OCD- Artesia

BILL RICHARDSON
Governor

April 23, 2004

Joanna Prukop
Cabinet Secretary
Acting Director
Oil Conservation Division

Marathon Oil Company
P. O. Box 3487
Houston, Texas 77253-3487

RECEIVED

MAY 03 2004

OCD-ARTESIA

Attention: **Mark Mick**
Operations Engineer
msmick@marathonoil.com

CORRECTED Administrative Order NSL-4649-A (BHL) (SD)

Dear Mr. Mick:

30-015-31534

Due to inadvertence Division Administrative Order NSL-4649-A (BHL) (SD), dated April 23, 2004 (*administrative application reference No. pMES0-409157253*), does not correctly state the intended order of the Division and should therefore be corrected at this time.

The first paragraph on page 2 of Administrative Order NSL-4649-A (BHL) (SD) is hereby amended to read in its entirety as follows:

"It is the Division's understanding that Marathon now intends to abandon the current Upper Pennsylvanian completion, plug back to a depth of 2,000 feet (MD), kick-off in a southeasterly direction, and continue drilling directionally to a targeted-bottomhole location at an approximate depth 8,570 feet (TVD) 2467 feet from the North line and 496 feet from the West line (Unit E) of Section 21. This new directional wellbore is expected to intersect the top of the Upper-Pennsylvanian interval at an approximate depth of 8,013 feet (MD), or 7,780 feet (TVD) 2286 feet from the North line and 340 feet from the West line (Unit E) of Section 21. The proposed well will be unorthodox in that the entire producing interval will be closer than the standard setback distance of 660 from the West line of Section 21. Further, this new bottom-hole location has been chosen by Marathon to optimize reservoir drainage and minimize geological risk".

Jurisdiction of this cause is retained for the entry of such further orders as the Division may deem necessary.

Sincerely,

Michael E. Stogner
Engineer/Hearing Officer

MES/ms

cc: New Mexico Oil Conservation Division - Artesia
U. S. Bureau of Land Management - Carlsbad
File: NSL-4649 (BHL)
NSL-4649-A (BHL) (SD)