



**Marathon  
Oil Company**

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

November 13, 1996

State of New Mexico  
Energy, Minerals & Natural Resources  
Oil Conservation Division  
2040 South Pacheco  
Santa Fe, NM 87505

Attn: Mr. M. E. Stogner

Re: Application for Administrative Approval of a Directional Wellbore  
Silverstrand State #1  
SHL: 660' FNL & 1980' FWL  
Sec. 2, T-17-S, R-34-E  
Lea County, New Mexico  
BHL: 1750' FNL & 1865' FWL  
Sec. 2, T-17-S, R-34-E  
Lea County, New Mexico

Dear Mr. Stogner:

Marathon Oil Company wishes to amend its application to drill an unorthodox Atoka/Morrow well submitted to the NMOCD dated October 28, 1996. Marathon respectfully seeks Administrative Approval pursuant to provisions of NMOCD Rule 111.D. of a directional wellbore to an orthodox location in the Atoka/Lower Morrow portion of a proposed Abo/Atoka/Lower Morrow test to be drilled at 660' FNL & 1980' FWL of Section 2, T-17-S, R-34-E, N.M.P.M., Lea County, New Mexico. The proposed well will be drilled vertically through the Abo formation, then deviated to an orthodox bottom hole location in the Atoka/Lower Morrow.

Marathon believes a narrow Atoka channel runs from North to South across Section 2. Prediction of the location of the channel is extremely risky due to a lack of well control. Because of the risk associated with drilling a stand alone Atoka/Lower Morrow, Marathon has difficulty justifying drilling the well if it will not also have the opportunity to utilize the same wellbore for an Abo completion, which is productive in the area.

This proposed directional wellbore for the Atoka/Lower Morrow shall have a project area of 320 acres or the W/2 of Section 2, being a single drilling unit in the Atoka/Lower Morrow.

To support this request, we submit the following in duplicate:

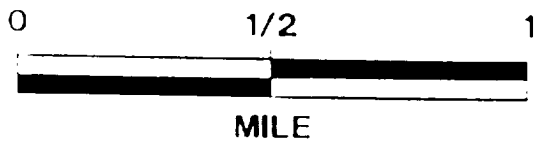
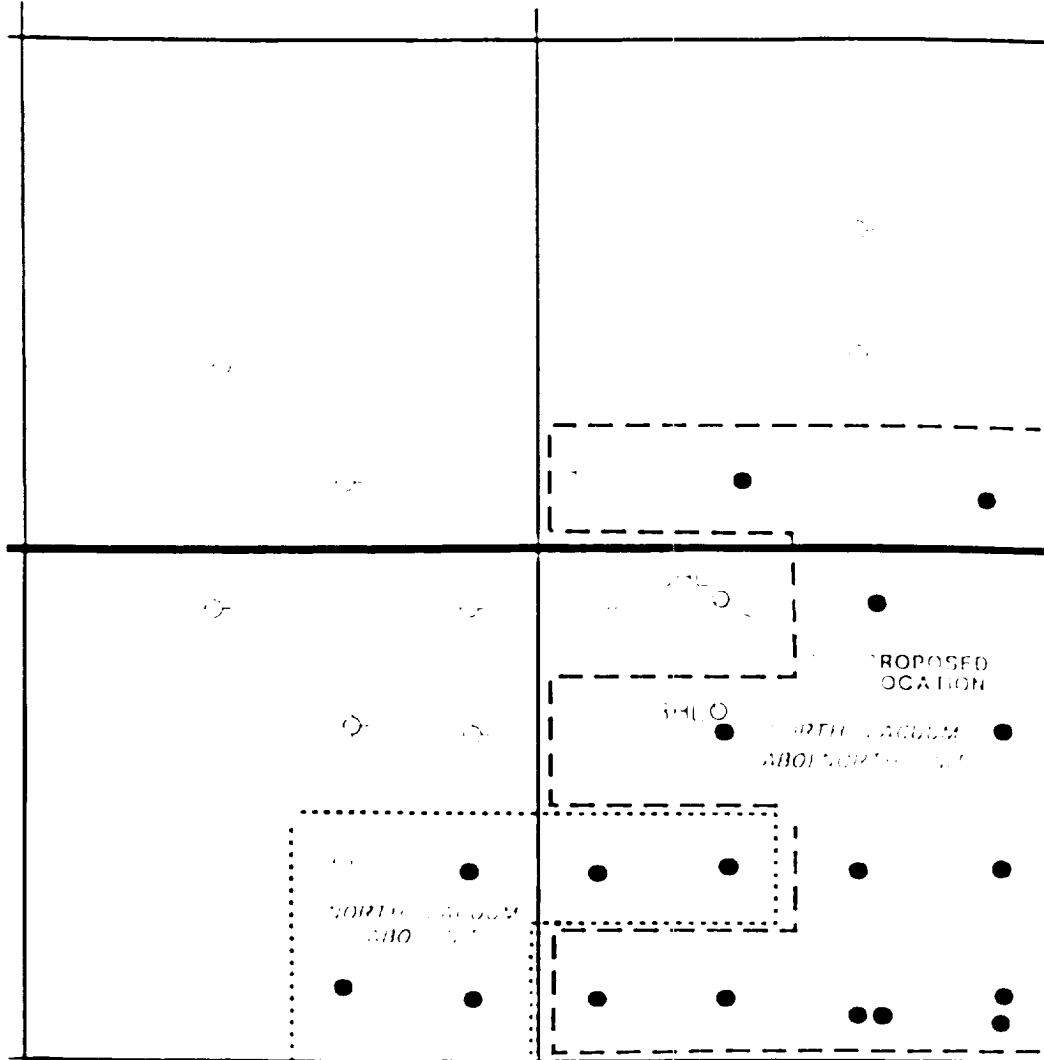
- 1) Plat indicating well location, project area, producing area, and offsetting drilling units & operators
- 2) Vertical Plan View
- 3) Horizontal Plan View
- 4) Offset Operator List
- 5) Offset Operator Notification
- 6) Type Log of Atoka/Lower Morrow

Thank you for your attention to this application.

Very truly yours,

Walter J. Dueease  
MARATHON OIL COMPANY

xc: Mr. Jerry Sexton  
P. O. Box 1988  
Hobbs, NM 88241-1980



- ABO PRODUCERS
- ABO DRY HOLES

MARATHON OIL COMPANY  
MID-CONTINENT REGION  
**SILVERSTRAND PROSPECT**  
LEA COUNTY, NEW MEXICO

**ABO FORMATION TESTS**

T  
16  
SMOBILE PROO  
F OF A M...

INTERCOAST  
NEW YORK

44-38861-100

MR. GALLAGHER  
MR. TRUST

BO AC ABC  
PROPAGATION  
UNIT

44-38861-10  
B1 - [unclear]  
[unclear]  
CHALLENGER  
R 12/51

Robert Probst  
X 8 11 11C

PROPOSED  
-LOCATION  
R. WALLACE  
1950

MAILING CO.  
BROOKLYN, N.Y.

## DECLARATION

MOBIL PROD  
TX & NM INC

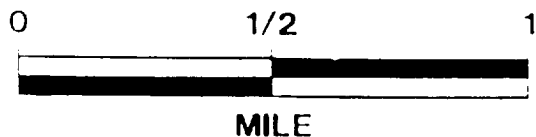
OXYGEN SA INC.

T  
17  
S

MOBIL PROD.  
EXXON INC.

520 AC  
MORROW  
LAFORA  
PRORAMON  
INT  
PROGUST  
CHEVRON

NORTH PACIFIC  
ABO UNIT



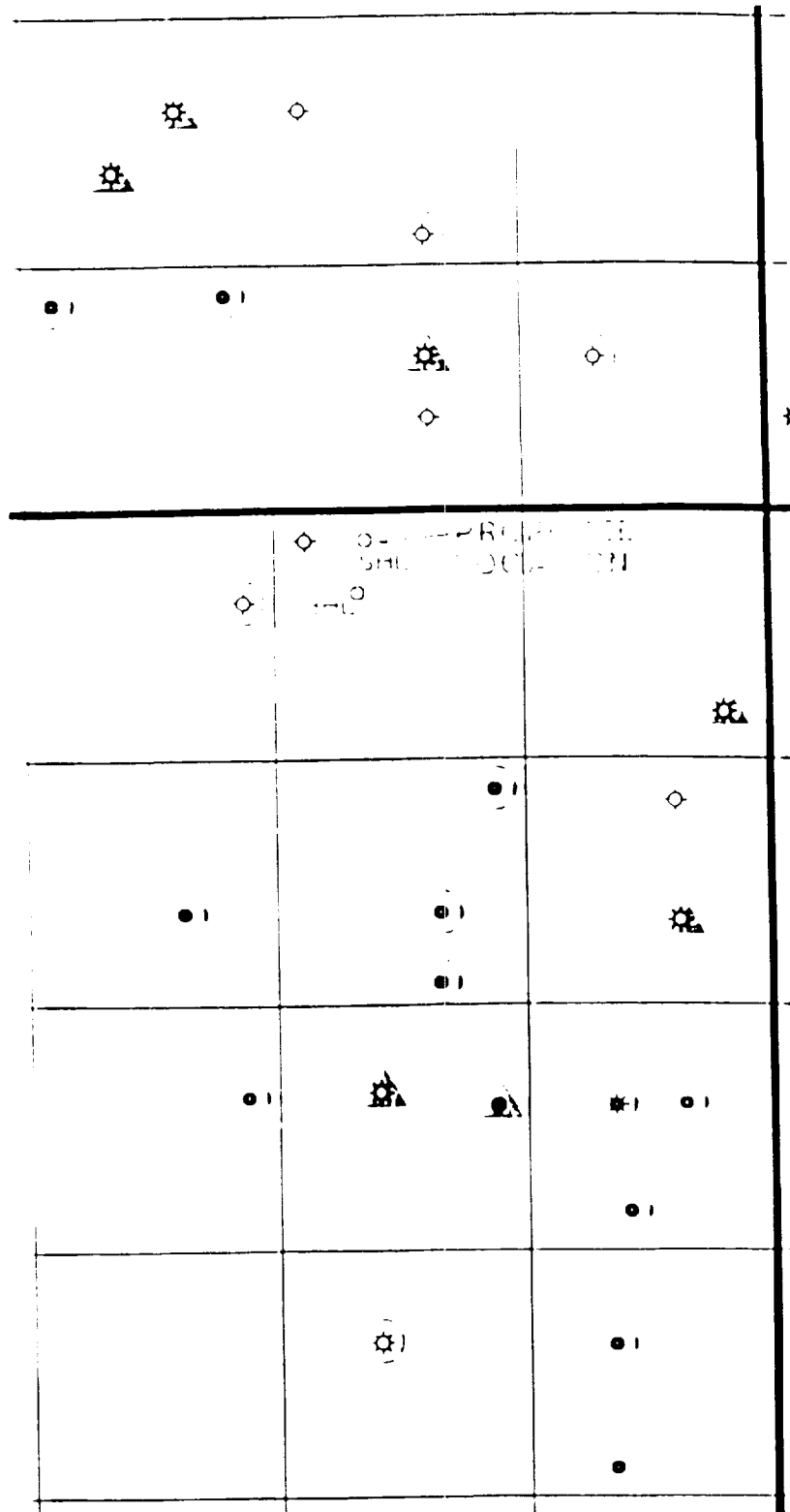
**MARATHON OIL COMPANY  
MID-CONTINENT REGION**

**SILVERSTRAND PROSP.**  
LEA COUNTY, NEW MEXICO

**OFFSET OWNERS/OPERATORS**

T  
16  
S

T  
17  
S



△ ATOKA PRODUCER

● ATOKA PENETRATION

MARATHON OIL COMPANY  
MID-CENTRAL REGION

**SILVERSTRAND PROSPECT**  
LEA COUNTY, NEW MEXICO

# MARATHON OIL COMPANY

Structure : SILVERSTRAND STATE NO. 1

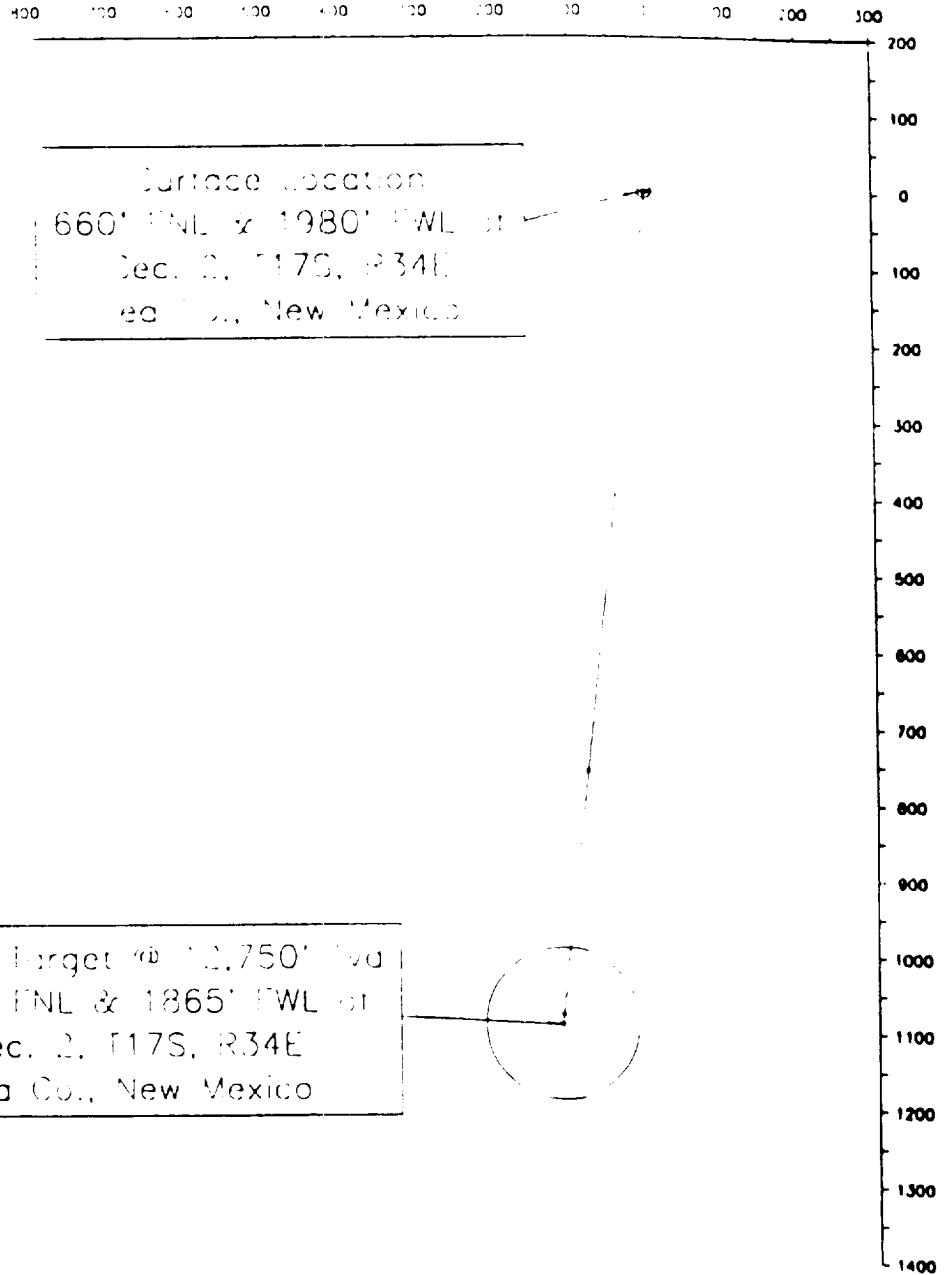
Slot : Slot #1

Field : VACUUM

Location : LEEA COUNTY, NEW MEXICO



← West (feet)



Surface location  
660' FNL & 1980' FWL at  
Sec. 2, T17S, R34E  
Lee Co., New Mexico



7. 195-00

Magnetic North is 0.25 degrees East of TRUE North.  
To convert distances from Magnetic to TRUE add 0.25 deg.



T.D. & Target @ 12,750' Tvd  
1750' FNL & 1865' FWL at  
Sec. 2, T17S, R34E  
Lee Co., New Mexico

These Coordinates are from Surface

T. OF ATOKA TM = 11553.99 Tvd, 1077.89 S, 113.72 W  
T. OF ATOKA SD = 11918.59 Tvd, 1090.00 S, 115.00 W  
B. OF ATOKA SD = 11993.59 Tvd, 1090.00 S, 115.00 W  
U. MORROW = 12003.59 Tvd, 1090.00 S, 115.00 W

Plot - plot #1

Location LEA COUNTY, NEW MEXICO



The Vertical Degrade (vd)

ILLEGIBLE

ΑΓΟΚΑ

ordinates are from surface

target = 4.00 inc 12045.41 mtr 11800.00 lev 1096.05 va

1 OF ALOKA SD 100 Inc. 12'64 00 Mtd 11'78 58 Inv 10'96 05 V1

B OF ALOKA SD 100 Inc. 12257 00 Mkt. 11193 59 Tot. 1096 05 vs

1 MORROW - 20 Inc - 2249.00 Mtd 12.003 52 144 1996.05 vs

10 30 1005 Mch. 10 1907 10 11

19. 11736.000 10 11736.000 1000.

1750' T.M. & 1865' T.M. of

EC. ... 75, R 541

Red Bull New Mexico

10	200	400	600	800	100	200	400	600
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Vertical Section (feet) - .

Azimuth 186.02 with reference 0.00 N, 0.00 E from site #1



SILVERSTRAND STATE  
W/2 Section 2, T-17-S, R-23-E  
Lea County, New Mexico

OFFSET OPERATOR LIST

Mallon Oil Company  
999 18th Street, Suite 1700  
Denver, CO 80202

Bright Hawk Resources, Inc.  
700 Louisiana, Suite 2480  
Houston, TX 77002

C. R. Gallagher, Jr. Trust  
P. O. Box 628  
Pass Christian, MS 39571

OXY USA, Inc.  
P. O. Box 50250  
Midland, TX 79710

Mobil Producing Texas & New Mexico, Inc.  
P. O. Box 633  
Midland, TX 79702-0633

Chevron USA, Inc.  
P. O. Box 1150  
Midland, TX 79707-1150

Intercoast Oil & Gas  
2709 N. Big Spring Street, Suite 202  
Midland, TX 79707



**Marathon  
Oil Company**

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

November 13, 1996

Mallon Oil Company  
999 18th Street, Suite 1700  
Denver, CO 80202

**CERTIFIED MAIL  
RETURN RECEIPT REQUESTED**

Re: Application for Administrative Approval of a  
Directional Wellbore  
Silverstrand State #1  
SHL: 660' FNL & 1980' FWL  
Sec. 2, T-17-S, R-34-E  
Lea County, New Mexico  
BHL: 1750' FNL & 1865' FWL  
Sec. 2, T-17-S, R-34-E  
Lea County, New Mexico

Gentlemen:

Enclosed is a copy of Marathon Oil Company's request seeking Administrative Approval for a **directional wellbore** to be drilled to an orthodox location in the Atoka/Lower Morrow portion of a **proposed Abo/Atoka/Lower Morrow test**.

As an offset operator, you are hereby notified of Marathon's intent to drill the above referenced **directional well** to an orthodox bottom hole location in the Atoka/Lower Morrow. Should you have objection, **you must file a protest in writing with the New Mexico Oil Conservation Division at its Santa Fe office within 20 days of the date of this notice.**

If you have no objection to this request, please signify by signing below and returning one **executed copy** to me in the envelope provided.

Also enclosed please find a copy of the Application to Drill as submitted to the NMOCD. **Should you have any questions, please feel free to call me at 1-800-351-1417.**

Very truly yours,

A handwritten signature in cursive script, appearing to read 'Walter J. Dueease', followed by a horizontal line.

Walter J. Dueease  
MARATHON OIL COMPANY

MALLON OIL COMPANY has no objection to Marathon's intent to drill a directional well to an **orthodox Bottom Hole Location** in the Atoka/Lower Morrow at 1750' FNL & 1865' FWL, Section 2, T-17-S, R-34-E, Lea County, New Mexico.

MALLON OIL COMPANY

By: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_





**Marathon  
Oil Company**

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

November 13, 1996

Bright Hawk Resources, Inc.  
700 Louisiana, Suite 2480  
Houston, TX 77002

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Walter J. Dueease  
MARATHON OIL COMPANY

BRIGHT HAWK RESOURCES, INC. has no objection to Marathon's intent to drill a **directional well** to an orthodox Bottom Hole Location in the Atoka/Lower Morrow at 1750' FNL & 1865' FWL, Section 2, T-17-S, R-34-E, Lea County, New Mexico.

BRIGHT HAWK RESOURCES, INC.

By: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_



**Marathon  
Oil Company**

P.O. Box 552  
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C. R. Gallagher, Jr. Trust  
P. O. Box 628  
Pass Christian, MS 39571

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Walter J. Dueease  
MARATHON OIL COMPANY

C. R. GALLAGHER, JR. TRUST has no objection to Marathon's intent to drill a **directional well** to an orthodox Bottom Hole Location in the Atoka/Lower Morrow at 1750' FNL & 1865' FWL, Section 2, T-17-S, R-34-E, Lea County, New Mexico.

C. R. GALLAGHER, JR. TRUST

By: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

Mid-Continent Region  
Production United States



**Marathon  
Oil Company**

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

November 13, 1996

OXY USA, Inc.  
P. O. Box 50250  
Midland, TX 79710

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MARATHON OIL COMPANY

OXY USA, Inc. has no objection to Marathon's intent to drill a directional well to an orthodox **Bottom Hole** Location in the Atoka/Lower Morrow at 1750' FNL & 1865' FWL, Section 2, T-17-S, R-34-E, Lea County, New Mexico.

OXY USA, Inc.

By: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_



**Marathon  
Oil Company**

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P. O. Box 1150  
Midland TX 79702-1150

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CHEVRON USA, INC. has no objection to Marathon's intent to drill a directional well to an **orthodox Bottom Hole Location** in the Atoka/Lower Morrow at 1750' FNL & 1865' FWL, Section 2, T-17-S, R-34-E, Lea County, New Mexico.

CHEVRON USA, INC.

By: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_



**Marathon  
Oil Company**

P.O. Box 552  
Midland, Texas 79702  
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November 13, 1996

Mobil Producing Texas & New Mexico, Inc.  
P. O. Box 633  
Midland, TX 79702-0633

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Walter J. Dueease  
MARATHON OIL COMPANY

MOBIL PRODUCING TEXAS & NEW MEXICO, INC. has no objection to Marathon's intent to drill a **directional well** to an orthodox Bottom Hole Location in the Atoka/Lower Morrow at 1750' FNL & 1865' FWL, Section 2, T-17-S, R-34-E, Lea County, New Mexico.

MOBIL PRODUCING TEXAS & NEW MEXICO, INC.

By: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_



**Marathon  
Oil Company**

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Intercoast Oil & Gas  
2709 N. Big Spring, Suite 202  
Midland, TX 79707

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MARATHON OIL COMPANY

INTERCOAST OIL & GAS has no objection to Marathon's intent to drill a directional well to an **orthodox Bottom Hole Location** in the Atoka/Lower Morrow at 1750' FNL & 1865' FWL, Section 2, T-17-S, R-34-E, Lea County, New Mexico.

INTERCOAST OIL & GAS

By: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

12130 12130 12300 12400

	IN (CUMPT)		CHC (CUMPT)	
	0.38	14		-18
0.24 (INCH)			2COR (G/CC)	
0	10	-0.1		1.0
0.13 (INCH)			2DEN (G/CC)	
0	10	2		1
GR LAMP)				TEN (LBS)
0	100		4300	-500