

Revised March 23, 2017

RECEIVED:	REVIEWER:	TYPE:	APP NO:
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ABOVE THIS TABLE FOR OCD DIVISION USE ONLY

NEW MEXICO OIL CONSERVATION DIVISION
 - Geological & Engineering Bureau -
 1220 South St. Francis Drive, Santa Fe, NM 87505



ADMINISTRATIVE APPLICATION CHECKLIST

THIS CHECKLIST IS MANDATORY FOR ALL ADMINISTRATIVE APPLICATIONS FOR EXCEPTIONS TO DIVISION RULES AND REGULATIONS WHICH REQUIRE PROCESSING AT THE DIVISION LEVEL IN SANTA FE

Applicant: Marathon Oil Permian LLC **OGRID Number:** 372098
Well Name: Queenie Federal Com 503H & Queenie Federal Com 504H **API:** 30-025-52326; 30-025-52325 **+**
Pool: Salt Lake; Bone Spring **Pool Code:** 53560

SUBMIT ACCURATE AND COMPLETE INFORMATION REQUIRED TO PROCESS THE TYPE OF APPLICATION INDICATED BELOW

1) TYPE OF APPLICATION: Check those which apply for [A]

A. Location – Spacing Unit – Simultaneous Dedication

☐ NSL ☐ NSP (PROJECT AREA) ☐ NSP (PRORATION UNIT) ☐ SD

B. Check one only for [I] or [II]

[I] Commingling – Storage – Measurement

☐ DHC ☐ CTB ☐ PLC ☐ PC ☒ OLS ☒ OLM

[II] Injection – Disposal – Pressure Increase – Enhanced Oil Recovery

☐ WFX ☐ PMX ☐ SWD ☐ IPI ☐ EOR ☐ PPR

2) NOTIFICATION REQUIRED TO: Check those which apply.

- A. ☐ Offset operators or lease holders
 B. ☐ Royalty, overriding royalty owners, revenue owners
 C. ☐ Application requires published notice
 D. ☐ Notification and/or concurrent approval by SLO
 E. ☒ Notification and/or concurrent approval by BLM
 F. ☐ Surface owner
 G. ☒ For all of the above, proof of notification or publication is attached, and/or,
 H. ☐ No notice required

FOR OCD ONLY

- ☐ Notice Complete
☐ Application Content Complete

3) CERTIFICATION: I hereby certify that the information submitted with this application for administrative approval is **accurate** and **complete** to the best of my knowledge. I also understand that **no action** will be taken on this application until the required information and notifications are submitted to the Division.

Note: Statement must be completed by an individual with managerial and/or supervisory capacity.

Adrian Covarrubias

Print or Type Name

Adrian Covarrubias

Signature

12/4/2024

Date

713-296-3368

Phone Number

acovarrubias@marathonoil.com

e-mail Address

District I
1625 N. French Drive, Hobbs, NM 88240
District II
811 S. First St., Artesia, NM 88210
District III
1000 Rio Brazos Road, Aztec, NM 87410
District IV
1220 S. St Francis Dr, Santa Fe, NM
87505

State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-107-B
Revised August 1, 2011

OIL CONSERVATION DIVISION
1220 S. St Francis Drive
Santa Fe, New Mexico 87505

Submit the original
application to the Santa Fe
office with one copy to the
appropriate District Office.

APPLICATION FOR SURFACE COMMINGLING (DIVERSE OWNERSHIP)

OPERATOR NAME: Marathon Oil Permian LLC

OPERATOR ADDRESS: 990 Town & Country Blvd., Houston, TX 77024

APPLICATION TYPE:

☐ Pool Commingling ☐ Lease Commingling ☐ Pool and Lease Commingling ☒ Off-Lease Storage and Measurement (Only if not Surface Commingled)

LEASE TYPE: ☐ Fee ☐ State ☒ Federal

Is this an Amendment to existing Order? ☐ Yes ☒ No If "Yes", please include the appropriate Order No. _____

Have the Bureau of Land Management (BLM) and State Land office (SLO) been notified in writing of the proposed commingling

☒ Yes ☐ No

(A) POOL COMMINGLING

Please attach sheets with the following information

(1) Pool Names and Codes	Gravities / BTU of Non-Commingled Production	Calculated Gravities / BTU of Commingled Production		Calculated Value of Commingled Production	Volumes

(2) Are any wells producing at top allowables? ☐ Yes ☐ No

(3) Has all interest owners been notified by certified mail of the proposed commingling? ☐ Yes ☐ No.

(4) Measurement type: ☐ Metering ☐ Other (Specify)

(5) Will commingling decrease the value of production? ☒ Yes ☐ No If "yes", describe why commingling should be approved

(B) LEASE COMMINGLING

Please attach sheets with the following information

(1) Pool Name and Code.

(2) Is all production from same source of supply? ☐ Yes ☐ No

(3) Has all interest owners been notified by certified mail of the proposed commingling? ☐ Yes ☐ No

(4) Measurement type: ☐ Metering ☐ Other (Specify)

(C) POOL and LEASE COMMINGLING

Please attach sheets with the following information

(1) Complete Sections A and E.

(D) OFF-LEASE STORAGE and MEASUREMENT

Please attached sheets with the following information

(1) Is all production from same source of supply? ☒ Yes ☐ No Salt Lake; Bone Spring (53560)

(2) Include proof of notice to all interest owners. See Attached.

(E) ADDITIONAL INFORMATION (for all application types)

Please attach sheets with the following information

(1) A schematic diagram of facility, including legal location. See attached C102s

(2) A plat with lease boundaries showing all well and facility locations. Include lease numbers if Federal or State lands are involved.

(3) Lease Names, Lease and Well Numbers, and API Numbers.

See attached C102s

I hereby certify that the information above is true and complete to the best of my knowledge and belief.

SIGNATURE: Adrian Covarrubias

TITLE: Adv. Regulatory Compliance Rep.

DATE: 12/4/2024

TYPE OR PRINT NAME Adrian Covarrubias

TELEPHONE NO.: 713-296-3368

E-MAIL ADDRESS: acovarrubias@marathonoil.com

Off-Lease Measurement & Storage
Queenie Federal Com 503H & 504H

Marathon Oil Permian LLC is applying for off-lease storage and measurement under 19.15.23.9 NMAC for Off-Lease Transportation or Storage Prior to Measurement.

Production is from the same common source of supply/lease.

If future wells are from different leases are added to this tank battery, a surface commingling application will be submitted as per 19.15.12.10.

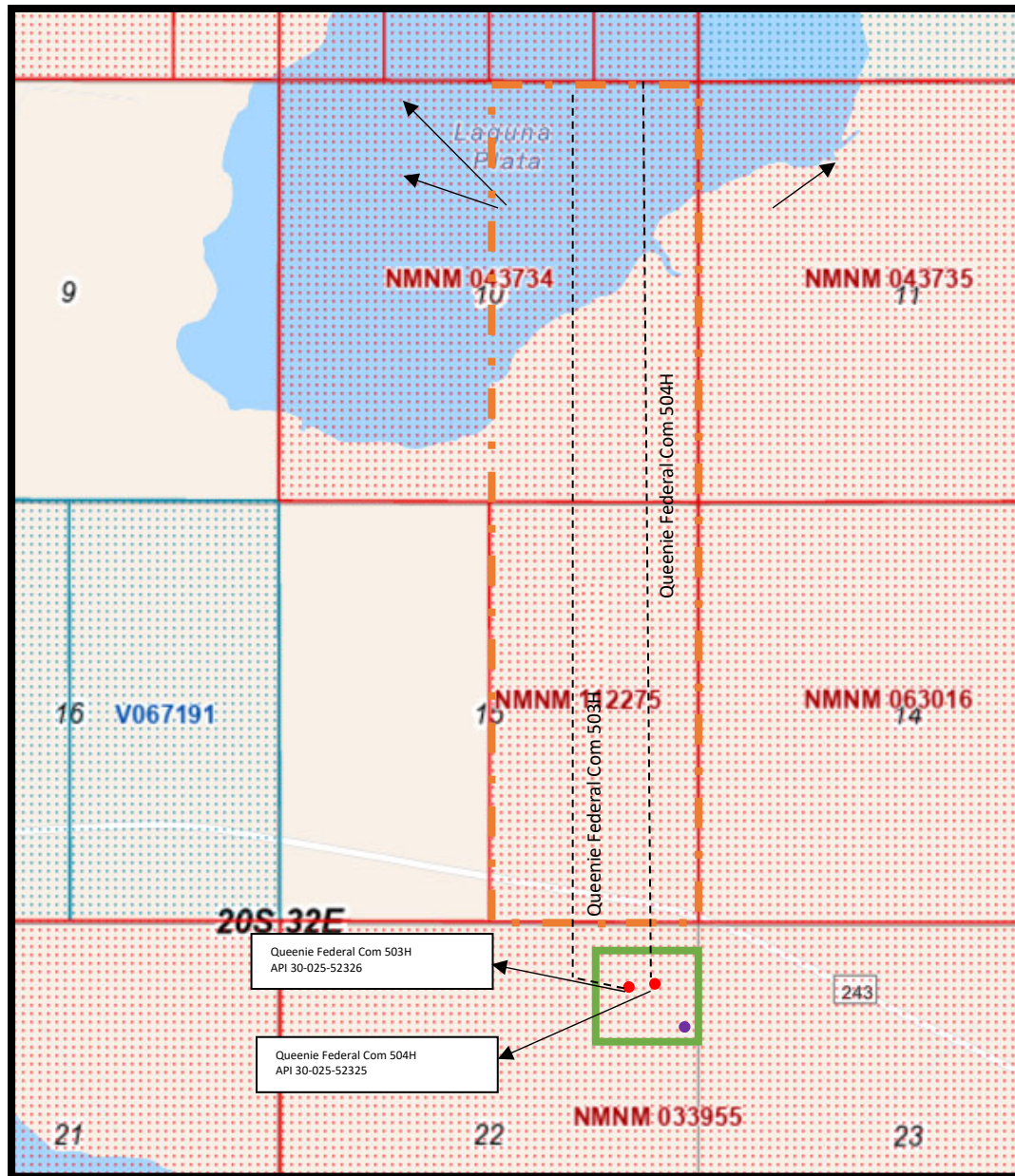
List of Wells, Leases, and Pools

WELL NAME	API #	LEASE	POOL (CODE)
Queenie Federal Com 503H	30-025-52326	CA Pending (Bone Spring) E2 Sec 15, 10 T20S-R32E	SALT LAKE; BONE SPRING (53560)
Queenie Federal Com 504H	30-025-52325	CA Pending (Bone Spring) E2 Sec 15, 10 T20S-R32E	SALT LAKE; BONE SPRING (53560)

Oil, gas, and water produced from the wells will be piped to the tank battery located on pad (location UL. a-Sec.22-T26S-R29E) which is located outside the Communitization Agreement. Please see attached maps.

Off-Lease Measurement & Storage
Queenie Federal Com 503H & 504H

Lease Map

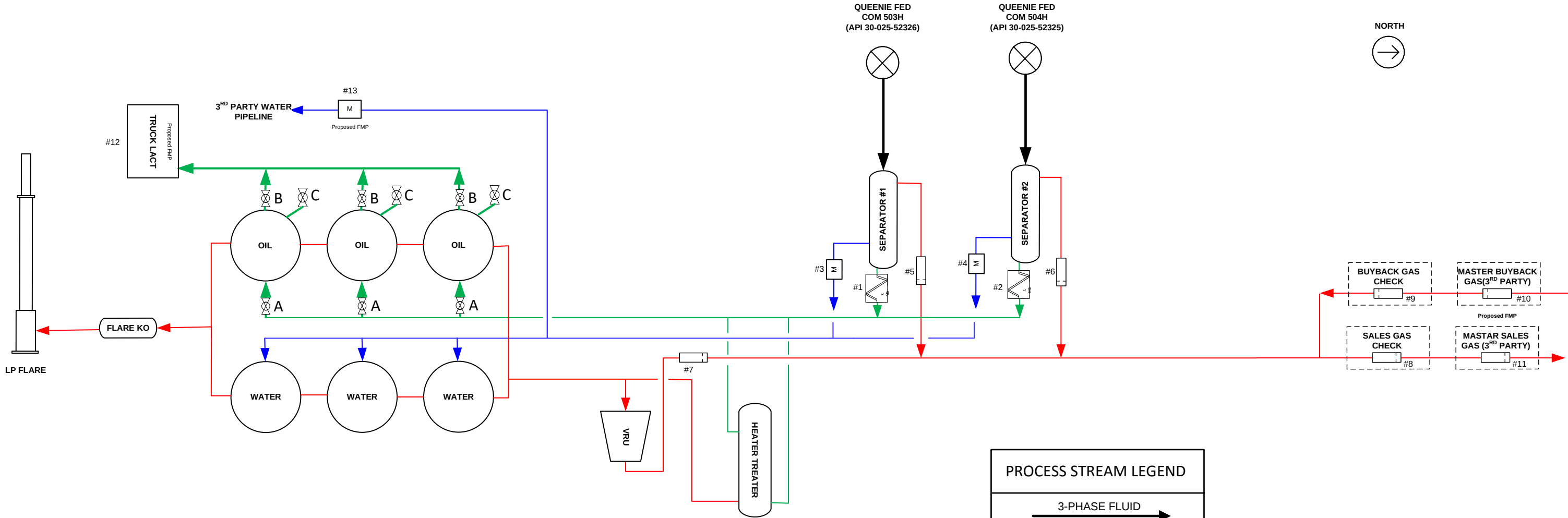


Legend:

- Wells
- Well Pad
- CA - Pending E2 Sec 15 & E2 Sec 10 of T20S-R32E); Bone Spring
- Proposed Facility Measurement Point



QUEENIE FED COM CTB SITE FACILITY PLAN



LEASE: NMNM112275
LAND DESCRIPTION: SEC22-T20S-R32E
LAT/LONG: 32.563420N, 103.746543W, NAD83

FLOW MEASUREMENT DEVICE LEGEND	
	Custody Transfer Gas Meter
	Allocation Gas Meter
	Coriolis Measurement System (CMS)
	Lease Automatic Custody Transfer (LACT) Unit
	Water Allocation Transfer Meter
	Water Custody Transfer Meter

PRODUCTION PHASE	
A	OPEN
B	CLOSED
C	CLOSED
LACT SALES	
A	CLOSED
B	OPEN
C	CLOSED
RECYCLE	
A	CLOSED
B	CLOSED
C	OPEN

Valve position may vary per tank

PROCESS STREAM LEGEND

3-PHASE FLUID

GAS

OIL

WATER

NOTE(S)
1.) EQUIPMENT DIMENSIONS ARE NOT TO SCALE.
2.) SITE FACILITY PLAN SUBJECT TO CHANGE.

THE FOLLOWING GAS, OIL, AND WATER PROCESS DESCRIPTIONS OUTLINE PROCESS FLOW AND MEASUREMENT ON THIS PARTICULAR MULTI-WELL FACILITY DESIGN.

GAS: GAS PRODUCTION FROM EACH WELL WILL BE INPEDEPENDENTLY MEASURED AT ITS WELL-ALLOCATION GAS MEASUREMENT POINT WITHIN THE FACILITY GAS HEADER. THE GAS STREAM WILL THEN PASS THROUGH THE PREVIOUSLY DEFINED "GAS CDP FMP" WHERE IT WILL BE CUSTODY TRANSFERRED. THE RESULTING COMMINGLED CUSTODY TRANSFERRED GAS VOLUMES WILL THEN BE ALLOCATED BACK TO EACH PRODUCING WELL BASED ON FLOW MEASURED AT EACH WELL-ALLOCATION MEASUREMENT POINT PREVIOUSLY MENTIONED.

OIL: OIL PRODUCTION FROM EACH WELL WILL BE INPEDEPENDENTLY MEASURED AT ITS DEFINED "OIL FMP" WITHIN THE FACILITY OIL HEADER WHERE THE OIL WILL THEN BE ROUTED TO ITS DESIGNATED CUSTODY TRANSFER POINT. OIL VOLUMES MEASURED AT EACH WELL-SPECIFIC "OIL FMP" WILL BE ALLOCATED BACK TO THAT SPECIFIC WELL.

WATER: WATER PRODUCTION FROM EACH WELL WILL BE INPEDEPENDENTLY MEASURED AT ITS WELL-ALLOCATION WATER MEASUREMENT POINT PRIOR TO BEING COMMINGLED WITH ADDITIONAL WATER STREAMS FROM ADDITIONAL WELLS WITHIN THE FACILITY WATER HEADER WHERE THE COMMINGLED WATER WILL THEN BE ROUTED TO ITS DESIGNATED CUSTODY TRANSFER POINT. THE RESULTING COMMINGLED CUSTODY TRANSFERRED WATER VOLUMES WILL THEN BE ALLOCATED BACK TO EACH PRODUCING WELL BASED ON FLOW MEASURED AT EACH WELL-ALLOCATION MEASUREMENT POINT PREVIOUSLY MENTIONED.



QUEENIE FED COM CTB SITE FACILITY PLAN

Item No.	Component	Meter Description	Manufacturer	Model	Type	Sequence No.
1	Queenie Fed Com 503H	Oil Allocation	Micro Motion	R200S	Coriolis	21272836
2	Queenie Fed Com 504H	Oil Allocation	Micro Motion	R200S	Coriolis	21272950
3	Queenie Fed Com 503H	Water Allocation	Rosemount	8705	Magnetic	21456625
4	Queenie Fed Com 504H	Water Allocation	Rosemount	8705	Magnetic	21456615
5	Queenie Fed Com 503H	Gas Allocation	Canalta	460DC40	Orifice	D0410629K
6	Queenie Fed Com 504H	Gas Allocation	Canalta	460DC40	Orifice	D0410617K
10	Queenie CTB	VRU Gas Meter	Canalta	260DC40	Orifice	D026324M24
11	Queenie CTB	Sales Gas Check Meter	Canalta	460DC40	Orifice	D0410613K
12	Queenie CTB	Buyback Gas Check Meter	Canalta	260DC40	Orifice	D0205559M23
13	Queenie CTB	Master Buyback Meter	Targa 3rd Party		Orifice	
14	Queenie CTB	Master Sales Meter (Proposed FMP)	Targa 3rd Party		Orifice	
15	Queenie CTB	Truck LACT (Proposed FMP)			Coriolis	
16	Queenie CTB	Water Transfer (Proposed FMP)	Rosemount	8705	Magnetic	21426737

C-102 Submit Electronically Via OCD Permitting	State of New Mexico Energy, Minerals, & Natural Resources Department OIL CONSERVATION DIVISION	Revised July 9, 2024
	Submittal Type: ☐ Initial Submittal ☐ Amended Report ☒ As Drilled	

WELL LOCATION INFORMATION

API Number 30-025-52326	Pool Code 53560	Pool Name SALT LAKE; BONE SPRING
Property Code 335074	Property Name QUEENIE FEDERAL COM	Well Number 503H
OGRID No. 372098	Operator Name MARATHON OIL PERMIAN LLC	Ground Level Elevation 3529'
Surface Owner: ☐ State ☐ Fee ☐ Tribal ☒ Federal		Mineral Owner: ☐ State ☐ Fee ☐ Tribal ☒ Federal

Surface Location

UL A	Section 22	Township 20S	Range 32E	Lot	Ft. from N/S 100' FNL	Ft. from E/W 450' FEL	Latitude (NAD83) 32.56566594	Longitude (NAD83) -103.74693011	County LEA
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Bottom Hole Location

UL B	Section 10	Township 20S	Range 32E	Lot	Ft. from N/S 88' FNL	Ft. from E/W 1660' FEL	Latitude (NAD83) 32.59473461	Longitude (NAD83) -103.75085867	County LEA
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Dedicated Acres 640.00	Infill or Defining Well	Defining Well API	Overlapping Spacing Unit (Y/N)	Consolidation Code
Order Numbers:			Well setbacks are under Common Ownership: ☐ Yes ☐ No	

Kick Off Point (KOP)

UL B	Section 22	Township 20S	Range 32E	Lot	Ft. from N/S 569' FNL	Ft. from E/W 1591' FEL	Latitude (NAD83) 32.56438814	Longitude (NAD83) -103.75063414	County LEA
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First Take Point (FTP)

UL O	Section 15	Township 20S	Range 32E	Lot	Ft. from N/S 110' FSL	Ft. from E/W 1663' FEL	Latitude (NAD83) 32.56625471	Longitude (NAD83) -103.75086618	County LEA
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Last Take Point (LTP)

UL B	Section 10	Township 20S	Range 32E	Lot	Ft. from N/S 117' FNL	Ft. from E/W 1661' FEL	Latitude (NAD83) 32.59463841	Longitude (NAD83) -103.75085992	County LEA
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Unitized Area or Area of Uniform Interest	Spacing Unit Type: ☒ Horizontal ☐ Vertical	Ground Floor Elevation 3529'
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OPERATOR CERTIFICATIONS

I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and, if the well is a vertical or directional well, that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of a working interest or unleased mineral interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.

If this well is a horizontal well, I further certify that this organization has received the consent of at least one lessee or owner of a working interest or unleased mineral interest in each tract (in the target pool or formation) in which any part of the well's completed interval will be located or obtained a compulsory pooling order from the division.

Krystal Bartholomew 11/5/2024
Signature Date

Krystal Bartholomew
Printed Name

kbartholomew@marathonoil.com
Email Address

SURVEYOR CERTIFICATIONS

I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief. Data used for underground measurements were provided by others for reference only and does not constitute field measurements performed by Delta Field Services



Signature and Seal of Professional Surveyor

Certificate Number 29049	Date of Survey AUGUST 15, 2024
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ACREAGE DEDICATION PLATS

QUEENIE FEDERAL COM 503H

BHL
FNL 88' FEL 1660', SECTION 10
20568' MEASURED DEPTH IN FEET
NAD 83, SPCS NM EAST
X:720723.79' / Y:580586.38'
LAT:32.59473461 / LON:-103.75085867
NAD 27, SPCS NM EAST
X:679543.67' / Y:580524.01'
LAT:32.59461328 / LON:-103.75036107

LTP
FNL 117' FEL 1661', SECTION 10
20533' MEASURED DEPTH IN FEET
NAD 83, SPCS NM EAST
X:720723.59' / Y:580551.38'
LAT:32.59463841 / LON:-103.75085992
NAD 27, SPCS NM EAST
X:679543.48' / Y:580489.01'
LAT:32.59451708 / LON:-103.75036233

PPP-2
FSL 0' FEL 1639', SECTION 10
15373' MEASURED DEPTH IN FEET
NAD 83, SPCS NM EAST
X:720770.44' / Y:575392.45'
LAT:32.58045782 / LON:-103.75079955
NAD 27, SPCS NM EAST
X:679590.18' / Y:575330.20'
LAT:32.58033640 / LON:-103.75030249

FTP/PPP-1
FSL 110' FEL 1663', SECTION 15
10203' MEASURED DEPTH IN FEET
NAD 83, SPCS NM EAST
X:720778.20' / Y:570225.11'
LAT:32.56625471 / LON:-103.75086618
NAD 27, SPCS NM EAST
X:679597.79' / Y:570163.00'
LAT:32.56613321 / LON:-103.75036966

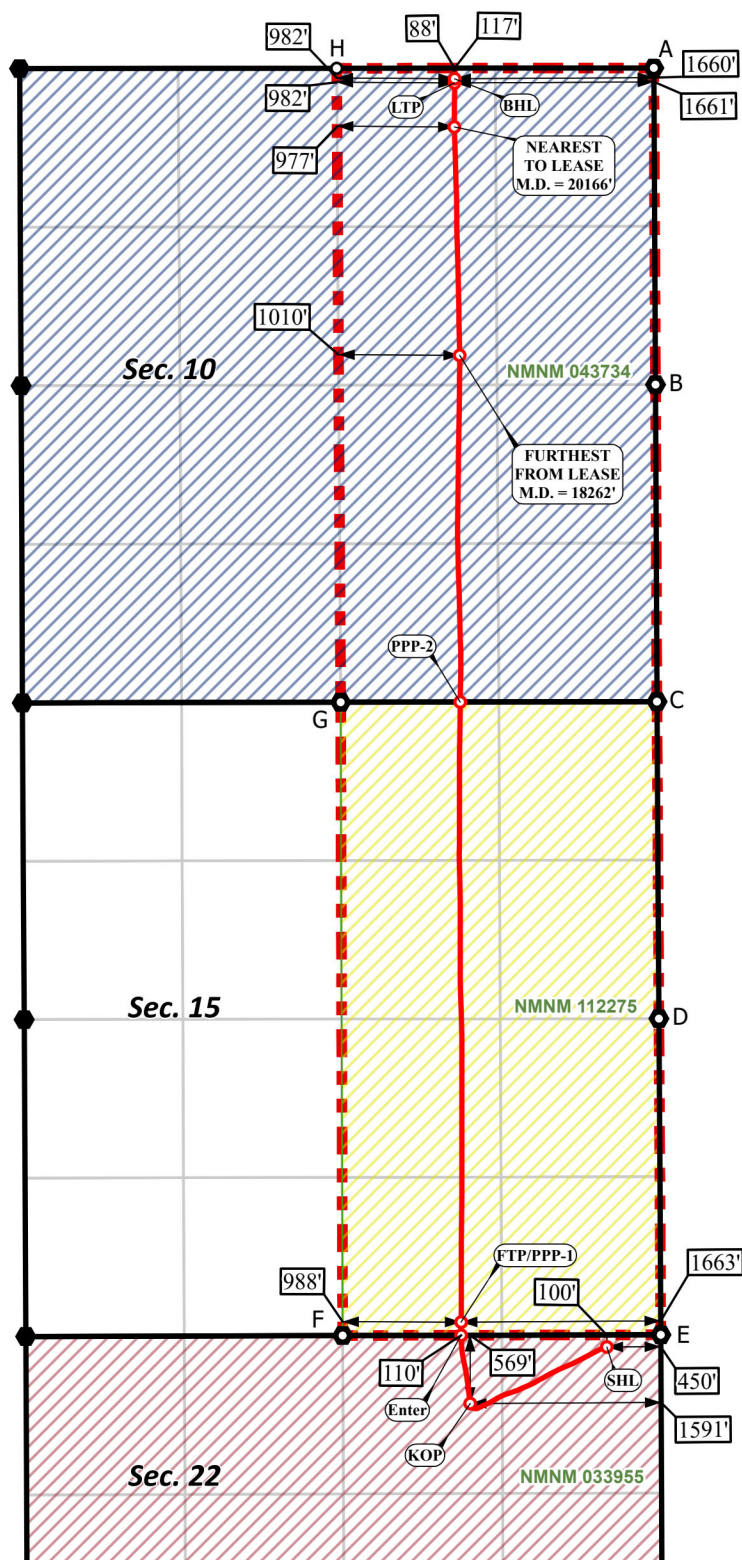
KOP
FNL 569' FEL 1591', SECTION 22
9170' MEASURED DEPTH IN FEET
NAD 83, SPCS NM EAST
X:720853.40' / Y:569546.43'
LAT:32.56438814 / LON:-103.75063414
NAD 27, SPCS NM EAST
X:679672.98' / Y:569484.33'
LAT:32.56426662 / LON:-103.75013770

SHL
FNL 100' FEL 450', SECTION 22
0' MEASURED DEPTH IN FEET
NAD 83, SPCS NM EAST
X:721991.98' / Y:570017.57'
LAT:32.56566594 / LON:-103.74693011
NAD 27, SPCS NM EAST
X:680811.56' / Y:569955.46'
LAT:32.56554440 / LON:-103.74643375

*FTP TO LTP LINE BEARINGS

FEDERAL LEASE ID	LENGTH
NMNM112275	5167.74'
NMNM043734	5166.42'
TOTAL	10334.16'

CORNER COORDINATES NAD 83, SPCS NM EAST	CORNER COORDINATES NAD 27, SPCS NM EAST
A - X: 722383.59' / Y: 580676.23'	A - X: 681203.46' / Y: 580613.84'
B - X: 722397.90' / Y: 578037.24'	B - X: 681217.70' / Y: 577974.92'
C - X: 722409.56' / Y: 575395.68'	C - X: 681229.28' / Y: 575333.42'
D - X: 722425.99' / Y: 572754.12'	D - X: 681245.64' / Y: 572691.93'
E - X: 722441.95' / Y: 570119.07'	E - X: 681261.52' / Y: 570056.94'
F - X: 719790.57' / Y: 570113.17'	F - X: 678610.16' / Y: 570051.06'
G - X: 719773.97' / Y: 575390.48'	G - X: 678593.71' / Y: 575328.24'
H - X: 719741.03' / Y: 580673.53'	H - X: 678560.91' / Y: 580611.16'



○ Drill Line Events ● Section Corners — Drill Line — Dimension Lines — Federal Leases — NMSLO — HSU ● HSU Corners
All bearings and coordinates refer to New Mexico State Plane Coordinate System, East Zone, U.S. Survey Feet.

JOB No. R3887_005
REV 2 NDS 8/15/2024



Distances/areas relative to NAD 83 grid measurements. Combined Scale Factor: 0.99977765 and a Convergence Angle: 0.316440372°

C-102 Submit Electronically Via OCD Permitting	State of New Mexico Energy, Minerals, & Natural Resources Department OIL CONSERVATION DIVISION	Revised July 9, 2024
	Submittal Type: ☐ Initial Submittal ☐ Amended Report ☒ As Drilled	

WELL LOCATION INFORMATION

API Number 30-025-52325	Pool Code 53560	Pool Name SALT LAKE; BONE SPRING
Property Code 335074	Property Name QUEENIE FEDERAL COM	Well Number 504H
OGRID No. 372098	Operator Name MARATHON OIL PERMIAN LLC	Ground Level Elevation 3529'
Surface Owner: ☐ State ☐ Fee ☐ Tribal ☒ Federal		Mineral Owner: ☐ State ☐ Fee ☐ Tribal ☒ Federal

Surface Location

UL A	Section 22	Township 20S	Range 32E	Lot	Ft. from N/S 108' FNL	Ft. from E/W 421' FEL	Latitude (NAD83) 32.56564533	Longitude (NAD83) -103.74683592	County LEA
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Bottom Hole Location

UL A	Section 10	Township 20S	Range 32E	Lot	Ft. from N/S 101' FNL	Ft. from E/W 332' FEL	Latitude (NAD83) 32.59468270	Longitude (NAD83) -103.74654612	County LEA
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Dedicated Acres 640.00	Infill or Defining Well	Defining Well API	Overlapping Spacing Unit (Y/N)	Consolidation Code
Order Numbers:			Well setbacks are under Common Ownership: ☐ Yes ☐ No	

Kick Off Point (KOP)

UL A	Section 22	Township 20S	Range 32E	Lot	Ft. from N/S 571' FNL	Ft. from E/W 307' FEL	Latitude (NAD83) 32.56437226	Longitude (NAD83) -103.74646625	County LEA
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First Take Point (FTP)

UL P	Section 15	Township 20S	Range 32E	Lot	Ft. from N/S 115' FSL	Ft. from E/W 336' FEL	Latitude (NAD83) 32.56624411	Longitude (NAD83) -103.74655722	County LEA
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Last Take Point (LTP)

UL A	Section 10	Township 20S	Range 32E	Lot	Ft. from N/S 136' FNL	Ft. from E/W 332' FEL	Latitude (NAD83) 32.59458651	Longitude (NAD83) -103.74654480	County LEA
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Unitized Area or Area of Uniform Interest	Spacing Unit Type: ☒ Horizontal ☐ Vertical	Ground Floor Elevation 3529'
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OPERATOR CERTIFICATIONS

I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and, if the well is a vertical or directional well, that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of a working interest or unleased mineral interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.

If this well is a horizontal well, I further certify that this organization has received the consent of at least one lessee or owner of a working interest or unleased mineral interest in each tract (in the target pool or formation) in which any part of the well's completed interval will be located or obtained a compulsory pooling order from the division.

Krystal Bartholomew 11/6/2024
Signature Date

Krystal Bartholomew
Printed Name

kbartholomew@marathonoil.com
Email Address

SURVEYOR CERTIFICATIONS

I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief. Data used for underground measurements were provided by others for reference only and does not constitute field measurements performed by Delta Field Services



Signature and Seal of Professional Surveyor

Certificate Number

29049

Date of Survey

AUGUST 15, 2024

ACREAGE DEDICATION PLATS

QUEENIE FEDERAL COM 504H

BHL
FNL 101' FEL 332', SECTION 10
20462' MEASURED DEPTH IN FEET
NAD 83, SPCS NM EAST
X:722052.06' / Y:580574.80'
LAT:32.59468270 / LON:-103.74654612
NAD 27, SPCS NM EAST
X:680871.93' / Y:580512.42'
LAT:32.59456133 / LON:-103.74604866

LTP
FNL 136' FEL 332', SECTION 10
20427' MEASURED DEPTH IN FEET
NAD 83, SPCS NM EAST
X:722052.66' / Y:580539.81'
LAT:32.59458651 / LON:-103.74654480
NAD 27, SPCS NM EAST
X:680872.53' / Y:580477.43'
LAT:32.59446515 / LON:-103.74604734

PPP-2
FSL 0' FEL 336', SECTION 10
15277' MEASURED DEPTH IN FEET
NAD 83, SPCS NM EAST
X:722073.27' / Y:575395.02'
LAT:32.58044521 / LON:-103.74657002
NAD 27, SPCS NM EAST
X:680893.00' / Y:575332.77'
LAT:32.58032376 / LON:-103.74607310

FTP/PPP-1
FSL 115' FEL 336', SECTION 15
10104' MEASURED DEPTH IN FEET
NAD 83, SPCS NM EAST
X:722105.70' / Y:570228.55'
LAT:32.56624411 / LON:-103.74655722
NAD 27, SPCS NM EAST
X:680925.28' / Y:570166.43'
LAT:32.56612257 / LON:-103.74606084

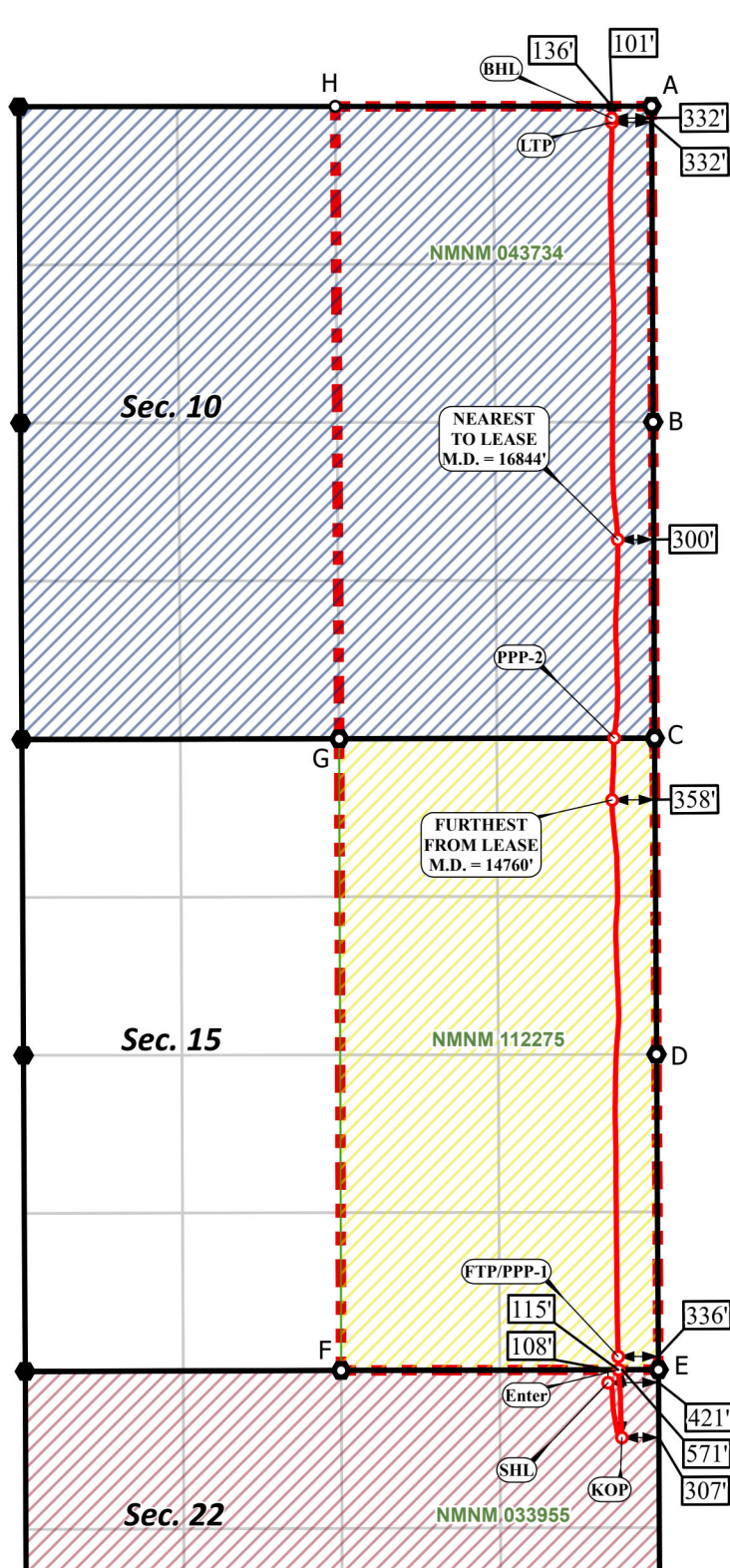
KOP
FNL 571' FEL 307', SECTION 22
8983' MEASURED DEPTH IN FEET
NAD 83, SPCS NM EAST
X:722137.48' / Y:569547.71'
LAT:32.56437226 / LON:-103.74646625
NAD 27, SPCS NM EAST
X:680957.04' / Y:569485.60'
LAT:32.56425071 / LON:-103.74596995

SHL
FNL 108' FEL 421', SECTION 22
0' MEASURED DEPTH IN FEET
NAD 83, SPCS NM EAST
X:722021.04' / Y:570010.23'
LAT:32.56564533 / LON:-103.74683592
NAD 27, SPCS NM EAST
X:680840.62' / Y:569948.12'
LAT:32.56552378 / LON:-103.74633956

*FTP TO LTP LINE BEARINGS

FEDERAL LEASE ID	LENGTH
NMNM112275	5165.77'
NMNM043734	5149.52'
TOTAL	10315.29'

CORNER COORDINATES NAD 83, SPCS NM EAST	CORNER COORDINATES NAD 27, SPCS NM EAST
A - X: 722383.59' / Y: 580676.23'	A - X: 681203.46' / Y: 580613.84'
B - X: 722397.90' / Y: 578037.24'	B - X: 681217.70' / Y: 577974.92'
C - X: 722409.56' / Y: 575395.68'	C - X: 681229.28' / Y: 575333.42'
D - X: 722425.99' / Y: 572754.12'	D - X: 681245.64' / Y: 572691.93'
E - X: 722441.95' / Y: 570119.07'	E - X: 681261.52' / Y: 570056.94'
F - X: 719790.57' / Y: 570113.17'	F - X: 678610.16' / Y: 570051.06'
G - X: 719773.97' / Y: 575390.48'	G - X: 678593.71' / Y: 575328.24'
H - X: 719741.03' / Y: 580673.53'	H - X: 678560.91' / Y: 580611.16'



○ Drill Line Events ● Section Corners — Drill Line ↔ Dimension Lines □ Federal Leases □ NMSLO □ HSU ● HSU Corners
All bearings and coordinates refer to New Mexico State Plane Coordinate System, East Zone, U.S. Survey Feet.

JOB No. R3887_005
REV 2 NDS 8/15/2024

Distances/areas relative to NAD 83 grid measurements. Combined Scale Factor: 0.99977765 and a Convergence Angle: 0.31644037°

Form 3160-5
(June 2019)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB No. 1004-0137
Expires: October 31, 2021

SUNDRY NOTICES AND REPORTS ON WELLS
Do not use this form for proposals to drill or to re-enter an abandoned well. Use Form 3160-3 (APD) for such proposals.

5. Lease Serial No. MULTIPLE

6. If Indian, Allottee or Tribe Name MULTIPLE

SUBMIT IN TRIPLICATE - Other instructions on page 2

7. If Unit of CA/Agreement, Name and/or No. MULTIPLE

1. Type of Well
☐ Oil Well ☐ Gas Well ☐ Other

8. Well Name and No. MULTIPLE

2. Name of Operator MARATHON OIL PERMIAN LLC

9. API Well No. MULTIPLE

3a. Address 990 TOWN & COUNTRY BLVD, HOUSTON, TX

3b. Phone No. (include area code) (713) 296-2113

10. Field and Pool or Exploratory Area MULTIPLE

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

11. Country or Parish, State MULTIPLE

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

TYPE OF SUBMISSION	TYPE OF ACTION				
☒ Notice of Intent	☐ Acidize	☐ Deepen	☐ Production (Start/Resume)	☐ Water Shut-Off	
☐ Subsequent Report	☐ Alter Casing	☐ Hydraulic Fracturing	☐ Reclamation	☐ Well Integrity	
☐ Final Abandonment Notice	☐ Casing Repair	☐ New Construction	☐ Recomplete	☒ Other	
	☐ Change Plans	☐ Plug and Abandon	☐ Temporarily Abandon		
	☐ Convert to Injection	☐ Plug Back	☐ Water Disposal		

13. Describe Proposed or Completed Operation: Clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recompleate horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be perfonned or provide the Bond No. on file with BLM/BIA. Required subsequent reports must be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompletion in a new interval, a Form 3160-4 must be filed once testing has been completed. Final Abandonment Notices must be filed only after all requirements, including reclamation, have been completed and the operator has detennined that the site is ready for final inspection.)

Marathon Oil Permian LLC has submitted the attached offlease storage and measurement application to the NMOCD. As per regulations we are submitting this application as a notification to the BLM.

Although the wells are located off-lease from the leases it produced, the proposed FMP is located on pad. Per 43 CFR 3173.28(a), this does not constitute off-lease measurement for BLM approval.

14. I hereby certify that the foregoing is true and correct. Name (Printed/Typed) ADRIAN COVARRUBIAS / Ph: (713) 296-3368

regulatory Compliance Representative

(Electronic Submission)

Signature

Date 12/04/2024

THE SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

Title

Date

Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Office

Title 18 U.S.C Section 1001 and Title 43 U.S.C Section 1212, make 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.

(Instructions on page 2)



Macie Valles
Land Negotiator
600 W. Illinois Ave
Midland, TX 79701
Macie.Valles@conocophillips.com

July 14, 2025

RE: Queenie Fed Com 503H & 504H

To whom it may concern,

The revenue owners for the Queenie Fed Com 503H (API # 30-05-52326) and Queenie Fed Com 504H (API # 30-05-52326) wells are identical. As defined in NMAC 19.15.12.7.B, identical ownership means leases or pools have the same working, royalty and overriding royalty owners in exactly the same percentages.

Sincerely,

A handwritten signature in black ink that reads "Macie Valles".

Macie Valles
Land Negotiator

**STATE OF NEW MEXICO
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT
OIL CONSERVATION DIVISION**

**APPLICATION FOR OFF-LEASE MEASUREMENT
SUBMITTED BY MARATHON OIL PERMIAN, LLC**

ORDER NO. OLM-305

ORDER

The Director of the New Mexico Oil Conservation Division ("OCD"), having considered the application and the recommendation of the Engineering Bureau, issues the following Order.

FINDINGS OF FACT

1. Marathon Oil Permian, LLC ("Applicant") submitted a complete application to off-lease measure the oil and gas production ("Application") from the wells, pool, and lease identified in Exhibit A.
2. Applicant provided notice of the Application to all persons owning a working interest in the oil and gas production to be off-lease measured in accordance with 19.15.23.9(A)(5) NMAC, and those persons either submitted a written waiver or did not file an objection to the Application.
3. Applicant provided notice of the Application to the Bureau of Land Management or New Mexico State Land Office, as applicable.

CONCLUSIONS OF LAW

4. OCD has jurisdiction to issue this Order pursuant to the Oil and Gas Act, NMSA 1978, §§ 70-2-6, 70-2-11, 70-2-12, and 19.15.23 NMAC.
5. Applicant satisfied the notice requirements for the Application in accordance with 19.15.23.9(A)(5) NMAC.
6. By granting the Application with the conditions specified below, this Order prevents waste and protects correlative rights, public health, and the environment.

ORDER

1. Applicant is authorized to store and measure oil and gas production off-lease from the pools, leases, and wells identified in Exhibit A at a central tank battery described in Exhibit A.
2. The oil and gas production from the wells identified in Exhibit A shall be physically separated from the oil and gas production from other wells and no commingling of production from different leases or pools shall occur in accordance with 19.15.23.9(A)(3) NMAC and 19.15.23.9(A)(4) NMAC, except as otherwise provided in order(s) issued by OCD.

3. Applicant shall measure and market the commingled oil at a central tank battery described in Exhibit A in accordance with this Order and 19.15.18.15 NMAC or 19.15.23.8 NMAC.
4. Applicant shall measure and market the commingled gas at a central delivery point, central tank battery, or gas title transfer meter described in Exhibit A in accordance with this Order and 19.15.19.9 NMAC, provided however that if the gas is vented or flared, and regardless of the reason or authorization pursuant to 19.15.28.8(B) NMAC for such venting or flaring, Applicant shall measure or estimate the gas in accordance with 19.15.28.8(E) NMAC.
5. Applicant shall calibrate the meters used to measure or allocate oil and gas production in accordance with 19.15.12.10(C)(2) NMAC.
6. OCD retains jurisdiction of this matter and reserves the right to modify or revoke this Order as it deems necessary.

**STATE OF NEW MEXICO
OIL CONSERVATION DIVISION**



**ALBERT C.S. CHANG
DIRECTOR**

DATE: 09/04/2026

State of New Mexico
Energy, Minerals and Natural Resources Department

Exhibit A

Order: OLM-305
Operator: Marathon Oil Permian, LLC (372098)
Central Tank Battery: Queenie Federal Com 503H & 504H
Central Tank Battery Location: UL A, Section 22, Township 20 South, Range 32 East
Gas Title Transfer Meter Location: UL A, Section 22, Township 20 South, Range 32 East

Pools

Pool Name	Pool Code
SALT LAKE;BONE SPRING	53560

Leases as defined in 19.15.12.7(C) NMAC

Lease	UL or Q/Q	S-T-R
CA Bone Spring NMNM 106391221	E2	10-20S-32E
	E2	15-20S-32E

Wells

Well API	Well Name	UL or Q/Q	S-T-R	Pool
30-025-52326	QUEENIE FEDERAL COM #503H	E2	10-20S-32E	53560
		E2	15-20S-32E	
30-025-52325	QUEENIE FEDERAL COM #504H	E2	10-20S-32E	53560
		E2	15-20S-32E	

Sante Fe Main Office
Phone: (505) 476-3441

General Information
Phone: (505) 629-6116

Online Phone Directory
<https://www.emnrd.nm.gov/ocd/contact-us>

State of New Mexico
Energy, Minerals and Natural Resources
Oil Conservation Division
1220 S. St Francis Dr.
Santa Fe, NM 87505

CONDITIONS

Action 484550

CONDITIONS

Operator: MARATHON OIL PERMIAN LLC 600 W Illinois Ave Midland, TX 79701	OGRID: 372098
	Action Number: 484550
	Action Type: [C-107] Surface Commingle or Off-Lease (C-107B)

CONDITIONS

Created By	Condition	Condition Date
sarah.clelland	Please review the content of the order to ensure you are familiar with the authorities granted and any conditions of approval. If you have any questions regarding this matter, please email us at OCD.Engineer@emnrd.nm.gov .	9/8/2026