

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

N.M. Oil Cons. Division
311 S. 1st
Albuquerque, NM 87102-2834

FORM APPROVED
Budget Bureau No. 1004-0135
Expires: March 31, 1993

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or to deepen or reentry to a different reservoir.

Use "APPLICATION FOR PERMIT - " for such proposals

SUBMIT IN TRIPLICATE

1. Type of Well

☐ Oil Well ☒ Gas Well ☐ Other

2. Name of Operator

Marathon Oil Company

3. Address and Telephone No.

P.O. Box 552 Midland, TX 79702

915/682-1626

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

660' FNL & 660' FEL UL "A"
SECTION 3, T-21-S, R-23-E

5. Lease Designation and Serial No.

NM 0384623

6. If Indian, Allottee or Tribe Name

7. If Unit or CA, Agreement Designation

SW 242

8. Well Name and No.

COMANCHE FEDERAL 3 #2

9. API Well No.

30-015-29972

10. Field and Pool, or exploratory Area

SOUTH DAGGER DRAW UPPER PENN
ASSOCIATED

11. County or Parish, State

EDDY

NM

12. CHECK APPROPRIATE BOX(s) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION

- ☒ Notice of Intent
☐ Subsequent Report
☐ Final Abandonment Notice

TYPE OF ACTION

- ☐ Abandonment
☐ Recompletion
☐ Plugging Back
☐ Casing Repair
☐ Altering Casing
☒ Other COMMINGLE MEASUREMENT
☐ Change of Plans
☐ New Construction
☐ Non-Routine Fracturing
☐ Water Shut-Off
☐ Conversion to Injection
☐ Dispose Water

13. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)*

As required by 43 CFR 3162.7-2 and Onshore Oil and Gas Order No. 4, Marathon Oil Company is requesting approval of off-lease measurement, storage and sales, alternate measurement method, and surface commingling of liquid hydrocarbon production. As required by 43 CFR 3162.7-3 and Onshore Oil and Gas Order No. 5, we are requesting approval of off-lease measurement and sales, and surface commingling of gas production from the well shown above. The product from this well will be taken, via pipeline, to the North Indian Basin Unit Satellite Facility. It will be metered through the existing lease separator, then the water and oil will be taken to the MOC Fed Consolidated Facility. Surface commingling, off-lease measurement & storage, and the use of a LACT unit were approved for this facility on 10/5/94. The oil will be stored in the tanks at this facility, and then sold through the LACT unit. The water will be disposed of in one of Marathon's disposal wells. The gas production will be compressed at the Satellite Facility and then sent directly to the Indian Basin Gas Plant for processing.

Turbine meters will be used as the Alternate Method of Metering for liquid hydrocarbons per prior approvals.

A form, maps, and schematics are attached showing the leases & wells addressed by this request and the equipment which will be used.

14. I hereby certify that the foregoing is true and correct

Signed D. S. Schell

Title Indian Basin Asset Team Manager

Date 2/11/98

(This space for Federal or State office use)

Approved by KORIG, SGD, DAVID E. GLASS

Title

PETROLEUM ENGINEER

Date

FEB 23 1998

Conditions of approval, if any:

SEE ATTACHED
FOR CONDITIONS OF APPROVAL

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 statements or representations as to any matter within its jurisdiction.

REC-2014-12-12
FEB 12 2014
FEB 12 2014
ROCHELL, NM

APPLICATION FOR SURFACE COMMINGLING
OFF-LEASE MEASUREMENT, STORAGE AND ALTERNATE MEASUREMENT
APPROVAL

To: **Bureau of Land Management**
P.O. Box 1778
Carlsbad, New Mexico 88220-1778

Marathon Oil Company is requesting approval for Surface Commingling, and Off Lease Storage & Measurement, and Alternate Measurement of hydrocarbon production from the following formation(s) and well(s) on:

Lease Name: **Comanche Federal "3"**

<u>Well No.</u>	<u>UL</u>	<u>Sec</u>	<u>TWP</u>	<u>RNG</u>	<u>Formation</u>	<u>API No.</u>	<u>Lease #</u>	<u>COM</u>
2	A	3	21-S	23-E	Upper Penn	30-015-29972	NM0384623	SW 242

Production from the referenced well is as follows:

<u>BOPD</u>	<u>API °</u>	<u>MCFD</u>
5	48°	988

This production will be commingled with the already commingled hydrocarbon production (PLC-139) from the Upper Penn formation of the following leases, which are located in Eddy County, New Mexico:

<u>Lease Name</u>	<u>Location</u>	<u>BOPD</u>	<u>API Grav.</u>	<u>MCFPD</u>
Comanche Federal "3"				
Well #1 (Com SW 242)	Sec. 3, T-21-S, R-23-E	11	47°	4.166
MOC Federal	Sec. 1, T-21-S, R-23-E	408	42°	12.579
North Indian Basin Unit	Secs. 2, 3, 10, and 11, T-21-S, R-23-E	1,773	43°	24,271
North Indian Basin Unit				
Gas Com (SW 242)	Sec. 3, T-21-S, R-23-E	1	38°	5.369
Bone Flat Fed. (Com 91035)	Sec. 12, T-21-S, R-23-E	324	42.3°	2.325
Stinking Draw (State K-1877, E-10169-1)	Sec. 36, T-21½-S, R-23-E	262	42.2°	3.269

The proposed operation is described in detail on the attached diagrams. Liquid hydrocarbon production will be measured using turbine meters per prior approvals. These meters are proved on a regular schedule.

A map is enclosed showing the lease numbers and location 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 attached which clearly identifies all equipment that will be utilized.

The Storage and Measuring facility is located at UL "D", Sec. 1, T-21-S, R-23-E, Eddy County, New Mexico. A satellite separation and measurement facility is located at UL "O", Sec. 2, T-21-S, R-23-E. The BLM will be notified of any change in facility location.

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

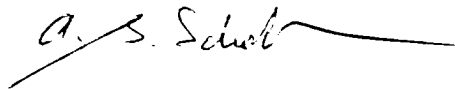
Gas is measured using allocation meters. It is then transported to the Indian Basin Gas Plant (SW/NE, Section 23, T-21-S, R-23-E) by pipeline. After processing the gas and NGLs are metered at the tail-gate of the plant and sold. Liquid hydrocarbon production and water will be measured using turbine meters per prior approvals. These meters are proved on a regular schedule. Oil is then sold through a LACT unit. Water will be injected into various water disposal wells per Sundry Notices filed in compliance with Onshore Order No. 7. All production will be allocated to wells based on monthly well tests and the previously approved methods of lease allocation.

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 Lease.

We understand that the requested approval will not 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.

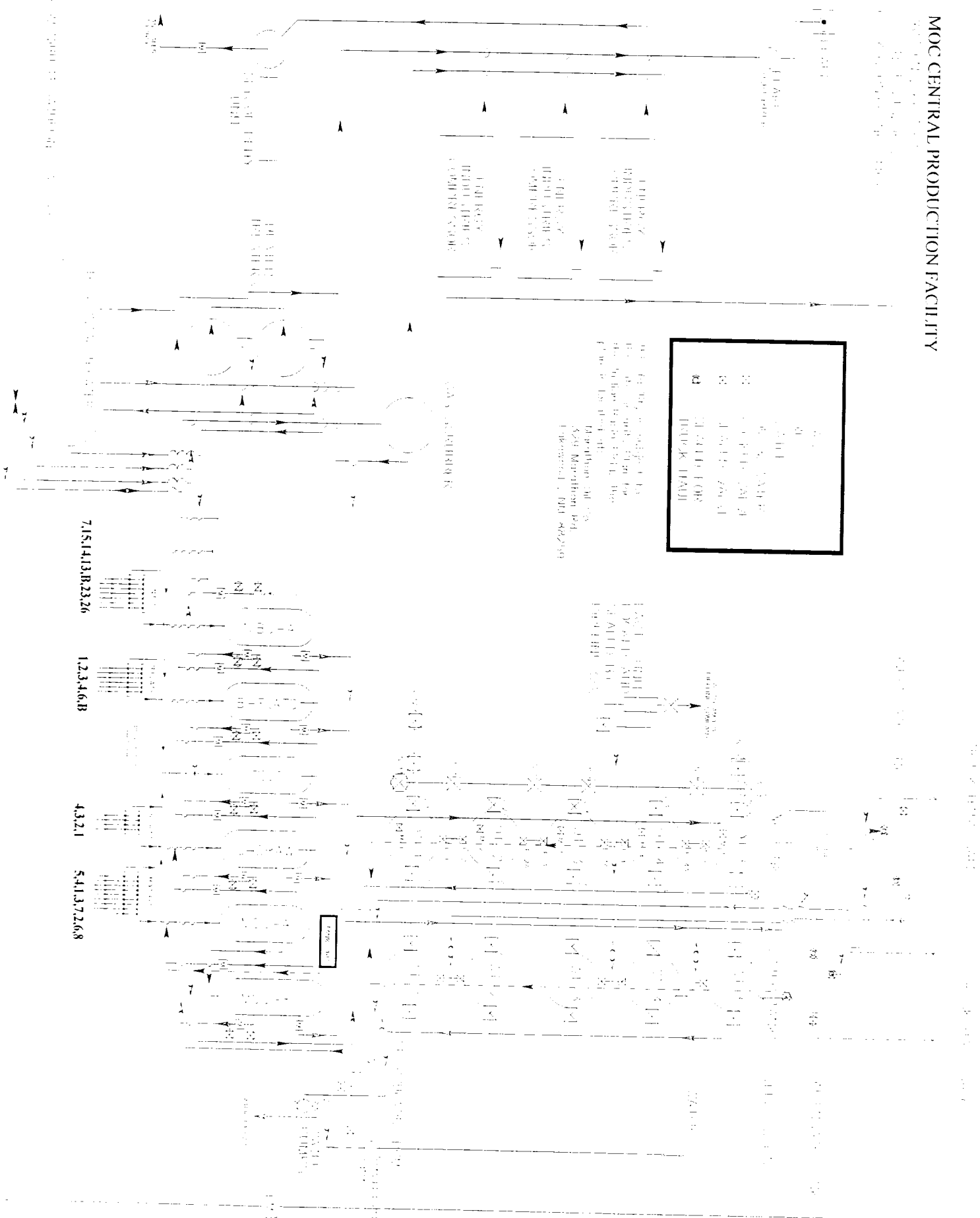
Signature:

A handwritten signature in black ink, appearing to read "A. B. Schoffmann", with a long horizontal flourish extending to the right.

Name: A. B. Schoffmann

Title: Indian Basin Asset Team Manager

Date: February 11, 1998



NIBU SATELLITE FACILITY **UL "O", SEC 11, T21S, R23E**

This facility is subject to the Site Security Plan for
the Indian Basin Field. The plan is located at:
370 Marathon Oil Company
Lakewood, NH 08239

NIBU 10

NIBU 18

NIBU 19

NIBU 20

NIBU 12

NIBU 17

NIBU 7

NIBU 22

NIBU 16

NIBU 24

VACANT

VACANT

VACANT

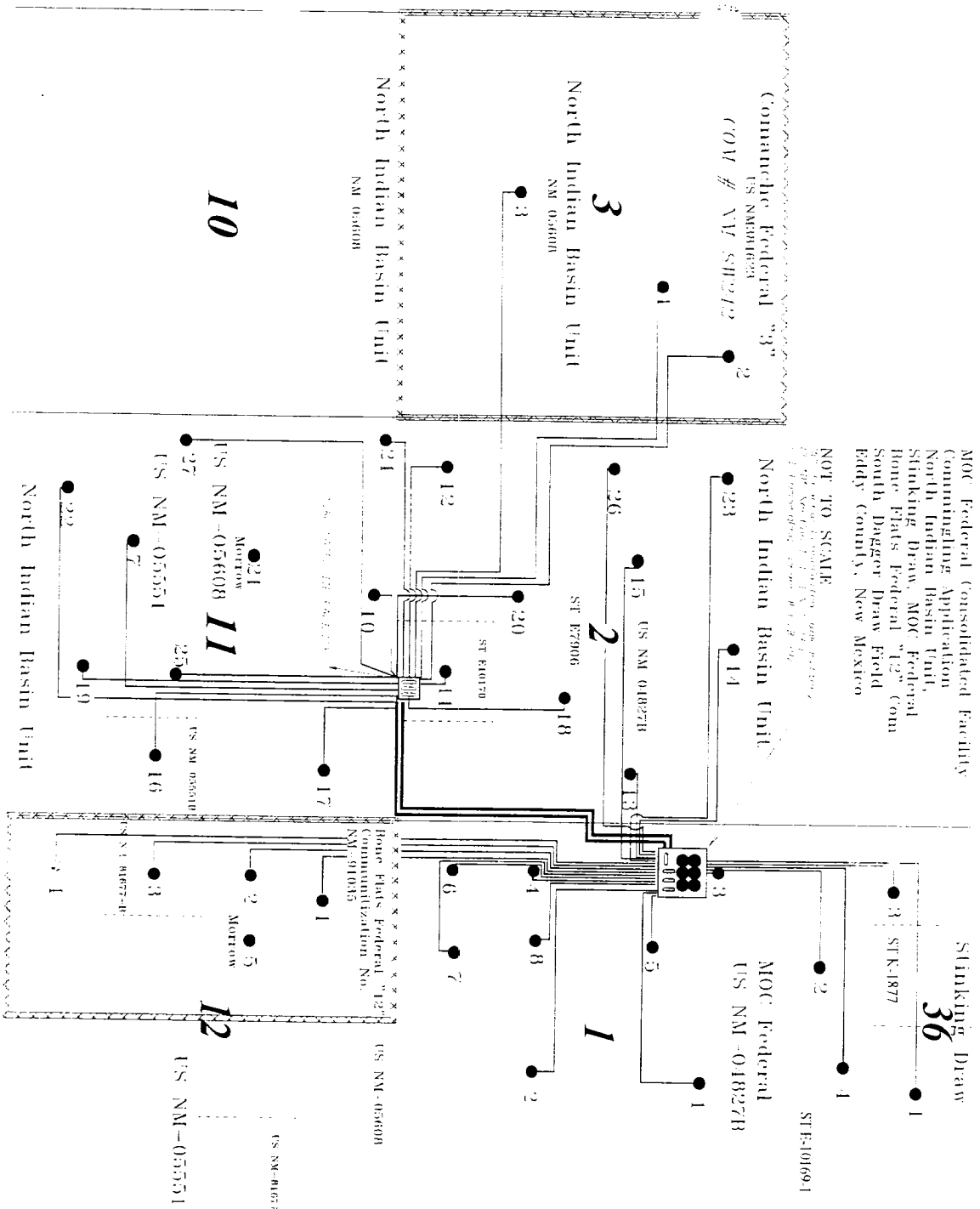
VACANT

NIBU 11

NIBU GAS COM 3

COMANCHE FED "1" #1

COMANCHE FED "1" #2



T-21 1/2-S

MOC FEDERAL		
1	990' ENL & 1850' FTL, SEC 1	
2	1980' ENL & 1980' FTL, SEC 1	
3	760' ENL & 660' FTL, SEC 1	
4	1980' ENL & 660' FTL, SEC 1	
5	1630' ENL & 660' FTL, SEC 1	
6	1630' ENL & 1630' FTL, SEC 1	
7	1630' ENL & 1750' FTL, SEC 1	
8	2030' ENL & 1750' FTL, SEC 1	
BONE FLATS "12" FEDERAL COM		
1	990' ENL & 990' FTL, SEC 12	
2	1980' ENL & 660' FTL, SEC 12	
3	1980' ENL & 660' FTL, SEC 12	
4	660' ENL & 660' FTL, SEC 12	
STINKING DRAW		
1	660' ENL & 1630' FTL, SEC 36	
2	660' ENL & 1980' FTL, SEC 36	
3	990' ENL & 990' FTL, SEC 36	
4	970' ENL & 2076' FTL, SEC 36	
COMANCHE FEDERAL		
3	1630' ENL & 1850' FTL, SEC 3	

T-21-S

NORTH INDIAN BASIN UNIT		
7	1630' ENL & 1630' FTL, SEC 11	
10	330' ENL & 2310' FTL, SEC 11	
11	660' ENL & 1980' FTL, SEC 2	
12	660' ENL & 660' FTL, SEC 2	
13	2050' ENL & 660' FTL, SEC 2	
14	660' ENL & 2310' FTL, SEC 2	
16	1980' ENL & 1630' FTL, SEC 11	
17	990' ENL & 660' FTL, SEC 11	
18	2310' ENL & 1630' FTL, SEC 2	
19	990' ENL & 1980' FTL, SEC 11	
20	1630' ENL & 2310' FTL, SEC 2	
21	2215' ENL & 1815' FTL, SEC 11	
22	760' ENL & 990' FTL, SEC 11	
23	760' ENL & 760' FTL, SEC 11	
24	122' ENL & 310' FTL, SEC 11	
25	2310' ENL & 1991' FTL, SEC 11	
26	2310' ENL & 660' FTL, SEC 2	
27	2310' ENL & 255' FTL, SEC 11	
NORTH INDIAN BASIN UNIT COM "9"		
3	1630' ENL & 2310' FTL, SEC 3	

Communitization Boundary Line
Lease Line
MOC Facility Gathering Line
NIBU Satellite Gathering Line
NIBU Satellite to MOC Oil Line
NIBU Satellite to MOC Water Line

[illegible]