Form 3160-5 (June 1990)

UNITED STATES DEPARTMENT OF THE INTERIOR

	Budget Bur	eau No. 100	04-0135
		March 31.	
_		and Sarie	J No.

FORM APPROVED

5	Lease	Designation	and	Serial	No
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ine 1990)	BUREAU OF LAND	MANAGEMENT	NM - 05608
Do not use this	SUNDRY NOTICES AND REI	leepen or reentry to a different reservoir.	5 If Indian, Allottee or Tribe Name
	Use "APPLICATION FOR PERMI	T - " for such proposals	. If Unit or CA, Agreement Designation
	SUBMIT IN T	RIPLICATE	North Indian Basin Unit
△ weil	ias Other		8. Well Name and No. N. Indian Basin Unit 16
2. Name of Operator Marathon 01	1 Company		9. API Well No. 30/015/28287
3 Address and Teleph P O Box 557	one No. 2. Midland, TX 79702	915/687/8324	10. Field and Pool, or exploratory Area South Dagger Draw: Upper Perr
UL "I", 198 SEC 11, T-	ootage, Sec., T., R., M., or Survey Description 30 FSL, 825 FEL -21-S, R-23-E		11. County or Parish, State  Eddy Co NM
(2) CHEC	K APPROPRIATE BOX(s) TO	INDICATE NATURE OF NOTICE, REP	ORT, OR OTHER DATA
	OF SUBMISSION	TYPE OF AC	
I s	otice of Intent  Chaequent Report	Abandonment Recompletion Plugging Back	Change of Plans  New Construction  Non-Routine Fracturing
<u> </u>	ina) Abandonment Notice	Casing Repair Altering Casing  Other Sunface Commin	Water Shut-Off Conversion to Injection Dispose Water Note: Report results of maltiple completion or We. Completion of Recompletion Report and Log forms
Manathon C FACILITY, Off Lease for the Co	or Completed Operations (Clearly state all petti rface locations and measured and true vertical d -1 Company requests that located in UL "D". Section Measurment and Storage.  nsolidated Facility on (	epths for all markers and zones pertinent to this work:*  I this well be included in the ion 1. Township 21-5. Range 23 and the installation and use October 5. 1994.	e of marking any proposed work. If well is directionally are to the MOC FEDERAL CONSOLIDATED HEAST. Sunface Comminglishing, of a LACT wene approved
			ECEIVED MAY 1 7 1995
			CON. DIV. Pist. 2
[4] I hereby cert	ify that the foregoing is true and correct	Title Advanced Engineering	Tech. Date
	or Federal or State office use)	Title	Date

Conditions of approval, if any: Title 18 U.S.C. Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statement or representations as to any matter within its jurisdiction.

## Continued:

Production from the wells is as follows:

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			Oil			
Well Name and Number		BOPD	Gravity	MCFPD		
MOC Federal # 1		2	60.0	2309		
MOC Federal # 2		232	41.6	306		
MOC Federal # 3		30	42.0	426		
MOC Federal # 4		89	43.0	200		
MOC Federal # 5		<b>4</b> 70	42.5	797		
MOC Federal # 7		1164	42.4	910		
North Indian Basin Unit #	7	73	43.0	79		
North Indian Basin Unit #	10	500	42.6	2415		
North Indian Basin Unit #	13	10	50.0	3060		
North Indian Basin Unit #	14	437	41.7	1639		
North Indian Basin Unit #	16	549	43.0	534		
North Indian Basin Unit #	19	690	41.6	1406		
Bone Flats Federal "12" #	1	224	43.5	433		
Bone Flats Federal "12" #	2	1600	42.4	1700		

The proposed operation is described in detail on the attached diagrams.

A map is enclosed showing the lease numbers and locating of all leases and wells that will contribute production to the commingling/common storage facility. All unitized/communitized areas and, producing zones/pools are also clearly illustrated. A schematic diagram is also illustrated which clearly identifies all equipment that will be utilized.

The Storage and Measuring facility is located at NW/4, Section 1, T-21-S, R-23-E, Eddy County, New Mexico. BLM will be notified of any change in facility location.

Details of the method for allocation production to contributing sources is as follows:

MOC Federal= (Sum of oil readings from MOC Federal/Sum of all oil Readings) X Gross Consolidated Facility Production.

North Indian Basin Unit = (Sum of oil readings from N. Indian Basin Unit/Sum of all oil readings) X Gross Consolidated Facility Production.

Bone Flats Federal " 12" = (Sum of Bone Flats Federal "12"/Sum of all oil readings) X Gross Consolidated Facility Production.

Stinking Draw=(Sum of oil readings from Stinking Draw/Sum of all oil readings) X Gross Consolidated Facility Production.

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## Continued

The working interest owners have been notified of this proposal.

The proposed commingling of production is in the interest of conservation and will not result in reduced royalty or improper measurement of production.

The proposed commingling is necessary for continued operation of the above referenced Federal leases.

We understand that the requested approval will constitute the granting of any right-of-way or construction rights not granted by lease instrument and, we will submit within 30 days an application for right-of-way to the BLM's Realty Section in your office if we have not already done so.

Additional wells require additional commingling approvals.

Signature

Name: R. A. Biernbaum

Title: Manager, Indian Basin Asset Team

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Date: May 13, 1995



